Ismail Industries Limited

STRENGTH IN EVERY LINK



INTEGRATED ANNUAL REPORT 2026

STRENGTH IN EVERY LINK

About the Theme

A chain carries its strength within itself. Nothing outside it holds it together. The links do that on their own, each one holding the next, the whole growing stronger the more tightly it holds.

That is how Ismail Industries Limited is built. As a backward integrated conglomerate, our food vertical sits at the core of the business, while our packaging films and plastics verticals reinforce it and draw strength from it in return. Each vertical is strong in its own right. Together, they form something steadier than any one of them alone.

Beyond this core stand our strategic diversifications. Our pharmaceuticals and therapeutic nutrition verticals carry the Group into high-value industrial categories. With Bisconni Manufacturing Middle East LLC nearing commissioning, the chain pulls forward, strengthening our footprint in the Gulf and beyond.

This is the self-reliance that keeps us resilient. The chain links reflect that idea, with each link carrying a colour drawn from our identity, representing the verticals that make up the Group.

WHO WE ARE

Founded in 1988, Ismail Industries Limited (IIL) is one of Pakistan's leading industrial groups, built on the enduring principles of honesty, dedication, and hard work. The Group's journey began with CandyLand, which went on to become a market leader in confectionery and a trusted household name for more than three decades. The principles that shaped those early years still guide how it operates today.

Over time, IIL widened its base well beyond confectionery. The launch of Bisconni in 2002 marked the Group's entry into biscuits, where it grew into one of Pakistan's fastest-growing brands. In 2006, SnackCity extended the portfolio into chips and peanuts, while Astro Films began manufacturing packaging and plastic films that same year. Today IIL is a backward-integrated group operating across food, nutrition, wheat flour, packaging films, plastic resins, energy, recycling, and pharmaceuticals.

Quality, safety, and compliance are central to how IIL works. The Company holds ISO 22000 and SANHA (South African National Halal Authority) certification, meeting internationally recognized food safety standards and globally accepted Halal practice. Over more than two decades of building an international presence, the Group has grown its exports to over 40 countries across North America, Europe, Australia, Africa, the Far East, and the Middle East.

Behind everything the Group has built are the people who steer progress, guided by belief, leadership, excellence, fairness, and teamwork. Beyond its commercial operations, the Group's social impact initiatives span nutrition, education, and healthcare, as part of a longstanding commitment to the communities in which it operates.



ABOUT THE REPORT

Dear Reader

At Ismail Industries Limited, transparency, accountability and sustainable value creation are integral to the way we conduct our business. This Annual Report for the year ended June 30, 2026, is intended to provide shareholders and other stakeholders with a clear, balanced and integrated view of the Group's performance, strategic direction, governance, risks and opportunities, sustainability priorities and future outlook. It seeks to demonstrate how the Group's diversified portfolio, financial and non-financial resources, strategic investments and stakeholder relationships contribute to long-term value creation.

The Report covers the period from July 1, 2025 to June 30, 2026 and reflects the progress made across the Group's food, nutrition, pharmaceutical, packaging and related businesses. It connects financial and non-financial information with the Group's business model, strategy, resource allocation, governance framework and operating environment, enabling stakeholders to better understand the factors shaping performance and future prospects.

Reporting Framework and Basis of Preparation

The Report has been developed with due consideration to applicable statutory and regulatory requirements, the principles of the International Integrated Reporting Framework, and the Best Corporate Reporting (BCR) criteria applicable for FY2025–26. It has been prepared with reference to the requirements of the Companies Act, 2017, applicable International Financial Reporting Standards (IFRS), the Listed Companies (Code of Corporate Governance) Regulations, 2019, and relevant rules, regulations, circulars and guidelines issued by the Securities and Exchange Commission of Pakistan (SECP) and the Pakistan Stock Exchange (PSX). Relevant sustainability disclosures have also been developed with reference to applicable sustainability reporting practices and recognized frameworks, where appropriate.

Report Boundary And Materiality

The Report covers Ismail Industries Limited and, where specifically stated, its subsidiaries and other Group entities. The disclosures encompass the Group's organizational overview, external environment, strategy and resource allocation, governance, IT and cybersecurity, risks and opportunities, business performance, sustainability, corporate social responsibility and financial performance. The reporting approach focuses on matters that are material to the Group's financial performance, strategic objectives, business continuity, stakeholder interests and long-term value creation.

Annual Accounts, Board Approval And Independent Assurance

This Report should be read in conjunction with the Standalone and Consolidated Financial Statements for the year ended June 30, 2026, which provide detailed information regarding the financial position and performance of the Company and the Group. The Directors' Report and the financial statements contained within have been approved by the Board of Directors at its meeting held on August 28, 2026. The financial statements have been independently audited by Grant Thornton Anjum Rahman, Chartered Accountants, the statutory auditors appointed in accordance with applicable laws and regulatory requirements.

Forward-Looking Statements

This Annual Report contains certain forward-looking statements relating to the Group's strategies, plans, expectations, projections and future business prospects. Such statements are based on management's current assessments, assumptions and expectations regarding prevailing economic, market, regulatory, geopolitical and business conditions. Forward-looking statements are inherently subject to risks, uncertainties and changes in circumstances, and actual results or future developments may therefore differ materially from those expressed or implied. The Company does not undertake to update or revise such statements except where required under applicable laws and regulations.

Our Commitment to Reporting

Ismail Industries Limited remains committed to continuously enhancing the quality, transparency, connectivity and relevance of its corporate reporting. Through an integrated presentation of financial and non-financial information, the Company seeks to provide stakeholders with meaningful insight into how the Group executes its strategy, manages risk, deploys resources, delivers performance and creates sustainable value over the short, medium and long term.

We hope you find this Annual Report informative and insightful.



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COMPANY PROFILE

Board of Directors

Mr. Muhammad M. Ismail	Chairman
Mr. Munsarim Saifullah	Chief Executive Officer
Mr. Ahmed Muhammad	Executive Director
Mr. Hamid Maqsood Ismail	Non-Executive Director
Mr. Maqsood Ismail	Non-Executive Director
Mr. Muhammad Zain	Independent Director
Ms. Tasneem Yusuf	Independent Director

Human Resource & Remuneration Committee

Mr. Muhammad Zain	Chairman
Mr. Maqsood Ismail	Member
Mr. Hamid Maqsood Ismail	Member

Audit Committee Members

Ms. Tasneem Yusuf	Chairperson
Mr. Muhammad M. Ismail	Member
Mr. Maqsood Ismail	Member

Head Office

17, Bangalore Town,
Main Shahrah-e-Faisal, Karachi,
Pakistan

Company Secretary

Mr. Abdul Basit

Legal Advisor

Mohsin Tayebaly & Co

Auditor

Grant Thornton Anjum Rahman
Chartered Accountants

Chief Financial Officer

Mr. Ahmed Raza Parekh

Share Registrar

THK Associates (Pvt.) Limited

Factories

Unit-1: C-230, H.I.T.E., Hub, Balochistan, Pakistan.

Unit-2: B-140, H.I.T.E., Hub, Balochistan, Pakistan.

Unit-3: G-1, H.I.T.E., Hub, Balochistan, Pakistan.

Unit-4: G-22, H.I.T.E., Hub, Balochistan, Pakistan.

Unit-5: 38-C, Sundar Industrial Estate, Raiwind Road, Lahore, Pakistan.

Unit-6: D-91, D-92 & D-94, North Western Industrial Zone, Port Qasim, Karachi, Sindh, Pakistan.

Unit-7: E164-168, North Western Zone, Port Qasim, Zone, Port Qasim, Karachi, Sindh, Pakistan.

Unit-8: E154-157, North Western Zone, Port Qasim, Karachi, Sindh, Pakistan.

Unit-9: G-1A, H.I.T.E., Hub, Balochistan, Pakistan.

Unit-10: E164-168, North Western Zone, Port Qasim, Karachi, Sindh, Pakistan.

Bankers / Institutions

Meezan Bank Limited

Habib Bank Limited

Askari Bank Limited

National Bank of Pakistan

MCB Bank Limited

Allied Bank Limited

Bank Al Falah Limited

JS Bank Limited

United Bank Limited

Faysal Bank Limited

Bank AL Habib Limited

Bank of Punjab



VISION

Ismail Industries' vision is to continue its growth trajectory in the coming years and to become the largest manufacturing company in Pakistan. It aims to serve its customers with delightful treats and products with the promise of taste and bringing smiles. The company plans to become the best snacking company in the country through its strategy focused on quality products, leveraging people's capabilities, employing technology for efficiency, bold innovation, and continuous process improvements.

MISSION

Our mission is to capitalize on our core values and maximize our customers' satisfaction through continuous efforts to deliver a consistent quality of products. We aim to constantly empower and enable our people to deliver value for our consumers. Our target is to extensively cater to the home markets and to strengthen our roots in international ones. The overarching mission of Ismail Industries Limited is to become a socially responsible organization that contributes towards the betterment, growth and development of Pakistan.



CORE VALUES



Belief

We keep dreams alive by having faith in ourselves and a clear sense of purpose, guiding our belief in our products, processes, partners, and above all, each other.

Leadership

We drive business performance through leadership that inspires people to unleash their individual and collective potential.

Excellence

We manifest excellence in our performance through a continuous journey of improvement, enabling us to consistently excel in everything we do.

Fairness

We uphold fairness as a professional behavior that establishes reliability and credibility by consistently doing what we say.

Teamwork

We leverage collective effort and nurture a culture of appreciation, empowering our people to work with integrity and responsibility.

CODE OF CONDUCT

Our Code of Conduct sets the standards of behaviour we expect of everyone who works at Ismail Industries Limited or acts on our behalf. It applies across the Group and its companies, to every employee irrespective of their role, contract, or location, guiding the way we do business, every day.

Respecting People and the Environment



Health, Safety & Environment

People are the heart of our Company, which means we always put health and safety first. Whether we are at our workplace, visiting sites, meeting with customers, or traveling, we must always follow safety rules and procedures. All employees are required to complete the necessary trainings and go through the laws, regulations, and Company's safety guidelines.

Respecting Human Rights

We are committed to respecting and promoting human rights. We are particularly vigilant on issues covered by the Fundamental Conventions of the International Labor Organization (prohibition of child labor and forced labor, respect for freedom of association), promotion of diversity, women's rights, respect for the rights of people to use their natural resources, and the right to health.

Working Together

We expect all employees to work together respectfully and openly. Teamwork is encouraged and successes, as well as failures, should be shared. We should all aim to give credit to other people's ideas and recognize the contributions of others. We should listen with generosity and share information as needed, subject to our Company's rules on confidentiality.

Lack of respect, through abusive speech, inappropriate gestures, or racist, discriminatory, or sexual remarks, is unacceptable. Disparagement of colleagues is also contrary to the Company's ethics. In this way, we will maintain a culture of loyalty, trust, solidarity, and respect for cultural differences throughout our business.

Non-Discrimination and Anti-Harassment

We treat people equally and fairly, based on the principle of non-discrimination. We respect cultural and individual diversity and promote inclusiveness. We employ, reward, and promote people based on the principle of equal opportunity.

Ismail Industries Limited does not tolerate harassment or any mistreatment by or of workers (including individual contributors, managers, and contingent workers), guests, clients, or agency partners in the workplace or in a work-related situation based on sex, race, color, nationality, ethnic or national origin, ancestry, citizenship, religion (or belief, where applicable), age, physical or mental disability, medical condition, sexual orientation, marital status, or any other category protected under applicable law(s).

Environmental Protection

We believe it is our responsibility to actively reduce our impact on the environment. Wherever we operate, we pay specific attention to reducing CO2 emissions and consumption of water, energy, and raw materials, and to increase the use of renewable energy. We also focus on reducing waste through recycling and reusing.

We expect our employees to contribute to these ambitions and encourage them to continuously introduce, develop, and improve sustainable initiatives in their day-to-day work. Employees are encouraged to challenge or report situations or decisions that go against or worsen our impact on the environment.

Conducting Business with Fairness & Integrity

Respecting Local Laws & Customs

Ismail Industries Limited is particularly attached to the spirit and the letter of laws governing quality, health and safety standards, labor, environment, corruption, money laundering, data privacy, taxation, accurate communication of financial and non-financial information, and fair competition.

The Company seeks to share these principles with its business partners and to ensure that such partners also respect these laws and regulations. We should also ensure, wherever possible, that we conduct our activities in a manner that is sensitive to the cultural and social traditions of communities with which we come into contact.

There may be instances when the guidance in this Code is at variance with the local law or customs of a particular country. In a case where local law or customs impose higher standards than those set out in the Code, local law and customs shall prevail. If, by contrast, the Code provides for a higher standard, the Code shall prevail unless this results in illegal activity.



Conflict of Interest

Employees are expected to use their judgment to act, always and in all ways, in the best interests of Ismail Industries Limited while performing their job duties. As such, employees should attempt to avoid actual or apparent conflicts of interest.

All employees are encouraged to "abstain and disclose" in situations where conflicts of interest arise. If it is not possible to avoid participating in the event or activity creating the conflict, (1) promptly disclose the potential conflict to your supervisor and submit a request to the Internal Review Committee via HR, and (2) avoid participating in decisions that might raise the appearance of a conflict until the Internal Review Committee reverts with a decision. The Internal Review Committee considers the facts and circumstances of the situation to decide whether corrective or mitigating action is appropriate.



Gifts & Entertainment

Giving or receiving gifts or entertainment to or from a current or future client or business partner can potentially create a conflict of interest, especially if the value of the item is significant.

Any acceptance of gifts must be disclosed to relevant parties such as the Line Manager, or any other relevant stakeholders. Complimentary tickets to a conference or training should be shared with the Line Manager for approval before accepting.



Anti-Corruption

Corruption in the form of bribery or facilitation payments is unacceptable and against Ismail Industries Limited's values and principles. Furthermore, the Company also strictly prohibits engaging in illegal and criminal activities such as money laundering, terrorist financing. Ismail Industries Limited and its Companies do not conduct business with individuals, entities, governments, or countries if doing so violates applicable (economic) sanctions.

Safeguarding Our Company Resources

Safeguarding the resources entrusted to us is fundamental to how we operate. We protect confidential information and personal data, maintain safeguards against fraud, and keep our financial and business records accurate and complete. Company assets are used responsibly and for their intended purpose, insider trading rules are observed without exception, and all communication on our behalf upholds our reputation.

OUR ETHICAL PRINCIPLES

Our people are ambassadors of Ismail Industries Limited, and so we encourage them to act as one and to be mindful of their own reputation as well as the Company's.

Our Ethical Principles outline how employees must act on behalf of our Company. These Principles apply to all individuals employed by the Company, regardless of the type of contract or the location of their work.



Integrity

- We communicate honestly
- We act with a clear intent
- We lead by example



Respect

- We treat others the way we want to be treated
- We actively listen to ideas and concerns with an open mind
- We value others' perspective



Courage

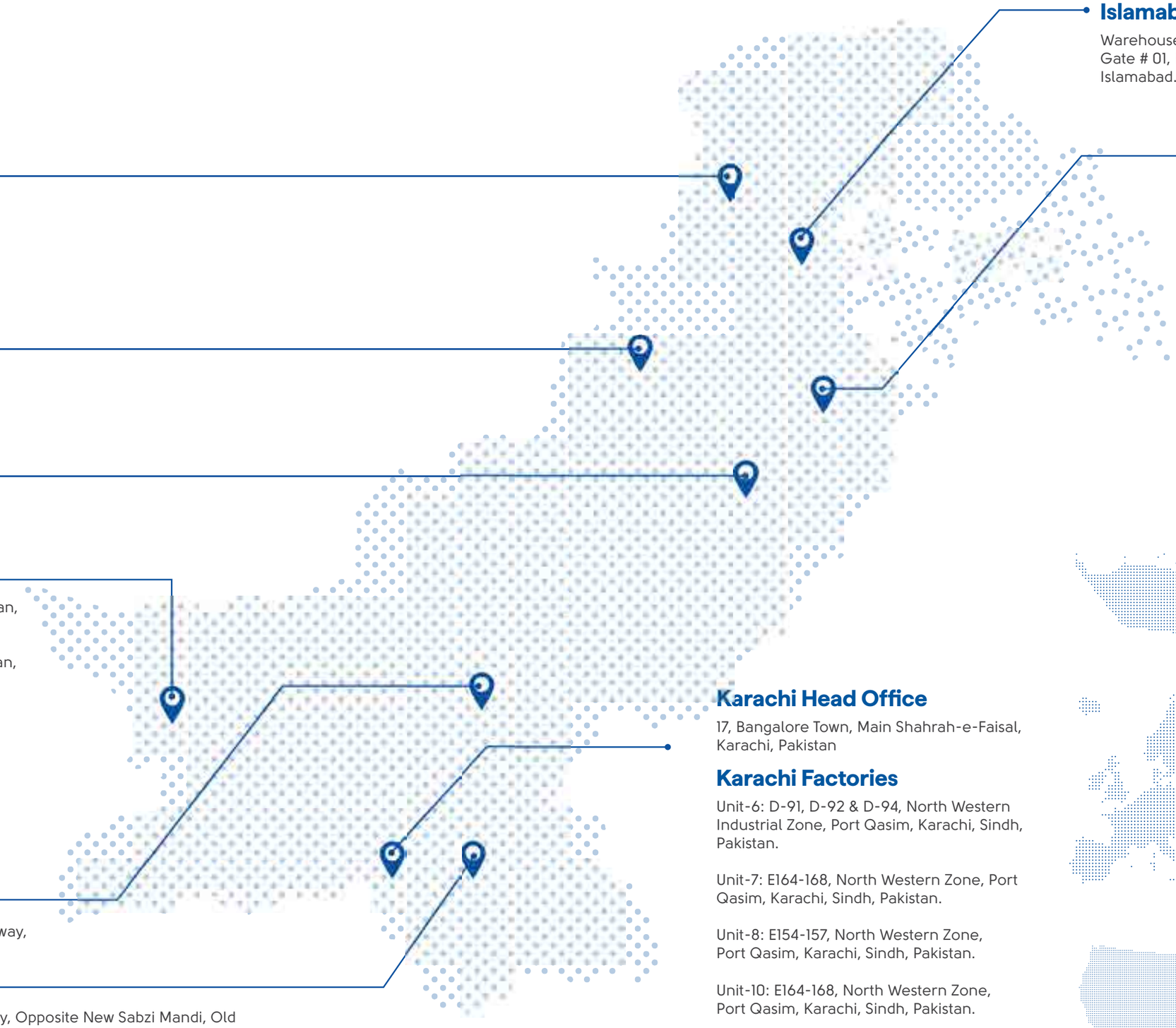
- We stand up for what we believe in
- We put customers first
- We strive to make a positive difference



Accountability

- We question the impact of our decisions and actions
- We take responsibility for our decisions and actions
- We put the team before ourselves

OUR GEOGRAPHICAL PRESENCE



Peshawar

Warehouse opposite Nasirpur Railway Station, G.T. Road, Peshawar, Khyber Pakhtunkhwa

Faisalabad

Warehouse, 7 Chak, Nalka Kohala, Sargodha Jhung Bypass, Near Motorway Bridge Service Road, Faisalabad.

Multan

Warehouse, Bahawalpur Road, Near Adda Laar, Gopalpur, Multan.

Hub

Unit-1: C-230-241, H.I.T.E., Hub, Balochistan, Pakistan.

Unit-2: B-140-145, H.I.T.E., Hub, Balochistan, Pakistan.

Unit-3: G-1, H.I.T.E., Hub, Balochistan, Pakistan.

Unit-4: G-22, H.I.T.E., Hub, Balochistan, Pakistan.

Unit-9: G-1A, H.I.T.E., Hub, Balochistan, Pakistan.

Sukkur

Warehouse, Sukkur, Main National Highway, Babarloi, Khairpur.

Hyderabad

Warehouse, Plot # 495/174, Cattle Colony, Opposite New Sabzi Mandi, Old Fateh Modess (Garment Factory), Hyderabad.

Islamabad

Warehouse, Pebbles Building, Faisal Town, Gate # 01, Fateh Jhung Road, Tarnol, Islamabad.

Lahore

Unit 5 & Warehouse -1
38-C, 39, 39-A, 42-C, Sundar Industrial Estate, Raiwind Road, Sunder, Lahore.

Warehouse - 2
Plot # 558 A, B & C, Sundar Industrial Estate, Raiwind Road, Lahore.

Karachi Head Office

17, Bangalore Town, Main Shahrah-e-Faisal, Karachi, Pakistan

Karachi Factories

Unit-6: D-91, D-92 & D-94, North Western Industrial Zone, Port Qasim, Karachi, Sindh, Pakistan.

Unit-7: E164-168, North Western Zone, Port Qasim, Karachi, Sindh, Pakistan.

Unit-8: E154-157, North Western Zone, Port Qasim, Karachi, Sindh, Pakistan.

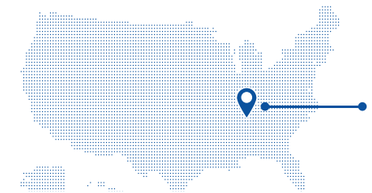
Unit-10: E164-168, North Western Zone, Port Qasim, Karachi, Sindh, Pakistan.



Dubai

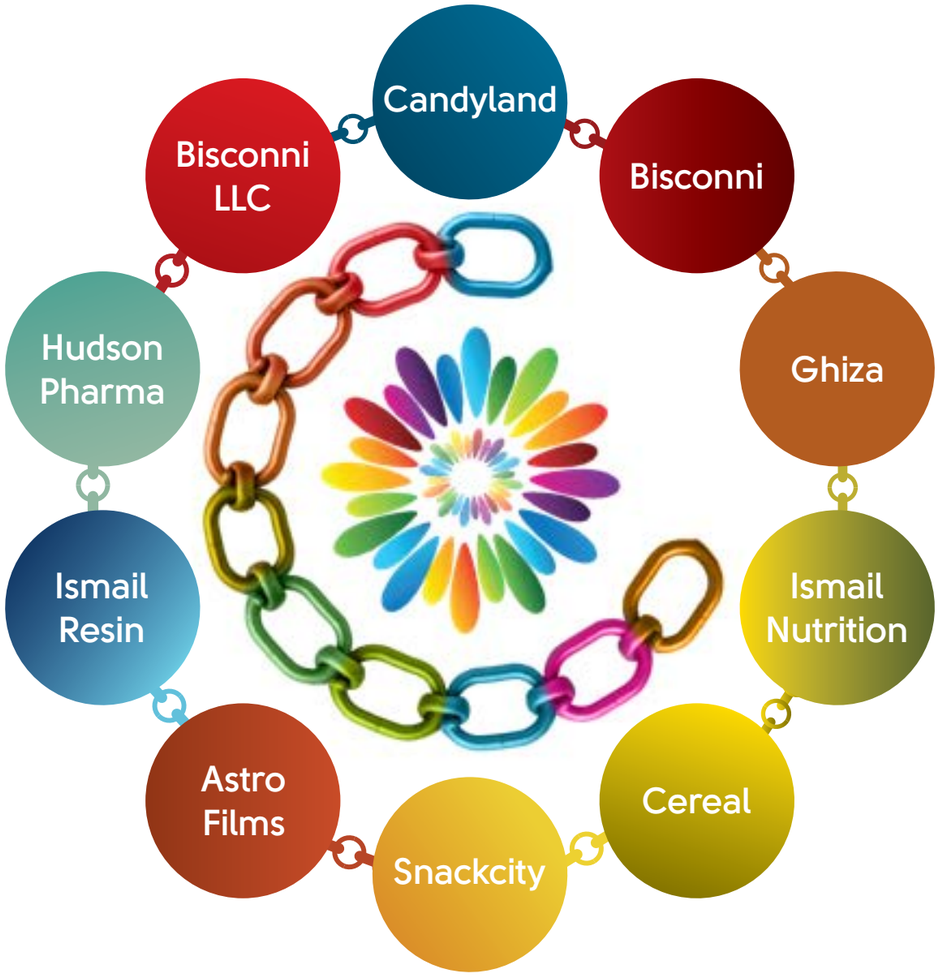


Europe

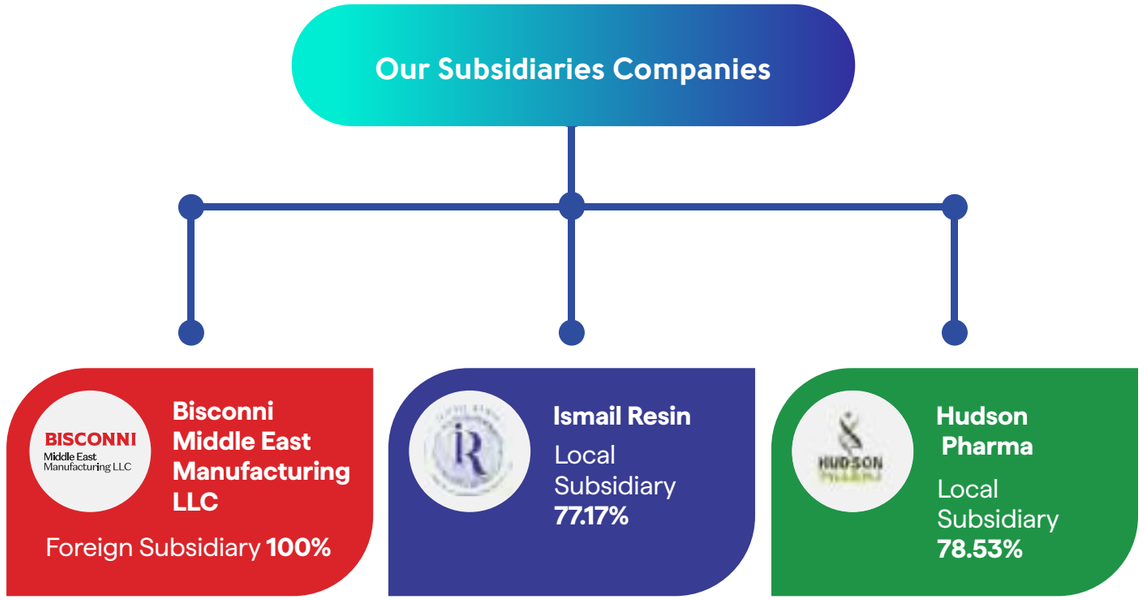


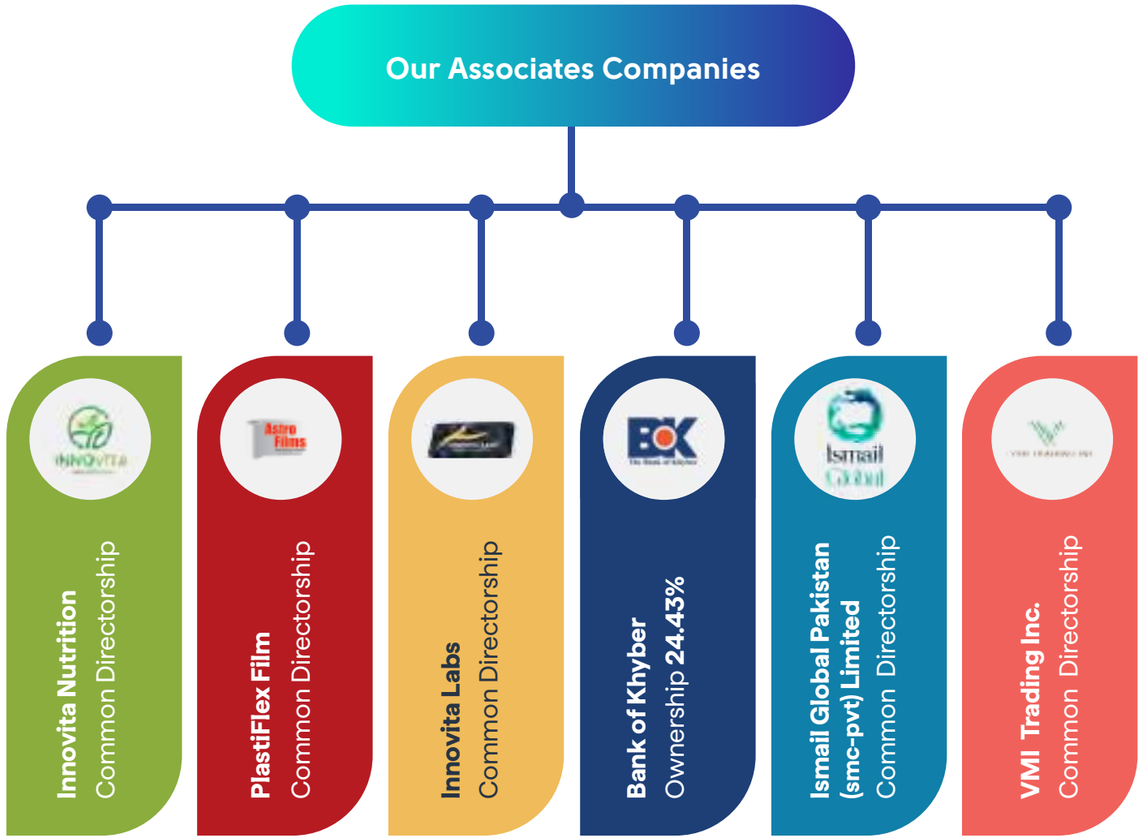
USA

GROUP DIVISIONS

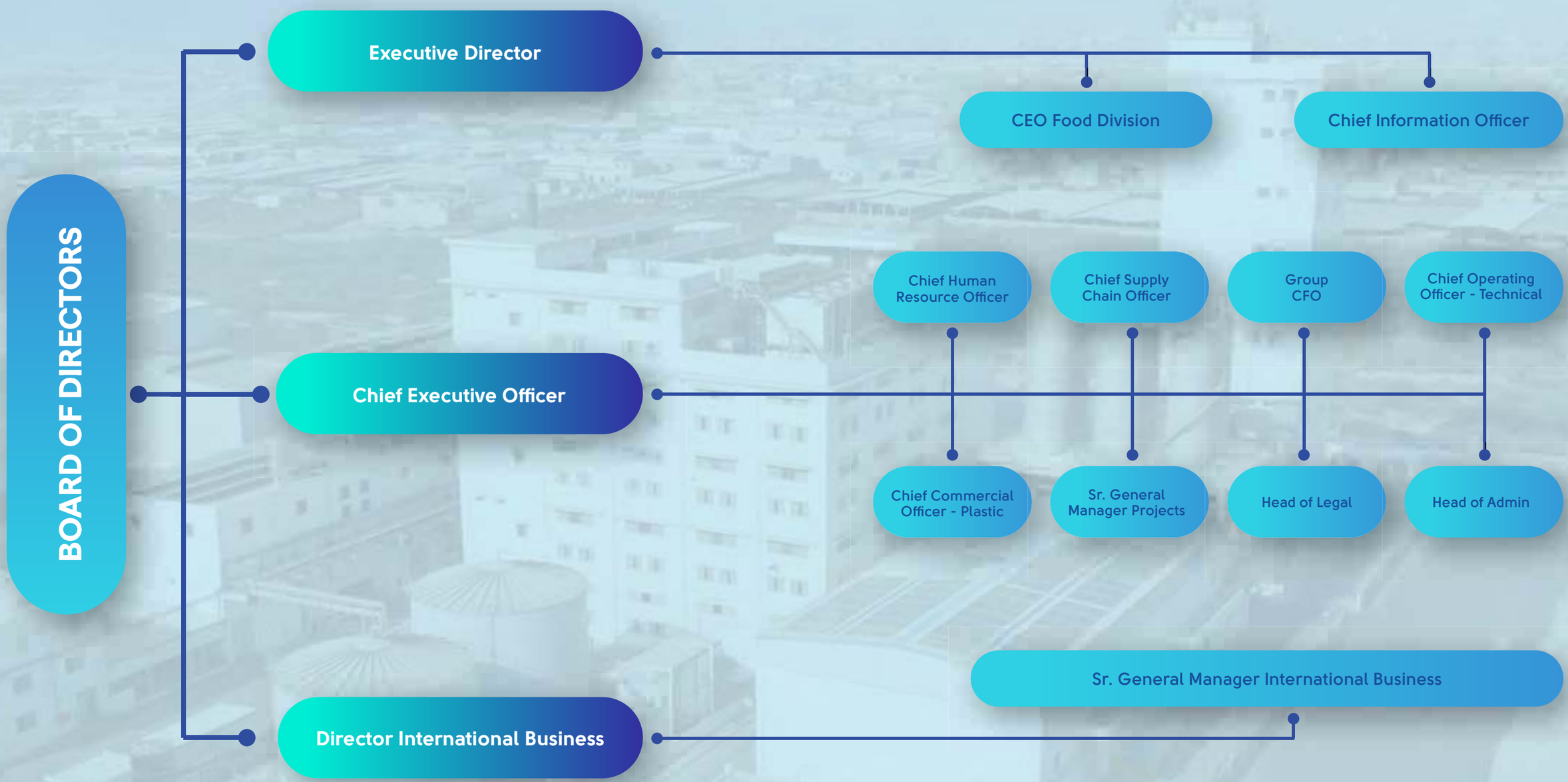


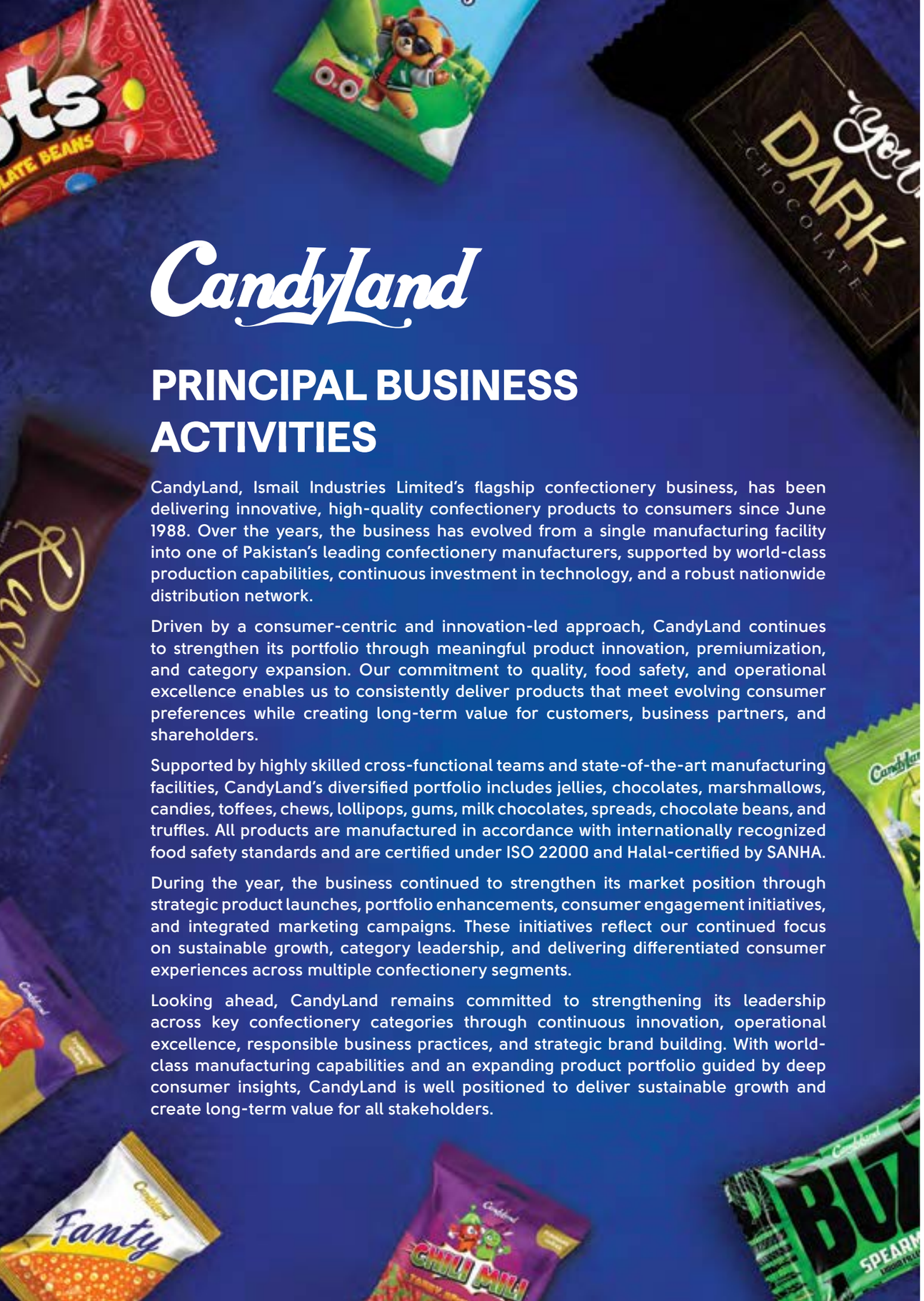
OWNERSHIP STRUCTURE





ORGANIZATION STRUCTURE





Core Range

Pizza Jelly Single Unit



A distinctive pizza-slice format with a signature sweet-and-spicy flavour profile, Pizza Jelly Single Unit has further strengthened Candyland's leadership in the innovative jelly segment. The product launch supports the Company's strategy of driving category differentiation, enhancing impulse consumption, and expanding consumer reach.

Bubble Pop Classic



A flat bazooka-style chewing gum in a refreshing Tutti frutti flavor, its iconic format and long-lasting taste continue to make it a favorite among consumers, reinforcing CandyLand's strong heritage in the gum category.

Buzz



A center-filled chewing gum that delivers an intense burst of mint freshness with every bite, Buzz's distinctive mint-core format offers a refreshing sensorial experience designed for social occasions, helping young consumers feel confident and revitalized. Buzz reflects our continued focus on innovation in confectionery, creating differentiated snacking experiences that resonate with evolving consumer lifestyles.



Bear Jelly Single Unit

Bear Jelly Single Unit expanded the Company's presence within the growing fruity jelly segment offering designed to strengthen consumer appeal and reinforce Candyland's innovation-led portfolio.





Dots

Positioned at an accessible price point of Rs. 10, Dots are chocolate beans designed to deepen household penetration and expand reach across diverse consumer segments, with a strong focus on rural markets. The convenient format and enjoyable chocolate taste reinforces our commitment to delivering affordable indulgence, thereby broadening access to quality confectionery experiences.

Khoya Candy

A Badam and milk-flavoured candy in the milk candy segment, Khoya Candy is part of the expanded candy portfolio designed to support market share growth.





Kairi Candy

A spicy candy with a masala-filled Kairi flavour inspired by a popular local taste profile in Pakistan, Kairi Candy has been designed to drive market share growth.

Imli Candy

A masala-filled Imli-flavoured offering in the spicy candy segment, Imli Candy draws on a well-known local flavour in the CandyLand portfolio. The product underwent repackaging to enhance freshness and ensure alignment with portfolio architecture.





Amrood Candy

A masala-filled Amrood-flavoured candy, Amrood Candy is part of the spicy candy segment. It leverages a strong local flavour profile and refreshed packaging aligned with the existing portfolio structure.

Premium Range:



Chili Mili

Chili Mili, a legacy CandyLand brand, strengthened the Premium Jelly portfolio reimagined with a bigger and thicker bite, offering a more premium and satisfying snacking experience.



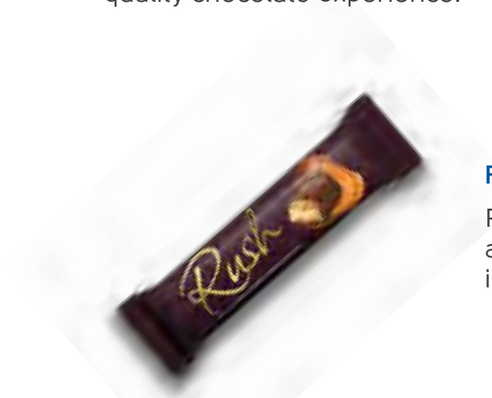
Bear

Bear Jelly combines assorted flavors and with a bigger and thicker bite to deliver a more premium jelly experience.



You (Dark)

Introduced as part of the Pure Milk portfolio, You Dark Chocolate is a premium, locally -produced alternative delivering a high-quality chocolate experience.



Rush

Rush is a premium, high-grammage chocolate with caramel and biscuit layers, offering consumers a richer and more indulgent chocolate experience.



Assorted Minis

Candyland Magic Minis are a premium sharing pack featuring Bliss, Cosmo, Flick, and Rush in bite-sized formats designed for special consumption moments such as family time, celebrations, and social gatherings.

Consumer Promotions

Yums - Scan & Win

Yums Scan & Win was a 7-week nationwide consumer engagement campaign designed to enhance brand participation and encourage repeat purchases through a unique on-pack code mechanism. The campaign generated over 3 million consumer entries, significantly strengthening brand engagement and reinforcing consumer loyalty.





Butter Scotch - Jeet Ka Jashan

Butter Scotch Jeet Ka Jashan was a retailer engagement initiative designed to strengthen trade relationships and incentivize sales performance through a structured promotional program. The campaign contributed to stronger retailer participation and enhanced market execution.

Candies Two Free Pieces

To support trade profitability and encourage higher stock purchases, two additional pieces were introduced in every candy jar. The initiative improved retailer value proposition while contributing to enhanced numeric distribution and outlet penetration.

Activations

CandyLand Seasonal Chocolates Campaign

The CandyLand Seasonal Chocolates Campaign was launched to build nationwide awareness and excitement for the Bisca, Paradise, and Buttons portfolio. Built around the tagline "Chocolate Ho Tou CandyLand," the campaign celebrated moments of joy and togetherness while reinforcing CandyLand's positioning as one of Pakistan's most loved chocolate brands. Through impactful retail visibility and integrated consumer engagement, the campaign strengthened brand preference and drove conversion at point of sale.



Integrated Marketing Campaigns

Mother Brand Campaign – CandyLand Aao Fun Kartey Jao!

The CandyLand Mother Brand campaign was launched to establish a distinctive and ownable brand signature for CandyLand as Pakistan's most-loved confectionery brand. It unified all six hero brands within a single magical universe, positioning CandyLand as the central storytelling force rather than a passive endorser. The campaign strengthened overall brand awareness and recall while creating a cohesive world that excited children aged 6–14, reassuring mothers through its joyful yet safe positioning. Delivered seamlessly across OOH, digital, and social platforms, it marked a significant step in building a strong, integrated MotherBrand identity for CandyLand.



CandyLand Magic Premium Chocolate Campaign

CandyLand Magic launched a fully integrated marketing campaign across television, digital, outdoor, public relations, and activation platforms to introduce its premium chocolate portfolio, including Bliss, Cosmo, Flick, Rush, and Assorted Minis. The campaign successfully established the range as a premium offering, increased awareness, and drove consumer consideration and sales across key touchpoints.



PRINCIPAL BUSINESS ACTIVITIES

Carrying the ambition to bring an exquisite taste in every bite, Bisconni has nurtured a strong and enduring bond with its consumers, becoming one of Pakistan's leading biscuit manufacturers. With a diverse portfolio spanning everyday favorites, premium indulgence, and health-conscious offerings, Bisconni continues to deliver quality, innovation, and consumer delight across multiple segments.

At Bisconni, we have an exciting portfolio that continues to expand and evolve. Over the years, the company has established itself through iconic brands such as Cocomo, Chocolatto, Chocolate Chip, Novita, Rite, Craving, Flo Cake, Chai Wala Biskut, and Crux. Building on this foundation, Bisconni has further strengthened its presence through Bisconni Prime, a premium portfolio crafted to elevate indulgence experiences, and Bisconni Active, a range designed to meet the growing demand for healthier and mindful snacking choices. Together, these portfolios enable Bisconni to serve a wider spectrum of consumer needs and occasions.

As a key contributor to Ismail Industries Limited, Bisconni continues to strengthen its position through category expansion, innovation, and portfolio diversification. By balancing everyday favorites with premium indulgence and wellness-focused offerings, the company remains well-positioned to capture emerging opportunities and create long-term value for consumers and stakeholders alike.

Bisconni Core Range

Bisconni Cake Rusk - Reimagining a Timeless Tradition



Bisconni launched Cake Rusk to enter Pakistan's largest biscuit segment by bringing the authentic taste of a traditional teatime favorite into mass consideration. Combining heritage, quality, and convenience, the launch was designed to reignite consumers' love for cake rusk and strengthen Bisconni's presence in everyday teatime occasions.

The launch was brought to life through the integrated marketing campaign, Cake Rusk Ki Kahani, across television, digital, influencer, outdoor, and trade channels. Built around the product's rich heritage, authentic bakery style taste, and timeless pairing with tea, the campaign drove strong awareness, trial, and category relevance.





Bisconni Cakes Chocolate Coated Cake - Raising the Bar on Indulgence

Building on Bisconni's leadership in the enrobed cakes category, Bisconni Cakes introduced Chocolate Coated Cake to elevate the coated cakes segment with a richer, more indulgent offering. Featuring two layers of soft cake, smooth chocolate cream, and a premium chocolate coating, the product was designed to deliver a more satisfying snacking experience for consumers seeking greater indulgence.



Bisconni Cakes Chai Wala Cake - Extending Chai Wala's Proposition

Bisconni extended its Chai Wala brand portfolio with the launch of Chai Wala Cake at PKR 20, building on Chai Wala's brand proposition. Driven by Pakistan's strong tea culture, the product was made to complement teatime occasions.





Novita – Seriously Crunchy, Seriously Loud

Novita launched "Seriously Crunchy, Seriously Loud" campaign to reinforce its leadership in Pakistan's growing wafer segment amid rising competition. The campaign reinforced Novita's product superiority by highlighting its improved crunch experience.

Brought to life through a 360-degree campaign across TV, digital, outdoor, and instore.



New Product Development

Cocomo Nutty Choc

Cocomo expanded its portfolio with the launch of Nutty Choc with hazelnut cream developed to offer more chocolate variants within the Cocomo portfolio. The new variant offers inside-out chocolate experience, combining a chocolate biscuit shell with a hazelnut filling inside.



Cocomo Mujhe Bhi Do - Thematic Campaign

The Cocomo thematic campaign was planned and executed to strengthen the brand's emotional connection with children by reinforcing its core role as a catalyst for shared fun. Built around the iconic "Mujhe Bhi Do" idea, the campaign positioned Cocomo as more than just a biscuit. It became the trigger that brings kids together through moments of friendship, fun and playful mischief.

Cocomo Khaas Dost Pack (World Friendship Day)

Cocomo also tapped into Friendship Day with the limited-edition Khaas Dost Pack, featuring peel-off messages that turned product sharing into a simple way of expressing emotions/ feelings for friends and loved ones.





Consumer Promotions

Chocolate Chip Cookie x NOW Chocolate Paste

Bisconni, in collaboration with CandyLand, introduced a consumer promotion of Chocolate Chip Cookie with Now Chocolate Paste, elevating snack time moments.

Through dipping, swirling and sandwiching with NOW Chocolate Paste, the consumer promotion introduced new ways of enjoying Chocolate Chip Cookies.

Bisconni Prime & Active Ranges

To address the evolving needs of consumers while strengthening the portfolio across emerging segments, Bisconni introduced two strategic platforms: Bisconni Prime and Bisconni Active.

Bisconni Prime was created to deliver elevated indulgent experiences through premium products such as DayDream, Divine, Eclipse, Chip Hop, Butter Cookies, Mi Amor, Flare and Delice.



Campaign Highlights

Daydream

To strengthen DayDream's position within the premium biscuit segment, Bisconni Prime launched the Nothing Comes Close campaign, reinforcing the brand's promise of superior coffee indulgence. Built around DayDream's distinctive combination of rich coffee cookies and smooth chocolate filling, the campaign highlighted the brand's unmatched taste experience and premium credentials.



The campaign was rolled out across television, digital, and outdoor platforms, helping strengthen brand salience and deepen consumer association with premium coffee indulgence. Through compelling storytelling and elevated visuals, DayDream continued to reinforce its position as one of the most distinctive offerings within the Bisconni Prime portfolio.

Divine

To strengthen Divine's position within the premium wafer category, Bisconni Prime launched the Just Can't Get Enough campaign, highlighting the brand's irresistibly light, crispy, and chocolatey wafer experience. Built around the insight that great taste drives repeat consumption; the campaign celebrated the satisfying combination of delicate wafer layers and rich chocolate cream that keeps consumers reaching for more.

The campaign was executed across television, digital, and outdoor platforms, reinforcing Divine's premium credentials and strengthening its appeal among indulgence-seeking consumers. Through engaging storytelling and contemporary visuals, Divine continued to establish itself as a distinctive and desirable choice within the premium wafer segment.





New Launches

Divine Lemon

Building on the success of Divine Chocolate, Bisconni Prime expanded the Divine franchise with the launch of Divine Lemon. Introduced to offer consumers a refreshing alternative within the premium wafer segment, Divine Lemon combines light, crispy wafers with a smooth lemon-flavoured cream filling, delivering a distinctive and enjoyable snacking experience while broadening the brand's appeal.

Digestive Zero Sugar

Digestive Zero Sugar – Owning the "Zero" Space

Recognizing the growing demand for healthier snacking options, Bisconni Active identified a significant opportunity within the zero-sugar segment. To capitalize on this emerging trend, the brand launched a dedicated campaign centered around the concept of "Zero", positioning Digestive Zero Sugar as a smart and satisfying choice for mindful consumers. The campaign helped unlock incremental category growth, expand consumer participation in the health segment, and establish Digestive Zero Sugar as a key growth driver within the Active portfolio.



Bisconni Active, on the other hand, was developed to cater to the growing demand for healthier and mindful snacking through the Digestive range.



Together, these platforms reflect Bisconni's commitment to innovation, portfolio diversification, and consumer-centric growth, enabling the company to serve a broader spectrum of consumption occasions while strengthening its presence in both premium indulgence and health-focused categories.

PRINCIPAL BUSINESS ACTIVITIES

Ghiza, a strategic initiative of Ismail Industries Limited, was established in 2022 with a strategic vision to strengthen Pakistan's flour and grain value chain through innovation, scale, and quality excellence.

Operating from Karachi, Ghiza is equipped with a 240 TPD Bühler roller mill, delivering an annual production capacity of 86,400 tons. This robust infrastructure ensures operational efficiency, consistent output, and dependable supply to meet growing market demands.

Since 2022, Ghiza has undertaken a strategic transformation focused on product customization, technological advancement, and customer-centric service delivery. Our operations are supported by advanced Sortex systems, a modern in-house laboratory, and stringent quality control protocols, enabling us to produce fortified and specialized flours aligned with national nutritional standards and industry requirements.

With a diversified customer base spanning FMCG manufacturing, HoReCa, and retail consumers, Ghiza is positioned as a scalable, future-ready flour solutions provider committed to long-term growth, operational excellence, and stakeholder value creation.



Ghiza Maida

Precision milling for consistent results, trusted by industry leaders

Experience the best of baking with Ghiza Maida, crafted to perfection through a meticulous milling process. Our premium flour is designed to meet the exact standards of top bakeries and food manufacturers, including Bisconni.

Available in:
- 50 kg & 25 kg bulk packs
- 1 kg consumer pack





Ghiza Suji (Semolina)

Experience the rich texture and flavor with Ghiza Suji

Exquisite South Asian delicacies like halwa, gulab jamun, and panjeeri can be crafted with Ghiza Suji, embodying purity and nutrition in every grain. Ghiza Suji enriches every culinary creation with its flavorful taste and consistent quality.

Available in:
- 500 g pack
- 50 Kg pack for bulk use

Ghiza Special Fine Atta

Especially milled for softness and flavor, making it a favorite among HoReCa customers and their discerning patrons

Elevate your menu with Ghiza Special Fine Atta, perfect for crafting soft Pooris, Nan, breads, and Parathas.

Available in:
- 50 kg bulk packs for commercial use





Ghiza Fortified Super Fine Atta

Fortified with vital nutrients and crafted for exceptional softness and flavor

The perfect blend of nutrition and taste with Ghiza Fortified Super Fine Atta, enriched with iron, folic acid, zinc, and essential vitamins is perfect for making chapatis, puris, and parathas. Our premium atta ensures softer and more flavorful bread that stays fresh longer.

Available in:
- 5 kg & 10 kg packs

Ghiza Fortified Riwayati Atta

Packed with wholesome nutrition and high fiber content

High in fiber, our Riwayati Atta promotes digestion and well-being while delivering a delightful culinary experience. Perfect for health-conscious individuals seeking traditional taste with modern benefits.

Available in:

- 5 kg and 10 kg packs



Ghiza Khalis Atta

Natural goodness of wheat, fine texture, and authentic taste for every meal

Experience the natural goodness of wheat in every meal with Ghiza Khalis Atta, carefully processed for fine texture and exquisite taste. Perfect for traditional and contemporary dishes, our atta ensures soft rotis, flavorful parathas, and wholesome nourishment.

Available in:

- 10 kg and 50 kg packs for households and small-scale culinary use

Ghiza Premium Bran

High nutritional value, rich in fiber, vitamins, and minerals for optimal animal health

Rich in fiber, vitamins, and minerals, our wheat bran is a valuable component in animal feed, supporting the well-being and nutritional needs of livestock. A sought-after ingredient for its nutritional richness, Ghiza Premium Bran aids in overall animal health and nourishment.

Available in:

- 34 kg & 50 kg packs



Ghiza Chakki Atta

Wholesome Meals, Every Time with Ghiza Chakki Atta

Boost immunity, support digestion, and regulate blood sugar levels with Ghiza Chakki Atta, packed with essential nutrients like Iron, Vitamin B12, Zinc, and Folic Acid. Our premium atta promotes overall well-being while adding authentic flavor to your meals.

Available in:

- 5 kg & 10 kg Packs

Ghiza Besan

Made from unpolished, preservative-free daal chana for natural goodness

Ghiza Besan is made from premium-quality chickpeas, sourced from trusted farmers for its rich, earthy flavor and good texture. Hygienically processed in Pakistan's leading mills with over 30 comprehensive quality checks, it retains its natural aroma, nutrients, and freshness, making it perfect for pakoras, kadhi, laddus, halwa, and rotis.

Available in:

- 500 g, 1 kg consumer packs and 10 kg bulk pack.





Multigrain Atta

Nourishment in every meal with Ghiza Multigrain Atta

Ghiza Multigrain Atta offers wholesome nutrition with a carefully crafted blend of premium grains that delivers the goodness of protein, dietary fiber, healthy fats, essential vitamins, and minerals. Designed to support a balanced lifestyle, it promotes digestive wellness while enhancing the taste and texture of your everyday meals.

Ghiza Multigrain Atta is:

- Rich in essential nutrients that support bone and heart health
- High in fiber to help promote digestive wellness and healthy weight management
- Naturally packed with antioxidants to support the body's immune system

Available in:

- 1 kg pack

ISMAIL NUTRITION & CEREAL

Malnutrition is a universal plague that affects a population of over 815 million people in the world.

Due to overpopulation and scarcity of adequate nutrition in Pakistan, stunting has become prevalent in children belonging to low socioeconomic backgrounds. As a socially responsible company dedicated to providing high-quality food products, Ismail Industries Limited initiated the manufacturing of lipid based nutritional products in 2010.

The urgent need for nutritional food combined with the food manufacturing experience of the company resulted in the creation of the Ismail Nutrition Division. The overwhelming success of these products in Pakistan encouraged Ismail Industries to begin exporting to neighbouring countries. Many international social welfare agencies joined in as recipients of these vital nutritional products. Ismail Nutrition is an approved supplier of United Nations Children's Fund (UNICEF), World Food Program (WFP), MSF, ACF and many other national and international organisations across the globe. Ismail Nutrition's manufacturing facility is currently capable of producing 240 metric tons per day.

Ismail Nutrition further aims to work towards freeing the world of malnutrition.

Addressing Food Malnutrition

Operating as a crucial unit within Ismail Industries Limited, the Cereal Division remains dedicated to delivering life-saving nutrition and vital minerals to communities facing acute food insecurity and natural disasters. As one of the few global manufacturers authorized by the World Food Programme (WFP) to supply Super Cereals, our facility plays a pivotal role in international emergency relief supply chains.

Operational Excellence & Infrastructure

Our specialized extrusion plant boasts an operational capacity exceeding 110 metric tons per day. Every stage of processing strictly complies with Good Manufacturing Practices (GMP) and global food safety protocols. Demonstrating our commitment to compliance and quality assurance, the facility holds certifications from both SANHA Halal and FSSC 22000, supported by continuous operational refinement.



Product Usability & Future Outlook

Engineered specifically for low-resource environments with limited access to clean water and cooking utilities, the cereal offers efficient preparation:

- **Preparation Method:** Combine 1 cup of cereal with 3 to 4 cups of water, bring to a boil, and simmer for 5 minutes.
- **Nutritional Impact:** Formulated to supply comprehensive daily nutrition and critical micronutrients in every serving.

Looking ahead, the division is expanding its product portfolio through targeted research and development, seeking both local and international opportunities to enhance operational efficiency and meet growing global demand.

Combating Global Malnutrition

Global malnutrition remains a systemic health crisis, impacting over 815 million individuals worldwide. In Pakistan, high population density and limited access to balanced diets have driven severe rates of childhood stunting, particularly among vulnerable socioeconomic groups. In response, Ismail Industries launched its lipid-based nutritional product line in 2010, leveraging its long-standing manufacturing expertise to establish a dedicated division focused on therapeutic food solutions.

Production Capacity & Humanitarian Distribution

Built upon more than three decades of food industry experience, Ismail Nutrition currently operates at a daily production capacity of 240 metric tons. What began as an initiative to address domestic food shortages has expanded into a global supply operation. Today, the division serves as a certified vendor for key international relief and welfare bodies, including:

- United Nations Children's Fund (UNICEF)
- World Food Programme (WFP)
- Médecins Sans Frontières (MSF)
- Action Against Hunger (ACF)

Research, Quality & Innovation

Supported by advanced technology partnerships and an extensive R&D network, all Ismail Nutrition products are formulated to align directly with World Health Organization (WHO) standards. Beyond specialized product formulation, the division serves as a center of excellence, continually refining product stability and user-friendly packaging to improve life-saving nutritional outcomes for malnourished children and mothers across the globe. micronutrients in every serving.





Cereal Plants





PRINCIPAL BUSINESS ACTIVITIES

Established in 2003, Astro Films is the flexible packaging division of Ismail Industries Limited, manufacturing BOPET, CPP and BOPP films at two locations: Hub, and the Port Qasim Industrial Zone in Karachi, Pakistan.

Astro Films is one of the leading packaging film manufacturers in the country, with a combined installed film production capacity of 63,000 tons per annum and a metallization capacity of 19,000 tons per annum. Our state-of-the-art facilities, high-quality films and consistent service have earned us recognition as one of the best-regarded regional and international film suppliers, as well as one of the fastest-growing flexible packaging film exporters, with a prestigious clientele spread across five continents.

We have two CPP film lines from the renowned Italian company Gruppo Colines. The first 3.0-metre line was set up in 2003 with an annual capacity of 6,000 tons. The CPP capabilities were enhanced in 2014 with the addition of a second 2.6-metre line, with an annual capacity of 9,000 tons, increasing overall annual CPP capacity to 15,000 tons.

In 2011, Astro Films set up a 4.0-metre BOPP line from Bruckner (Germany) to support packaging solutions for Ismail Industries Limited's in-house food brands. This line has an annual production capacity of 4,200 tons.



The first of the two BOPET production lines was set up in 2012, a 6.7-metre Bruckner (Germany) with an installed capacity of 18,000 tons per annum, the first Bruckner BOPET line imported into Pakistan. Adding another milestone to its history, Astro added a second BOPET line at the end of 2020, an 8.7-metre Bruckner (Germany) with a capacity of 30,000 tons per annum, taking total BOPET capacity to 48,000 tons per annum. Our BOPET lines can produce thicknesses of 10 to 100 microns, and we have worked on functional proficiency, giving us the specialised ability to meet clients' needs and expectations. In addition to our film-making capabilities, we have metallization capacity of up to 19,000 tons per annum. Astro Films has three metallizers from Bobst Group (UK), two installed at the Hub factory and the third at the Port Qasim facility.

Complying with the highest quality, process and food safety standards, Astro Films holds certifications including ISO 9001:2015 and FSSC 22000 Version 5. We are proud of our manufacturing capabilities, our sales force, and the accomplishments that have made us one of the most competitive and fastest-growing exporters of flexible packaging films in the international market.

Our international customer base spans from the Americas to Europe, Africa and Asia, a testament to our truly global footprint as a packaging films supplier. Our competitive advantage in international markets has been the ability to supply the best-quality film, backed by excellent solution-based sales support and after-sales service, creating sustainable business and a strongly established image of reliability.

Product Range:

BOPET

- Corona Treated - Transparent and Metalized
- Chemical Coated (Copolyester) - Transparent and Metalized
- Acrylic Coated - Transparent and Metalized
- Special Chemical Coated
- Twist Films - Transparent and Metalized
- Yarn Grade- Transparent and Metalized
- Isotropic – Transparent
- Electrical/Cable Grade

CPP

- Low COF CPP
- Metallized CPP
- High Barrier CPP



















Global Presence

Over the past five years, Astro Films' international business has experienced significant growth, driven by diligent customer development initiatives, sustained market expansion efforts, and continuous product innovation across its portfolio. The Company now exports to more than 30 countries, with a strong presence in Western Europe, the Americas, Turkey, and Africa, while continuing to gain traction in South America and the Balkans—regions that remain key strategic priorities for future growth.

Astro Films has also maintained a strong presence on the global stage through active participation in leading international industry events. In addition to exhibiting at two of the industry's premier trade exhibitions, Pack Expo (USA) and Gulfood Manufacturing (UAE), the Company has engaged in several strategic and large-scale industry forums and trade events. These platforms have enabled direct interaction with buyers, processors, and industry leaders from around the world, fostering valuable business relationships, strengthening market intelligence, and enhancing visibility of the Company's products and capabilities. Such initiatives have contributed positively to the Company's international growth objectives and have generated encouraging results in expanding its global network and market opportunities.



Ismail Resin
(Private) Limited

ISMAIL RESIN – COMPANY OVERVIEW

Established in 2021, Ismail Resin marks the latest expansion in Ismail Industries Limited's diversified business portfolio, entering the PET resin manufacturing sector. The state-of-the-art facility, located in Port Qasim, Karachi, has a production capacity of 300 tons per day and commenced commercial operations in October 2023.

The plant is built on globally licensed technology: Continuous Polymerization (CP) technology from Oerlikon Barmag (Germany), and Solid-State Polymerization (SSP) technology from Polymetrix, formerly known as Buhler (Switzerland). This combination positions Ismail Resin among the technologically advanced PET resin producers in the region.

The facility manufactures Film-Grade PET resin (IV 0.63), as well as Bottle-Grade PET resin across multiple intrinsic viscosity levels (IV 0.76, 0.80, and 0.84), serving both domestic and international markets.

Ismail Resin has secured a comprehensive set of global accreditations covering both bottle-grade and film-grade resin production, including ISO 9001:2015 for Quality Management, ISO 14001:2015 for Environmental Management, ISO 45001:2018 for Occupational Health and Safety Management, FSSC 22000 (Version 6) for Food Safety Management, Halal Certification, and SEDEX.

To strengthen its international presence, Ismail Resin has exhibited at PackExpo-USA (2024 and 2025) and Gulfood Manufacturing 2025 in Dubai. Today, Ismail Resin's products reach markets across the Middle East Europe, Asia & Africa.



Film Grade



Bottle Grade

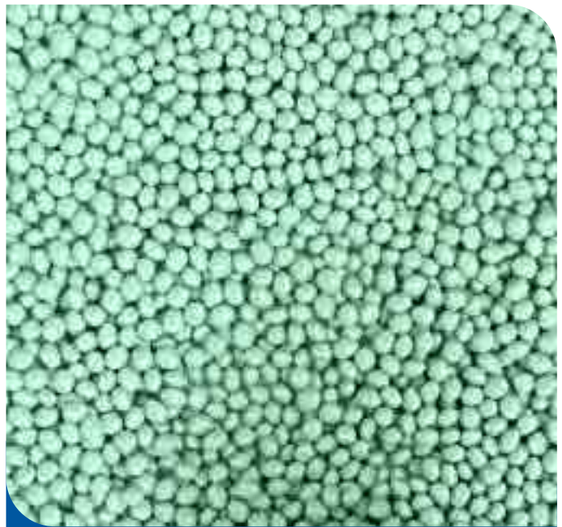


rPET PLANT:

Ismail Resin's rPET facility is a purpose-built, 100% bottle-to-bottle recycling plant advancing circular sustainability through advanced machinery and responsible operations. Core systems include Starlinger (Austria) PET extrusion and polymerization lines for consistent, food-grade rPET production; a BoreTech (China) high-performance washing line; and Sesotec AI-driven sorting technology delivering the purity levels required for food-contact applications, supported by utilities from globally recognized suppliers.

The plant's green infrastructure includes biomass-based heaters, waste-energy-recovery chillers, a closed-loop EPA-compliant water system, solar power generation, and energy-efficient compressors, reducing its overall environmental footprint.
Through this investment, Ismail Industries reinforces its commitment to circular economy principles, delivering sustainable, high-quality recycled packaging materials to global and domestic brands.

The facility manufactures food-grade rPET copolymer resin engineered for safe application in food and beverage packaging, including drinking water containers. Grades IR-CR76, IR-CR80, IR-CR84, and IR-G84 have undergone testing and have been verified as safe for food-contact packaging applications.



rPET Resin — Green

GRADES	IR-G84
APPLICATIONS	Food & Beverages
COLOR / APPEARANCE	Green



rPET Resin — Clear

GRADES	IR-CR76 / IR-CR80 / IR-CR84
APPLICATIONS	Food & Beverages
COLOR / APPEARANCE	Clear









PRINCIPAL BUSINESS ACTIVITIES

Hudson Pharma (Private) Limited was incorporated in Pakistan as a private limited company on May 5, 2010. The registered office of the Subsidiary Company is located at 17, Bangalore Town, Main Shahrah-e-Faisal, Karachi. Principal activities of the Company are manufacturing, processing, compounding, formulating, importing, exporting, packaging, marketing, wholesale and retail trading and selling of all kinds of pharmaceutical, animal health, allied consumer products, drugs, dermatology products, medicines, food products and supplements.

Our mission is simple: to make game-changing drugs more attainable and safer for the populations we serve. We have a well-established track record of executing

our vision based on a repeatable, reliable process that we have developed and refined over many years. We identify unavailable or under-penetrated treatments, often with innovative delivery methods or manufacturing processes that vastly improve safety and attainability.



Innovation

Hudson Pharma, since its inception, has successfully launched innovative molecules in Pakistan that are considered as an effective treatment all across the world. The products include Inhalation Solutions, Eye Drop, Injection for IV infusion, Derma Creams / Gels and the only vitamin D3 injection/oral solution in a BFS ampoule with a convenient twist-off cap.

Operations

Hudson Pharma manufacturing operations consist of:

- Injectable, respules and unit dose eye drops manufactured in medical grade polyethylene containers using the innovative Blow-Fill-Seal (BFS) process.
- Ophthalmology products are manufactured under barrier isolation, ensuring safer and superior products.
- DPI (Dry Powder Inhalation) capsules manufactured using microencapsulation process to ensure accurate dosing.
- Pharmaceutical creams, ointments and gels are manufactured in lacquer-free plastic laminated tubes.
- Moreover, our endeavors encompass contract manufacturing and the promotion of branded generics and specialized medications. Additionally, we collaborate with global partners to bring health advantages to the nation.



Advancing Ophthalmology Care in Pakistan

Hudson Pharma strengthened its ophthalmology portfolio with the launch of Pakistan's first preservative-free, unit-dose artificial tears, Recuro PF and Teardrop UD, manufactured using our innovative Blow-Fill-Seal (BFS) technology. These products provide a safer and more convenient treatment option for dry eye symptoms.

Building on this platform, we plan to introduce additional preservative-free, unit-dose ophthalmic products for the treatment of glaucoma, dry eye, and allergic conjunctivitis. Hudson Pharma has also received manufacturing approval for Pakistan's first medical-device manufacturing area dedicated to ophthalmic products, enabling the production of multidose, preservative-free artificial tears.



Cosmetology Portfolio

Hudson Pharma launched a comprehensive cosmetology portfolio in the current fiscal, marking a significant expansion in our product offerings. Our new range is designed to cater to diverse skincare and haircare needs, aligning with our commitment to innovation and excellence. The portfolio encompasses five key segments:

Anti-Acne
Targeted solutions to effectively combat acne and promote clear, healthy skin.

Anti-Ageing & Anti-Discoloration
Advanced formulations to reduce the appearance of fine lines, wrinkles, and skin discoloration, helping users achieve a youthful and even complexion.

Anti-Hair Fall
Specialized treatments to reduce hair fall, strengthen hair follicles, and promote healthy hair growth.

Sun Protection
Broad-spectrum sunscreens that provide robust protection against harmful UV rays, preventing sunburn and long-term skin damage.

Hydration & Moisturization
Products designed to deeply hydrate and nourish the skin, ensuring long-lasting moisture and a radiant glow.

Our cosmetology portfolio is a testament to Hudson Pharma's dedication to meeting the evolving needs of our customers with cutting-edge and effective products.





INNOVITA NUTRITION

In February 2023, Innovita Nutrition was established to address the growing global demand for innovative nutrition solutions, Innovita develops and manufactures customized vitamin and mineral premixes as well as ready-to-market nutrition products for food, beverage, pharmaceutical, and nutrition companies worldwide.

Today, Innovita serves customers across Asia, Europe, North America, Africa, and humanitarian nutrition programs, supporting brands from concept development through commercial manufacturing.

Innovita operates through two complementary business verticals

Customized Premix Solutions:

We formulate and manufacture customized vitamin and mineral premixes for applications including; early-life nutrition, beverages, dairy, bakery & confectionery, edible oils, staple foods, humanitarian Nutrition, and functional foods.

Ready-to-Market Nutrition Solutions

Building upon our premix expertise, Innovita has expanded into finished nutrition products through contract development and manufacturing. Current product categories include:

- Electrolyte Drink Mixes
- High-Protein Meal Replacement Powders
- GLP-1 Muscle Support Formulas
- Adult Nutrition
- Functional Nutrition Products



Industries we serve:

Food Manufacturers
Nutraceutical Brands
Beverage Companies
Humanitarian Organizations
Infant Nutrition
Pharmaceutical Companies
Contract Manufacturing
Partners
Dairy

Our Partners

We partner with Barentz North America to bring customized premix and nutrition solutions to food and beverage manufacturers across North America.

We are currently working with Nestlé on developing customized premixes for infant formula, cereals, and fortified powdered milk products.

We have developed and exported multiple customized vitamin and mineral premixes for the Italian infant formula manufacturer.

We supply customized wheat flour premix to Unilever for fortification, helping enhance nutrition and support better public health outcomes.

We developed a premix for a maternal nutrition supplement for the Gates Foundation to serve malnourished pregnant and lactating women (PLWs).

We are the leading supplier of premix for Ready-to-Use Therapeutic Food (RUTF), Ready-to-Use Supplementary Food (RUSF), Supercereal, and Supercereal Plus.

Our Accreditations

BISCONNI MIDDLE EAST MANUFACTURING – L.L.C

During FY2025–26, Ismail Industries Limited continued to advance its international growth strategy through its wholly owned subsidiary, Bisconni Middle East Manufacturing – L.L.C. (S.P.C.), established in Abu Dhabi, United Arab Emirates. Representing a significant milestone in the Group's journey towards becoming a more globally integrated food and confectionery business, the project is designed as a state-of-the-art manufacturing platform for biscuits, enrobed wafers, chocolate and sugar confectionery and dry bakery products. Strategically located in the UAE, the facility will position the Company closer to key consumption markets across the Middle East, Africa, Europe and Asia, enabling faster market response, greater supply-chain agility and enhanced customer service while strengthening the competitiveness and scalability of the Company's international business.

The project is also expected to evolve the Group's international model from an export-led approach towards a more locally anchored manufacturing and market-servicing platform, providing greater flexibility in product innovation, pricing, customer fulfilment and market expansion. During the year, execution progressed with completion of the main factory shed structure, while architectural and finishing works, the Utility Building, Warehouse Administration Building, MEP and HVAC installations advanced towards operational readiness. Machinery delivery, installation and commissioning are now progressing, with the Building Completion Certificate targeted by the end of 2026 and commercial operations planned during 2027. Management remains focused on disciplined execution, cost and timeline optimization and operational readiness, with the objective of establishing Abu Dhabi as a strategic regional hub that supports sustainable international growth, revenue diversification and long-term value creation.



Dock Leveler Foundation



Factory Front Elevation



Substation Building



Factory Internal Partition Walls



Chilled Water Piping Installation In Factory Area

INTERNATIONAL BUSINESS DIVISION

FY 2025-26 was a year of solid progress for the International Business Division, reflecting the effectiveness of our market expansion strategy, portfolio diversification initiatives, and strengthened international market presence. Despite evolving global trade dynamics and changing consumer preferences across international markets, the division delivered a positive performance.

The International Business Division continued to strengthen its presence across key markets in North America, Europe, GCC, Africa, and Asia-Pacific, further expanding its global footprint and reinforcing the international reach of its brands. During the year, the team actively participated in major international trade exhibitions, including PLMA Chicago, ISM Cologne, IFE London, THAIFEX, Sweets & Snacks Expo – Vegas.

Our confectionery portfolio remained a key pillar of our international business strategy supporting market expansion initiatives and further strengthening our position within the international confectionery segment. Our biscuits portfolio also maintained strong presence during the year, led by flagship brands Cocomo and Chocolatto. The breadth of our product range, combined with continuous innovation and tailored market offerings, enabled us to address diverse consumer preferences and strengthen brand equity across international markets.



We also remained focused on expanding market coverage, driving innovation, and broadening our product portfolio to meet evolving consumer needs across diverse regions. Looking ahead, we remain committed to accelerating growth through deeper market penetration, entry into new territories, and continued investment in innovation, positioning the division for sustainable long-term success.

COMPETITIVE LANDSCAPE AND MARKET POSITIONING

Ismail Industries Limited operates across a diversified portfolio of food, consumer, nutrition, pharmaceutical, PET resin and flexible packaging businesses, each characterized by different market structures, competitive dynamics and growth drivers. At the Board level, the competitive landscape is considered not only in terms of market share and pricing, but also through the sustainability of competitive advantage, resilience of margins and cash flows, barriers to entry, customer relevance, supply-chain security and the Company's ability to allocate capital towards attractive growth opportunities. The Board continues to oversee the Company's positioning through the key dimensions of Porter's Five Forces, with a focus on strengthening strategic capabilities, protecting long-term competitiveness and creating sustainable shareholder value.

Power of Suppliers

Supplier power remains an important consideration, particularly in businesses exposed to imported raw materials, commodities, energy and foreign exchange volatility. The Company's strategy is to reduce structural supply-side risks through diversified sourcing, strategic supplier relationships, procurement discipline and selective vertical integration. Investments in PET resin and flour manufacturing have strengthened control over strategically important inputs, while management continues to assess supply-chain concentration, commodity cycles, geopolitical developments and energy-market dynamics as part of the Company's broader risk management and capital allocation framework.

Power of Customers

The Board recognizes that customer bargaining power is increasingly influenced by product choice, price sensitivity, channel dynamics and rapidly evolving consumer expectations, therefore seeks to strengthen customer stickiness through brand equity, product quality, innovation, availability and differentiated value propositions. The Group's diversified portfolio and broad distribution capabilities provide access to multiple consumers, institutional and industrial segments, reducing dependence on individual markets and enabling greater responsiveness to changing demand patterns. Increasing use of consumer insights and data-led decision-making is expected to further support portfolio relevance, pricing effectiveness and customer retention.

Competition & Rivalry

Competitive intensity remains significant across the Company's principal markets, driven by multinational corporations, established domestic players and specialized regional competitors. The Board's strategic focus is on ensuring that competition is addressed through structural advantages rather than short-term market responses. These include brand strength, manufacturing scale, product innovation, technology, operational efficiency, vertical integration and differentiated market propositions. Management continues to evaluate opportunities to improve product mix, enhance asset utilizations, strengthen productivity and selectively expand into attractive markets where the Group can establish sustainable competitive positions and generate appropriate risk-adjusted returns.

Threat of Substitutes

Substitution risk is actively monitored across the Group and varies according to changes in consumer preferences, affordability, functionality, technology and emerging product categories. Rather than relying on established products alone, IIL continues to invest in portfolio renewal, premiumization, healthier and value-added propositions, product reformulation and new applications. R&D, consumer insights and market intelligence are increasingly integrated into the Group's strategic planning to identify structural shifts in demand and enable timely responses to emerging substitute products and consumption trends.

Threat of New Entrants

The threat of new entrants varies by business and is shaped by capital requirements, regulatory and quality standards, technical expertise, brand equity, customer relationships, distribution infrastructure and economies of scale. These factors create comparatively stronger barriers in specialized manufacturing, branded consumer products and regulated businesses. The Group continues to reinforce these barriers through sustained investment in manufacturing capabilities, technology, quality systems, innovation, certifications, talent and customer relationships. From a strategic perspective, the Board remains focused on ensuring that investments create capabilities that are difficult to replicate and strengthen the Group's competitive moat over the long term.

Strategic Market Positioning

The Company's competitive positioning is underpinned by the combination of diversification, strong brands, manufacturing scale, vertical integration, innovation, distribution reach and disciplined capital allocation. The Board's objective is to continuously convert these capabilities into sustainable competitive advantages, stronger margins, resilient cash generation and disciplined growth across domestic and international markets. Accordingly, capital and management attention will remain directed towards strengthening core franchises, building differentiated capabilities, enhancing operating synergies, expanding selectively into high-potential markets and developing platforms capable of supporting the Company's next phase of growth. This approach is intended to ensure that IIL remains responsive to changing competitive forces while preserving the resilience, scalability and long-term value creation potential of the Group.



LEGITIMATE NEEDS AND INTERESTS OF KEY STAKEHOLDERS

Ismail Industries Limited recognizes that sustainable value creation requires a clear understanding of the legitimate needs and interests of its key stakeholders. Accordingly, the Board and management consider the expectations of shareholders, employees, customers, suppliers, lenders, distributors, regulators, business partners and the communities in which the Company operates when formulating policies, approving investments, pursuing business expansions and making material strategic decisions. This stakeholder-oriented approach is integrated into the Company's governance and strategic planning processes, with decisions guided by long-term value creation, responsible business conduct, risk considerations and compliance with applicable legal and regulatory requirements.

INDUSTRY TRENDS

The Company continuously monitors developments across the industries and markets in which it operates to identify emerging opportunities, competitive pressures and potential risks. Strategic decisions are informed by assessment of changing consumer preferences, technological advancements, competitive dynamics, input and energy costs, regulatory developments, sustainability expectations, trade policies and evolving domestic and international market conditions. Insights from industry associations, market intelligence, customers and other relevant stakeholders are considered, together with benchmarking of prevailing industry practices, to support informed decision-making and maintain the competitiveness and resilience of the Company's businesses.

IMPACT OF SEASONS ON BUSINESS

Given the Company's diversified portfolio, seasonality does not have a material disruptive impact on its overall financial and operational performance. However, certain businesses and product categories may experience periodic variations in demand due to Ramadan, Eid, weather conditions, consumer purchasing patterns and customer production cycles. The impact of such fluctuations is managed through demand planning, inventory and production scheduling, supply-chain coordination and appropriate working-capital management. The Company's diversified product and market portfolio helps to moderate the effect of seasonality and supports relatively balanced business performance throughout the year.

SWOT ANALYSIS

Strengths

A diverse range of products serves the needs of various consumer demographics and markets. Continuous advancements in production technology have led to premium quality and reliability across the food and plastics businesses.

Weaknesses

The market is often saturated with similar products. There is a high dependency on the global supply chain for imported raw materials, and most operations and activities are labour-intensive.

Opportunities

There is significant scope to strengthen and expand digital sales channels, and to diversify further within the food and plastics segments. Health and hygiene trends have also boosted demand for quality products.

Threats

Rising fuel and power prices are squeezing profitability and affecting return on investment. The country's geopolitical situation can also cause disruption in the supply chain.

PESTEL ANALYSIS

Political

Ismail Industries Limited operates in a politically volatile environment where food regulations, taxation policies, and import duties influence business operations. Government subsidies and trade agreements provide strategic advantage.

Economic

High inflation, currency depreciation, and energy prices significantly impact the Group's production costs. Despite these challenges, Pakistan's large and growing population, along with export potential, offers long-term revenue growth.

Social

Urbanization and a young demographic drive demand for convenient, packaged foods, aligning with Ismail Industries Limited's product range. However, increasing health concerns among consumers require the group to adapt frequently in line with their evolving needs.

Technological

Investment in automation and digital platforms enhances Ismail Industries Limited's manufacturing efficiency and market reach. Ecommerce and digital marketing are key enablers that help the group target young consumers more effectively.

Environmental

Sustainability concerns around energy use and water consumption are growing, the Group has adapted to eco-friendly practices which improve environmental performance and compliance with regulatory standards.

Legal

Compliance with food safety, labour, and tax laws is critical for smooth operations. The Group also safeguards its intellectual property and remains agile to changing legal frameworks that govern the FMCG sector.

AWARDS & ACHIEVEMENTS

Top Exporter in the Processed Food Sector by the GOP

Best Corporate & Sustainability Report awards 2024 (Merit) FMCG Sector

Bronze Effie for Bisconni Prime - Pakistan's First Local Premium Biscuit Category Launch in the Snacks & Desserts Category at the Effie Awards 2026

Bisconni Cake Rusk - Pakistan Digital Awards for Best Social Media Campaign (Facebook) & Best Influencer Marketing Campaign

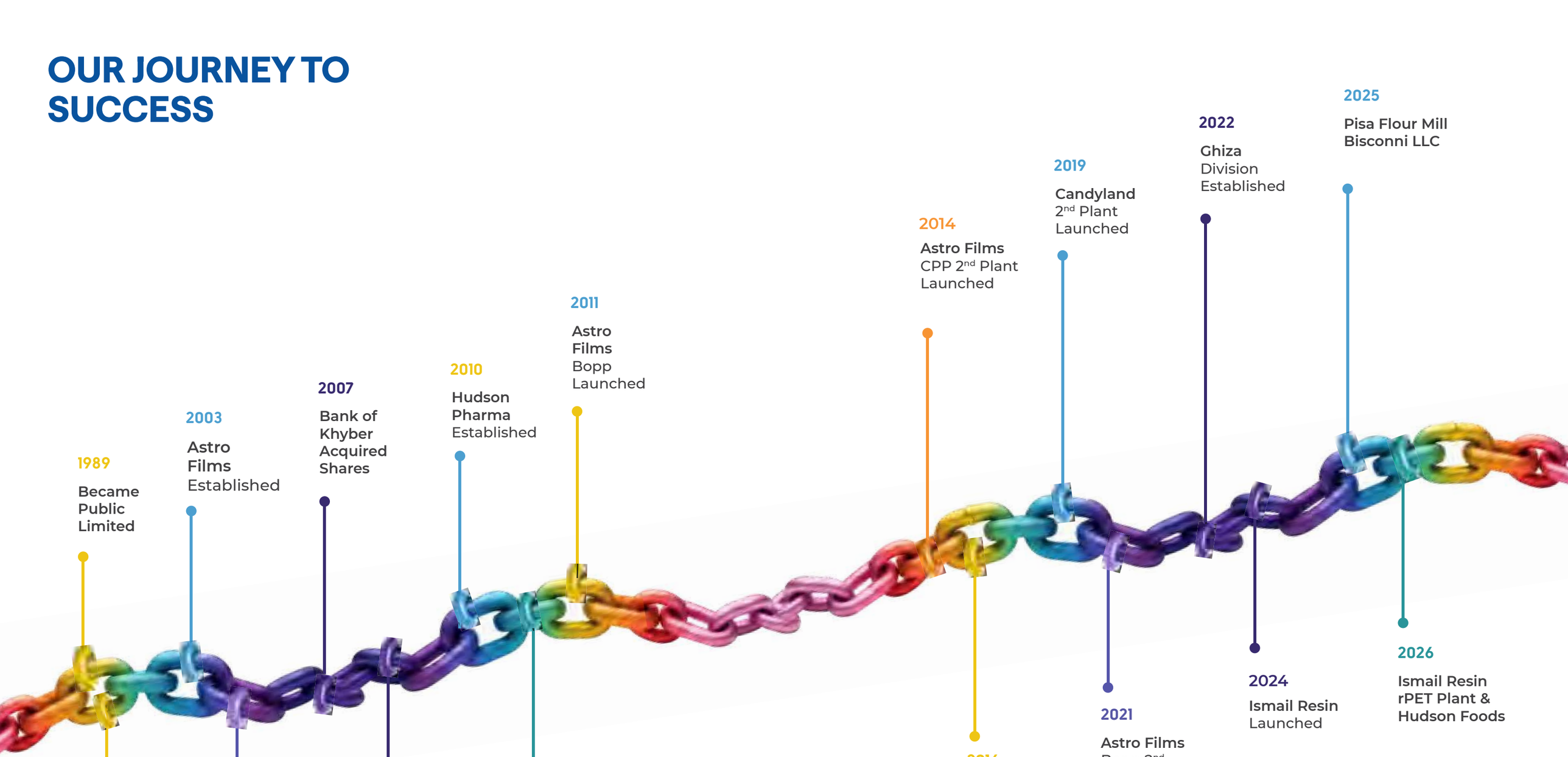


Top Exporter in the Processed Food Sector by the GOP



Best Corporate & Sustainability Report awards 2024 (Merit) FMCG Sector

OUR JOURNEY TO SUCCESS



1989
Became Public Limited

2002
Bisconni Division Established

2003
Astro Films Established

2006
Snackcity Division Established

2007
Bank of Khyber Acquired Shares

2010
Ismail Nutrition Established

2010
Hudson Pharma Established

2011
Astro Films BOPET Launched

2011
Astro Films Bopp Launched

2014
Astro Films CPP 2nd Plant Launched

2016
Bisconni 2nd Plant Launched

2019
Candyland 2nd Plant Launched

2021
Astro Films Bopp 2nd Plant Launched

2022
Ghiza Division Established

2024
Ismail Resin Launched

2025
Pisa Flour Mill Bisconni LLC

2026
Ismail Resin rPET Plant & Hudson Foods

CALENDAR OF MAJOR EVENTS

Plantation Drive – World Environment Day

On World Environment Day, a plantation drive was organized to promote environmental awareness and encourage employees to contribute towards a greener and more sustainable workplace. Employees took an active part in the planting, reinforcing the importance of environmental responsibility and collective action. The initiative reflected IIL's commitment to sustainability, environmental stewardship, and employee participation in meaningful social and environmental causes.





Breast Cancer Awareness Session – Pinktober

A Breast Cancer Awareness session was organized in collaboration with Roche Pharma to promote awareness, prevention, and early detection of breast cancer. The session was conducted for women across Head Office and factory locations. It covered key information on prevention, self-examination, early detection, and regular screening, followed by an engaging quiz and activity. The initiative reinforced the Group's commitment to fostering an inclusive workplace that prioritizes the health, well-being, and awareness of its entire workforce.





Children's Day

We celebrated Children's Day with an engaging and educational experience for employees and their children at the TDF Magnifiscience Centre. It was a memorable experience for both parents and children as they explored interactive science exhibits and participated in fun, hands-on learning activities. This initiative was aimed at strengthening bonds within the organization and fostering a sense of pride and belonging.





Diwali Celebration

At Ismail Industries Limited, Diwali was celebrated by recognizing and appreciating the Group's Hindu employees through the distribution of gift baskets and cakes. The initiative encouraged employees to celebrate the festival with their families and share the joy of the occasion with their loved ones. This gesture reinforced our commitment to diversity, inclusion, and respect for different cultures and traditions, while fostering a sense of belonging among employees.







Visit to Karachi Vocational Training Centre for the Differently abled (KVTC)

Employees visited Karachi Vocational Training Centre (KVTC) as part of an employee engagement and social impact initiative. The visit provided employees with an opportunity to interact with and support individuals with special needs, while promoting empathy, inclusivity, and social responsibility. The initiative encouraged employees to contribute beyond the workplace and strengthened Ismail Industries Limited's culture of compassion, inclusion, and community engagement.

Sponsorship - Special Olympics Pakistan Unified Marathon

Ismail Industries Limited participated as a corporate sponsor of the 11th Lakson Investments Special Olympics Pakistan (SOP) Unified Marathon, supporting inclusion through sports. Employees had the opportunity to participate alongside special athletes, promoting a spirit of inclusion, unity, empathy, and community engagement.



Padel Activity

A recreational padel activity was organized to promote employee well-being, teamwork, healthy competition, and cross-functional interaction. The activity gave employees an opportunity to step away from their routine work, engage in a fun and energetic sport, and build stronger relationships with colleagues in an informal setting.



Independence Day

To celebrate Pakistan's 78th Independence Day, we held an Independence Day celebration at the Head Office. The celebration brought 500+ employees and the Leadership Team together to foster national pride, unity, and a shared sense of belonging.

Awareness Session on World Cancer Day

On World Cancer Day, we organized an awareness session in collaboration with Kiran Hospital, led by Dr. Asghar, to promote cancer awareness, prevention, and early detection among employees. The session offered employees valuable insights on cancer risk factors, preventive measures, and the importance of timely screening, reinforcing the Group's commitment to employee health and well-being.

Flagship Ramadan Cricket Tournament

Our flagship Ramadan Cricket Tournament is an annual employee engagement initiative that brings colleagues from Head Office and factories together through sport. The tournament promotes teamwork, healthy competition, camaraderie, and cross-functional connections, as part of our continued efforts towards building a strong and inclusive workplace culture.



Investment Masterclass on Women's Day

An Investment Masterclass was organized for women employees in collaboration with KTrade Securities, led by Mashal Khan, Managing Director and Chief Marketing Officer. The session focused on financial literacy, covering investment fundamentals, risk, compounding, and the importance of starting early, empowering women with practical knowledge to make informed financial decisions.





POSITION IN THE VALUE CHAIN PROCESS



Legislative and Regulatory Environment

Ismail Industries Limited operates across a diverse range of businesses and markets and is therefore subject to an evolving framework of federal and provincial legislation, sector-specific regulations, tax requirements, labor standards, environmental obligations and international trade requirements. The Company recognizes effective regulatory compliance as an essential element of responsible business conduct and long-term value creation. Accordingly, management continuously monitors legislative and regulatory developments, assesses their potential business impact and strengthens policies, processes and internal controls to ensure timely compliance and minimize regulatory and operational risks.

Key areas of the Company's regulatory and compliance framework include:

Corporate Governance and Compliance:

In Pakistan, companies are mandated to comply with the Companies Act, 2017, which dictates standards for company formation, financial reporting, auditing, and governance. The Securities and Exchange Commission of Pakistan (SECP) also enforces regulations to ensure market transparency and safeguard investor interests.

Taxation and Fiscal Regulations:

The Company remains compliant with applicable direct and indirect tax laws administered by the Federal Board of Revenue (FBR), including income tax, sales tax, customs and related fiscal obligations. Management closely monitors changes in tax legislation, duties, levies and fiscal policies to assess their impact on product costs, imports, investments, pricing and overall financial planning.

Labour, Health, Safety and Workplace Standards:

The Company is committed to maintaining workplaces that comply with applicable labour, occupational health and safety and employee welfare requirements. Relevant federal and provincial labour legislation, including applicable industrial and employment laws, provides the framework for fair employment practices, worker welfare, safe working conditions and responsible people management.

Trade, Customs and Export Regulations:

Given the Group's expanding international footprint, the Company complies with applicable trade, customs, export-control and related regulatory requirements governing cross-border transactions. Management continues to monitor changes in tariff regimes, customs procedures, trade policies, product standards and international market requirements to safeguard market access and enhance the resilience of the Group's export operations.

Competition and Market Conduct:

The Company remains committed to conducting its businesses in accordance with the principles of fair competition and applicable requirements of the Competition Commission of Pakistan (CCP). The Company's compliance framework is designed to prevent anti-competitive practices, facilitate responsible market conduct and promote fair and transparent business relationships.

Environmental, Product Quality and Sector-Specific Regulations:

Across its diverse businesses, the Company complies with applicable environmental, food safety, product quality, pharmaceutical, packaging and other sector-specific regulatory requirements. Continuous monitoring of regulatory developments, certifications, quality systems and operational controls supports the Company's commitment to product safety, environmental responsibility and sustainable business practices.

Through this framework, IIL seeks not only to maintain compliance but also to anticipate regulatory developments, strengthen organisational resilience and ensure that regulatory considerations are appropriately integrated into strategic, operational and investment decisions.

The Political and Geopolitical Environment Affecting the Company's Operations and Strategy

The Company's operations and strategic objectives may be influenced by political, economic and geopolitical developments in Pakistan and other jurisdictions relevant to its business. The key developments and their impact during FY26 are discussed in detail in the Directors' Report.

Significant Events during the year and after the Reporting Period

The significant events during the year ended June 30, 2026, and those occurring after the reporting period, are presented in the 'Calendar of Major Events' and 'Our Journey to Success' sections of this Annual Report.



02

LINKED TO A BETTER FUTURE

STRATEGY & RESOURCE ALLOCATION

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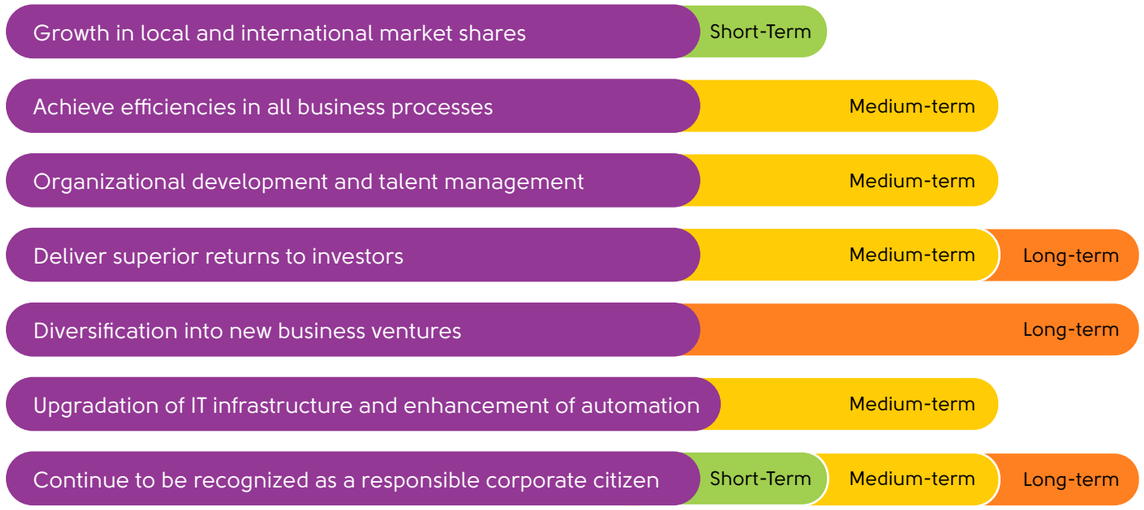
Strategic Objectives

The Company's strategic objectives are categorised by their time horizon — short-term, medium-term, and long-term — ensuring clarity of purpose and structured execution across all business functions:



Strategies to Achieve Our Objectives

To ensure daily operations effectively support long-term objectives, we have already implemented the following proven strategies:

- **Data-Driven Consumer Strategy:**
  Align marketing and product development with shifting consumer trends. By utilizing market data, IIL can direct innovation and solidify brand presence across all its product categories.
- **Digital and Omni-Channel Growth:**
  Combining physical, retail, e-commerce, and digital platforms to expand the market reach and improve operational flow. A strong digital presence will optimize distribution, boost customer engagement within FMCG lines, and open new avenues for revenue.
- **Responsive Product Innovation:**
  Improve logistical agility by integrating ERP systems, forecasting demand, and tracking inventory in real-time. This approach ensures consistent service quality and maximizes cost efficiency across all operational regions.
- **Optimized Supply Chain Management:**
  Enhancing supply chain agility through real-time inventory management, demand forecasting, and ERP integration facilitates IIL to better manage cost efficiencies and service levels across markets.
- **Commitment to Sustainable Operations:**
  Embed environmentally conscious practices into standard operations. Focusing on ethical sourcing, eco-friendly packaging, and strong corporate social responsibility will demonstrate clear accountability to stakeholders and customers alike.
- **Accountability and Talent Development:**
  Cultivate a workplace focused on innovation and measurable performance. By directly linking departmental KPIs to broader corporate goals and investing in employee growth, IIL will build a resilient workforce capable of executing long-term strategies.

Resource Allocation Plan

Each component of the Company's business model is distinctive and plays an integral role in enabling long-term value creation. The Company relies upon the following capitals and stakeholder relationships to generate and sustain value:

Capital	Resource allocation plan
Financial	The organization's business activities are supported by a solid foundation of financial capital, which is structured through a mix of equity and debt secured from established lenders. Executive leadership maintains careful supervision over liquidity to guarantee full adherence to corporate policies, tax laws, and industry regulations. When distributing funds, decisions are driven by a thorough evaluation of daily operational requirements and long-term business goals. Furthermore, the company conducts detailed cash flow projections at the start of every fiscal period to streamline budget planning and maximize the return on capital investments.
Human	The workforce is the organization's most valuable resource and the primary engine driving our achievements. All team member's actions are guided by the company's Core Values, Code of Conduct, and established HR guidelines. We place a high priority on human capital management, which is directed by a specialized HR department accountable to the Board's Human Resource & Remuneration Committee. Furthermore, the organization is dedicated to recruiting and keeping top-tier talent skilled in modern technologies, as this expertise is crucial for upgrading manufacturing processes, driving creative marketing initiatives, and maintaining strict internal oversight.
Manufactured	The organization's physical assets, including production facilities, machinery, energy generation networks, and supporting infrastructure, are utilized with maximum efficiency to achieve key business goals. By maintaining cutting-edge manufacturing plants, the company continuously directs capital toward modern technologies and facilities upgrades to scale up production output and capture a larger market share. Additionally, the company works in tandem with key stakeholders to discover and apply economically viable solutions, generating mutual benefits by driving revenue growth and delivering premium, highly accessible products to the market.
Intellectual	The organization strategically utilizes its intellectual capital to drive its overarching corporate objectives. These critical assets consist of highly regarded brand names i.e. Candyland, Bisconni, Ghiza, and Astro Films, a robust Enterprise Resource Planning (ERP) infrastructure, and deeply ingrained operational procedures. Furthermore, successfully deploying SAP S/4HANA has vastly improved management's oversight, allowing the company to integrate top industry practices while continuously fortifying its internal control frameworks.
Social	The organization prioritizes its role as a responsible corporate entity by continuously upgrading health, safety, and environmental protocols throughout all its business activities. This dedication is paired with regular, impactful financial support for charitable and social initiatives, focusing heavily on community welfare, healthcare, and educational advancement. Through these ongoing efforts, the enterprise successfully strengthens its reputation as a dependable and socially conscious organization.
Natural	All vital natural resources required for business activities, consisting primarily of water and essential raw materials, are currently ample enough to sustain daily production needs. The organization pledges to act as a responsible guardian of these environmental assets by continually advancing projects focused on long-term sustainability and ecological awareness.

Strategic Capabilities and Resources for Sustainable Competitive Advantage at Ismail Industries Limited

To build long-term value and maintain a strong position in a shifting market, the organization continues to fund and cultivate the following core strengths:

Internal Capabilities and Vertical Integration

The organization closely manages various phases of its supply chain, covering everything from sourcing raw materials to production and distribution. This integrated approach ensures high quality, lowers costs, and allows for scalable operations. By integrating backward through in-house material sourcing from Ismail Resin & Flour Division, the company bolsters quality control, minimizes dependence on external suppliers, and improves profit margins.

Brand Distinction and Product Innovation

Backed by a robust portfolio of renowned brands like Candyland, Bisconni, Ghiza, and Astro Films, the company is well-positioned to continuously invest in research and development. Focusing on consumer needs, such as introducing health-oriented options and new product categories, helps maintain brand relevance and fosters deep customer loyalty.

Strategic Marketing and Strong Brand Identity

The enterprise has developed a suite of highly trusted brands. To stand out in a crowded market, marketing efforts prioritize culturally relevant campaigns, emotional storytelling, and sustainable brand positioning that appeal heavily to consumers who prioritize corporate values.

Organizational Flexibility and Talent Cultivation

Long-term competitive dominance relies on internal proficiency and a dedicated workforce. The company promotes a culture of high performance through comprehensive training programs, clear leadership tracks, and adaptable cross-functional teams that drive new ideas and respond rapidly to market shifts.



Strategy for Market, Product, and Service Expansion

To grow its presence in local and global FMCG sectors, the organization constantly refines its approaches to market penetration, innovation, and service quality:

Innovation Driven by Consumers

The company bases its product development on current lifestyle trends, consumer feedback, and health requirements. This strategy includes rolling out seasonal flavors and health-conscious alternatives, such as lower-sugar and high-protein items, to satisfy changing dietary preferences.

Vertical Integration and Brand Diversification

Building on flagship brands like Bisconni, Candyland, and Ghiza, the company seeks to diversify by launching targeted sub-brands for premium and wellness-focused niches. Furthermore, controlling packaging, logistics, and material sourcing improves product quality, lowers expenses, and accelerates market entry.

Customer Engagement and Experiential Branding

To deepen consumer relationships, the company funds story-driven marketing and creative packaging solutions, such as festival themes and collectible designs. Turning standard snacking into a memorable experience serves as a major competitive differentiator.

Trend Adaptation and Agile Response

The organization utilizes an agile framework for research and development to shorten the time it takes to launch new products, allowing a quick response to trends like functional nutrition and plant-based foods. Utilizing a test-and-learn method via regional and limited releases helps accelerate innovation while minimizing financial risk.

Plans of Business Expansion

Growth strategies focus on increasing market share among current customers to build loyalty and repeat sales. The company invests heavily in R&D to improve product quality and introduce successful new items like Premium Jellies, Bless, Rush, Cosmo, Flick, YOU Dark Chocolate, Multigrain Ghiza. Internationally, establishing the Bisconni LLC production facility will drastically boost manufacturing capacity and export capabilities.

Factors Affecting Strategy and Resource Allocation

a. Technological Advancements

Committed to operational superiority, the enterprise actively uses new technology to boost production efficiency, automate workflows, and enhance data analysis. Major efforts to digitize essential functions aim to remove redundancies and improve speed. New expansion projects integrate cutting-edge tech, while existing facilities receive upgrades to cut costs and increase output.

b. Sustainability Challenges and Reporting

Recognizing the growing global environmental crisis, the organization factor issues like water scarcity, carbon emissions, waste management, and climate change into all strategic planning. Environmental impact evaluations are standard for all major investments and expansions. In terms of reporting, the company addresses the following hurdles:

- **Data Measurement:** Tracking detailed greenhouse gas emissions and resource usage requires advanced infrastructure and external audits, demanding investment in professional systems.
- **Standard Compliance:** Adhering to evolving regulations like IFRS S1 & S2, SECP, and SASB requires ongoing funding for training, system upgrades, and expert consultations.
- **Risk Management:** Identifying environmental risks, such as carbon pricing and material shortages, directly guides resource allocation to ensure long-term stability.

c. Promoting Innovation:

Leadership actively encourages entrepreneurial thinking, innovation, and employee participation. Recent milestones include:

1. **R-PET Facility:** Development of an R-PET facility with a production capacity of over 2,160 tonnes per month, reinforcing the Group's commitment to sustainable packaging and circular economy practices.
2. **Biomass Projects:** Investment in biomass-based energy solutions to promote renewable energy, reduce reliance on conventional fuels, and enhance the sustainability of manufacturing operations.
3. **Solar Park:** Development of a Solar Park to expand the Group's renewable energy footprint, reduce carbon emissions, and support the transition towards cleaner and more sustainable energy sources.

d. Resource Constraints:

The organization actively monitors potential resource shortages:

1. **Power and Fuel:** A high-probability risk that could force the use of expensive alternative energy or cause production delays. This requires diverse and proactive energy procurement.
2. **Raw Material Disruptions:** A medium-probability but high-impact risk. Supply chain issues can halt production and harm client relations, which the company counters by diversifying suppliers and keeping healthy inventory buffers.

Key Performance Indicators (KPIs)

We measure progress towards our strategic objectives using the following Key Performance Indicators (KPIs). Management regularly analyses these indicators to gauge performance against predefined benchmarks, and they will continue to be relevant in the future ("P" for Permanent/Relevant):

Strategic Objective	Area of Impact	KPIs monitored	Future Relevance
Growth in local and international market shares	Financial Capital	Sales volume Market share indexing Export in new markets	✓
Achieve efficiencies in all business process	Manufactured Capital, Intellectual Capital	Production efficiency and activity ratios	✓
Organizational development and talent management	Human Capital	Employee engagement scores and Retention & Turnover ratios GT Program	✓
Superior returns to investors	Financial Capital	Earnings per share Return on equity	✓
Diversification into new ventures	Financial Capital	Investment portfolio Return on investment New markets	✓
Upgradation of IT infrastructure and enhancement of automation	Intellectual Capital	IT upgrades, ERP enhancements, Process digitalization	✓
Continue being recognized as a good corporate citizen	Financial Capital	Tax payments Social Activities	✓

Management evaluates strategic progress using permanent KPIs measured against established benchmarks:

Aligning Objectives with Vision and Mission

Each of the Company's strategic objectives is directly aligned with its overarching mission and vision, ensuring coherence between long-term aspirations and operational priorities.

Market Share Growth

Fulfills the mission to be a top manufacturer globally and locally, aligning with a vision of sustainable expansion.

Business Process Efficiency

Supports the mission of maximizing stakeholder satisfaction through optimal resource use and operational excellence.

Talent Management

Guarantees fair, transparent performance tracking for all staff, linking individual roles to broader company strategies.

Superior Returns to Investors

This objective addresses the financial dimension of the Company's mission to maximise stakeholder value and create enduring financial resilience, underpinning the vision of sustained and responsible financial performance.

New Venture Diversification

Matches the vision of portfolio expansion and meeting consumer demand through new business verticals.

IT and Automation Upgrades

Advances the mission of using technology for efficiency, establishing the company as a forward-thinking enterprise.

Corporate Citizenship

This objective is a direct expression of the Company's mission to operate as a responsible corporate citizen that contributes meaningfully to Pakistan's development and societal well-being, in full alignment with its ethical and environmental commitments.

Board's Statement on Internal and IT Control

The Board of Directors accepts total responsibility for creating and upholding a reliable internal control system that covers IT, operations, and finances. This highlights a commitment to strict risk management, precise financial reporting, and solid governance.

Scope and Framework

The system is built to provide reasonable assurance that the company will achieve regulatory compliance, efficient operations, and accurate financial tracking, acknowledging that controls minimize rather than eliminate risk.

Control Environment

The Board establishes a culture of accountability and integrity, backed by a clear organizational structure and robust HR policies.

Risk Assessment

The company continuously evaluates internal and external risks affecting IT, operations, and finances.

Control Activities

Strict procedures, including duty segregation, necessary authorizations, and performance reviews, are enforced to mitigate identified risks.

Communication

Accurate and timely information is distributed across the company so all staff can execute their control responsibilities.

Monitoring

Internal audits, operational checks, and independent evaluations ensure ongoing control effectiveness, with any gaps quickly reported for correction.

Debt Management and Liquidity Strategy:

Debt Repayment History:

The company has a flawless record of meeting debt obligations on time. Thanks to diverse income streams and efficient operations, the company has avoided liquidity issues and expects no future defaults. A strict debt management system tracks repayment schedules in real-time, maintains necessary cash buffers, and ensures full transparency with stakeholders.

Board's Liquidity Management Strategy:

To handle economic complexities like shifting consumer demand, inflation, and currency fluctuations, the Board utilizes a detailed liquidity plan:

Investment in Operational Efficiency: Capital expenditure is prioritised towards automation and energy-efficient technologies, with the objective of structurally reducing production costs and enhancing throughput over the medium to long term.

Cash Flow Management: The Company is actively strengthening credit control policies, accelerating collections from trade partners, and negotiating extended payment terms with key suppliers to preserve cash liquidity. The working capital cycle is monitored closely, supported by disciplined inventory management to minimise holding costs and enhance cash conversion.

Risk Preparedness:
The Company conducts regular scenario planning and financial stress testing exercises to assess resilience under adverse economic conditions and ensure business continuity across a range of potential outcomes.

Revenue Diversification:
The Company is strategically positioning its portfolio towards higher-margin products, value-added segments, and export-driven growth channels to mitigate pressures arising from the domestic market environment.

Financing Strategy:
Structured financing options are being explored, including access to competitively priced credit facilities and the strategic reinvestment of retained earnings, to safeguard uninterrupted business operations.

Cost Optimisation:
The Board has instituted a company-wide initiative to rationalise non-essential expenditure across administrative, production, and distribution functions, without compromising product quality or customer satisfaction.

Governance and Strategic Alignment:
The Board is strengthening governance oversight and aligning departmental KPIs with the Company's financial resilience objectives, ensuring cohesive and accountable execution of the overall strategy across all business units.

These measures collectively reflect Ismail Industries Limited's enduring commitment to long-term financial resilience, operational excellence, and the creation of sustained value for all stakeholders.

03

PIECES IN PLACE

RISKS & OPPORTUNITIES

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Navigating Risks and Unlocking Opportunities at Ismail Industries

Ismail Industries Limited keeps enhancing its strategy for managing risks and seizing opportunities by building on its current strengths to future-proof its operations and maintain long-term growth. For predicting changes in consumer behavior, commodity prices, and regulatory developments, particularly in its FMCG and packaging segments, the company intensifies its market research activities. IIL further embraces digital transformation across e-commerce, supply chain, and consumer engagement to optimize operations and open new business opportunities. The risk of market concentration and demand instability is mitigated by strategic diversification into export-oriented products, health-oriented products, and specialist markets.

Furthermore, by implementing SAP's Warehouse Management module and leveraging technology to enhance logistics, inventory visibility, and warehouse operations, Ismail Industries is strengthening its supply chain capabilities, enabling greater efficiency, control, traceability, and responsiveness across its operations. The company persistently integrates sustainability into its practices — utilizing eco-friendly packaging, improving energy efficiency, and minimizing waste — to enhance its ESG profile, appeal to responsible investors, and connect with ethically-minded consumers. Together, these efforts enable Ismail Industries to effectively address emerging risks while seizing future opportunities, ensuring ongoing value creation and organizational strength.

The Audit Committee is primarily responsible for recognizing and managing risks that impact the Company, making sure that activities stay within the established risk tolerance and are in line with the attainment of corporate goals.

Key Emerging Risks and Strategic Opportunities Influencing Capital Utilization at IIL

Time Horizon	Form of Capital	Key Risks	Key Opportunities
Short to Medium Term	Financial Capital	• Variations in currency exchange rates • Changes in tax laws and regulations	• Using the interest rate & currency hedging and SWAP to more dynamically control cash flow • Making use of sustainable financial tools
Medium to Long Term	Human Capital	• Workforce skill gaps driven by automation	• Introducing hybrid and flexible work arrangements • Developing staff skills using digital learning resources
Medium Term	Manufactured Capital	• Disruptions to supply chains from geopolitical instability	• Making the shift to technologically advanced, intelligent factories • Increasing the number of suppliers to lower the risk of concentration • Availability of Local Substitutes • Vertical Integration
Medium to Long Term	Intellectual Capital	• Exposure to IP leakage through digital partnerships	• Collaborating on joint innovation with R&D organizations • Protecting breakthroughs with patents and digital safeguards
Long Term	Social & Relationship Capital	• Erosion of trust due to misinformation	• Strengthening transparency via ESG-related disclosures • Taking multiple CSR initiatives to build brand loyalty
Long Term	Natural Capital	• Resource shortages linked to climate change (e.g., water & agricultural inputs)	• Increasing funding for renewable energy sources • Promoting circular economy initiatives, such as package recycling programs

Robust Assessment of Principal risks & Uncertainties

The company's strong risk management framework enables a business to pinpoint, assess, and control major uncertainties that could have an influence on its core business functions. This vigorous structure spans several key domains, ranging from technology and day-to-day operations to compliance, legal, political, strategic, and credit exposures.

Some of the main elements of a structured principal risk management process include:

- **Identification and Description:** Principal risks are clearly identified, with their nature, origin, likelihood, and potential financial and non-financial impacts described in sufficient detail for shareholders to understand why each risk is material to the company.
- **Qualitative and Quantitative Analysis:** Risks are evaluated through a combination of qualitative judgment and quantitative measures, including probability of occurrence, severity of impact, and scenario analysis such as stress and sensitivity testing. Reverse stress testing may also be applied to assess potential failure scenarios.
- **Tailoring to Business Context:** The risk assessment is customized to the Company's specific circumstances, business model, strategy, and risk environment, recognizing that a one-size-fits-all approach is not appropriate.
- **Categorization of Risks:** Principal risks are typically grouped into the following categories:
  - ◊ **Strategic:** Impacting overall market positioning and long-term business viability.
  - ◊ **Operational:** Stemming from internal system glitches, process bottlenecks, staffing issues, IT downtime, or compliance oversights.
  - ◊ **Financial:** Threatening capital health through solvency, credit, liquidity, and broader market risks.
  - ◊ **External:** Out-of-control macro influences, including legal shifts, political developments, and economic volatility.
- **Governance and Process:** Oversight of the risk evaluation framework rests with the Board and senior leadership. our dedicated audit committee regularly reviews updated risk profiles and evaluates control effectiveness, ensuring distinct accountability across departments and tracking risk trajectories over time.
- **Risk Mitigation and Monitoring:** The evaluation assesses available mitigation measures and their prospective efficacy. Ismail Industries continuously monitors its risk profile and adapts its response, accordingly, ensuring material changes and residual risks are systematically reported to senior management and the Board.
- **Integration with Viability Statements:** The risk assessment informs the Company's long-term viability statement, through which the directors confirm their evaluation of Ismail Industries' prospects over an appropriate horizon, accounting for key principal risks, uncertainties, and their underlying operational assumptions.

Conclusively, robust principal risk management is a structured, continuous process of identifying and evaluating key threats against Ismail Industries' strategic objectives. Supported by sound governance and active monitoring, this framework safeguards our ongoing operations and drives sustainable long-term value creation.



Risk Management Framework & Methodology

Ismail Industries' risk management framework systematically identifies and mitigates exposures, minimizing adverse impacts while advancing our long-term strategic objectives. Regular risk assessments provide a clear understanding of key enterprise threats, assigning distinct ownership to enforce targeted countermeasures.

The Company actively manages uncertainties that could affect corporate goals, while concurrently capitalizing on emerging opportunities. Given their strategic significance, material issues and principal risks are fully integrated into our business planning processes, receiving continuous oversight and regular evaluation by the Board of Directors.

Principal Risks Faced by the Company and Mitigating Actions

While Ismail Industries is exposed to various operational and market risks, proactive strategic planning and deep industry expertise enable management to systematically identify and mitigate actual, emerging, and perceived threats. The following section outlines the principal risks facing the Company and our corresponding mitigation strategies:

Strategic Risks

Raw materials constitute a substantial portion of our production expenditure. Supplier pricing remains vulnerable to foreign exchange fluctuations, broader macroeconomic trends, and volatile transportation and fuel costs.

Type of Risk	Affected Capital	Strategic Objective	Mitigating Strategy
Rising cost of raw material	Financial capital	Profitability and growth	Ismail Industries maintains cost efficiency by systematically benchmarking raw material quotes across diverse vendors and developing alternative sourcing options, including local substitutes where feasible. A well-established strategic supplier network and local sourcing capabilities help secure competitive pricing, reduce dependency on imported materials, mitigate supply chain risks, and ensure uninterrupted material flow, thereby reducing the risk of production delays.

Likelihood	Impact	Source
Med	High	External

Shift in tax policies, energy tariffs, and statutory requirements could constrain operational flexibility and impact Company earnings.

Type of Risk	Affected Capital	Strategic Objective	Mitigating Strategy
Risk of Inconsistent/ Arbitrary Changes in Government Policies	Financial capital	Profitability and growth	The Company actively collaborates with key industry forums like the Pakistan Business Council to communicate sector-specific concerns to regulators, while management continuously evaluates policy shifts to execute timely, well-informed strategic adjustments.

Likelihood	Impact	Source
High	Med	External

Financial Risks

Policy rate volatility escalates borrowing expenses, adversely affecting the Company's net profitability.

Type of Risk	Affected Capital	Strategic Objective	Mitigating Strategy
Interest Rate Risk	Financial Capital	Profitability and growth	Ismail Industries manages a balanced capital structure and actively pursues concessionary financing facilities to reduce borrowing costs.

Likelihood	Impact	Source
Med	High	External

Operational Risks

Fast technological advancements could impair the comparative efficiency of the Company's current production infrastructure.

Type of Risk	Affected Capital	Strategic Objective	Mitigating Strategy
Technology Obsolescence	Intellectual/ Manufactured Capital	Profitability and growth	Ismail Industries continuously modernizes its manufacturing setup by deploying state-of-the-art, high-efficiency production lines across all manufacturing facilities.

Likelihood	Impact	Source
Med	Med	External

Possible machinery breakdowns or operational capacity bottlenecks could interrupt manufacturing operations.

Type of Risk	Affected Capital	Strategic Objective	Mitigating Strategy
Maintenance Risk	Manufactured Capital	Profitability and growth	Robust preventive maintenance protocols ensure peak equipment efficiency and optimize manufacturing capacity utilization across plants.

Likelihood	Impact	Source
Low	Med	Internal

Securing and retaining specialized talent is vital for executing strategic objectives, while structured succession planning is essential for long-term organizational stability.

Type of Risk	Affected Capital	Strategic Objective	Mitigating Strategy
Employee Retention and Succession Planning	Human Capital	HR Excellence	IIL conducts focused initiatives to cultivate high-potential talent and promote workplace diversity, reinforcing operational capabilities. Our succession framework allows executive management to track performance and identify future leadership talent.

Likelihood	Impact	Source
Med	Low	Internal

Key Opportunities

Adopting advanced technology enhances production efficiency and reduces unit costs, elevating our customer value proposition and stakeholder returns.

Opportunities	Affected Capital	Strategic Objective	Source	Utilization Strategy
Investment on state-of-the-art technology	Manufactured Capital	Efficiency	Internal	Ismail Industries maintains a continuous technology investment strategy to uphold its position as an industry-leading efficient producer. The commissioning of new facilities—including our Cereal, Nutrition, and Resin plants—has substantially expanded operational capacity and enhanced product quality.

Cultivating a healthy work environment and driving continuous employee professional development.

Opportunities	Affected Capital	Strategic Objective	Source	Utilization Strategy
Efficient work environment	Human Capital	HR Excellence	Internal	IIL prioritizes employee satisfaction and capability building through structured training programs and a strong organizational culture.

Our Materiality Assessment

Beyond fulfilling statutory requirements to disclose all material events and transactions, management employs a materiality-based framework to ensure clear, effective stakeholder communication. The Company's materiality matrix is continuously updated to address evolving operational and market challenges. Material issues are identified based on their strategic importance to stakeholders and their direct contribution to our corporate success.

Evaluating these priorities establishes a structured foundation for managing associated risks and opportunities. This process extends beyond immediate operations to incorporate environmental, social, economic, and financial factors that could impact Ismail Industries' capacity to generate sustainable short-, medium-, and long-term value.

The Board has sanctioned a formal policy that outlines the materiality threshold to be considered by management when disclosing or reporting financial information. To facilitate our annual materiality assessment, we engage in continuous dialogue with our stakeholders, which includes suppliers, consumers, regulators, and non-governmental organizations (NGOs). Additionally, we evaluate material issues based on their significance to our strategic plans and objectives.

Disclosure of Supply Chain Disruption Risks and Mitigation Strategy in the Face of Environmental, Social & Governance Incidents

In an evolving global landscape, organizations increasingly recognize the deep interconnection between operational performance and environmental, social, and governance (ESG) factors. Ismail Industries actively manages the potential risks these factors present, particularly across its supply network, utilizing a structured risk assessment framework to identify ESG-driven disruption risks early. This relies on close coordination with internal teams, suppliers, and industry partners, alongside an active monitoring system that tracks emerging ESG developments.

To mitigate supply chain risks effectively, the Company executes a proactive, multi-pronged resilience strategy:

Supplier Engagement & Alignment: IIL collaborates with suppliers to promote ESG awareness and ensure compliance with our core values, driving responsible sourcing, ethical labor practices, and sustainable manufacturing standards.

Supplier Base Diversification: The Company systematically broadens its vendor network, mitigating single-source dependencies and insulating operations from localized disruptions.

Resilience & Redundancy: Continuous investments enhance supply chain flexibility by establishing operational redundancies and alternative sourcing channels where viable.

Ismail Industries remain steadfast in addressing ESG-related supply chain vulnerabilities. Through continuous threat identification, rigorous oversight, and proactive mitigation, the Company protects its long-term operational viability, minimizes adverse exposures, and fosters a sustainable, responsible enterprise ecosystem.

04

UNLOCKING POSSIBILITIES

GOVERNANCE

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THE COMPOSITION OF THE BOARD & MEETING ATTENDANCE



Members of the Board

Designation	Name of Directors
Executive	Mr. Munsarim Saifullah (CEO)
	Mr. Ahmed Muhammad
Independent	Mr. Muhammad Zain
	Ms. Tasneem Yusuf
Non-Executive	Mr. Muhammad M. Ismail
	Mr. Maqsood Ismail Ahmed
	Mr. Hamid Maqsood Ismail
Female	Ms. Tasneem Yusuf

Board of DIrectors - Attendance

Meetings Attended	Name of Directors
4/4	Mr. Muhammad M. Ismail
4/4	Mr. Maqsood Ismail Ahmed
4/4	Mr. Munsarim Saifullah
4/4	Mr. Hamid Maqsood Ismail
4/4	Mr. Ahmed Muhammad
4/4	Ms. Tasneem Yusuf
3/3*	Mr. Muhammad Zain
1/1*	Muhammad Zubair Motiwala

Members of Audit Committee

Designation	Name of Directors
Chairperson	Ms. Tasneem Yusuf
Member	Mr. Maqsood Ismail Ahmed
Member	Mr. Muhammad M. Ismail

Audit Committee - Attendance

Meetings Attended	Name of Directors
4/4	Ms. Tasneem Yusuf
4/4	Mr. Maqsood Ismail Ahmed
4/4	Mr. Muhammad M. Ismail

Member of Human Resource & Remuneration Committee

Designation	Name of Directors
Chairman	Mr. Muhammad Zain
Member	Mr. Maqsood Ismail Ahmed
Member	Mr. Hamid Maqsood Ismail

Human Resource & Remuneration Committee - Attendance

Meetings Attended	Name of Directors
1/1*	Mr. Muhammad Zain
2/2	Mr. Maqsood Ismail Ahmed
2/2	Mr. Hamid Maqsood Ismail
1/1*	Muhammad Zubair Motiwala

Name of Companies in which the Executive Director is serving as Non-Executive Director.

Mr. Ahmed Muhammad	Mr. Munsarim Saifullah
Delmare Foods (Private) Limited	Hudson Pharma (Private) Limited
Uniron Industries (Private) Limited	MI Solar (Private) Limited
Hudson Pharma (Private) Limited	Innovita Nutrition (Private) Limited
Plastiflex Films (Private) Limited	Ismail Resin (Private) Limited
Act Wind (Private) Limited	Innovita Labs (Private) Limited
Ismail Resin (Private) Limited	
Innovita Labs (Private) Limited	
Innovita Nutrition (Private) Limited	
Allume Solar (Private) Limited	
VMI Trading Inc.	

*Mr. Muhammad Zubair Motiwala retired from the Board of Directors with effect from October 22, 2025, and on the same date, Mr. Muhammad Zain was appointed as a Director of the Company.

Director's Profile

The Board of Directors at Ismail Industries Limited leverages its deep expertise in finance, economics, and business management to provide strategic leadership, driving the company towards sustained growth and success.



Mr. Muhammad M. Ismail Holds a B.S. in Industrial Engineering from the University of Florida, USA, which he completed in 1974.

He began his professional career with the family business, Union Biscuits, where he served as a Director until 1989. In the same year, he founded Ismail Industries Limited (IIL) and has since played a pivotal role in shaping the Company's strategic direction and growth. As Chairman of the Board, Mr. Ismail provides strategic leadership and oversight across key areas of the business, including manufacturing, sales and distribution, marketing, business expansion, and acquisitions. His leadership and long-standing industry experience have contributed significantly to the Group's evolution and continued growth.

Beyond his professional commitments, Mr. Ismail is an avid golfer and has a well developed interest in bridge.

Mr. Muhammad M. Ismail

Chairman of the Board



Holds a Bachelor's of Engineering degree from N.E.D. University of Engineering and Technology, Pakistan.

He began his professional career with Pakistan International Airlines before joining Ismail Industries Limited. Having been associated with the Company since its inception, he has played a significant role in establishing and developing the business and has contributed extensively to its growth and evolution. As Chief Executive Officer of Ismail Industries Limited and its Group companies, Mr. Saifullah provides strategic leadership and oversees the Group's operations and business development.

Beyond his professional career, Mr. Saifullah has a distinguished association with table tennis. He represented the Pakistan National Table Tennis Team for several years and was crowned Pakistan's Table Tennis Champion in 1984.

Mr. Munsarim Saifullah

Chief Executive Officer



Holds a Bachelor's degree in Economics from George Washington University, USA.

As part of the Group's continued evolution and growth strategy, Mr. Ahmed Muhammad provides leadership to the Food and Plastic divisions, with a particular focus on modernising operations, strengthening business processes, and driving a more structured and objective-oriented approach to management. His leadership contributes to the Group's ongoing efforts to enhance operational effectiveness, innovation, and sustainable business growth.

Beyond his professional commitments, Mr. Ahmed Muhammad has a keen interest in golf.

Mr. Ahmed Muhammad

Executive Director



Holds a B.S. in Economics from the University of Delaware, USA, which he completed in 1981.

He began his professional career with Union Biscuits, where he was responsible for Finance, Government Affairs, and Imports prior to the establishment of Ismail Industries Limited. He currently serves as a Director of the Company and brings extensive experience in business, finance, trade, and public-sector affairs.

Mr. Ismail has held several prominent positions in Pakistan's business and institutional landscape. He served as Chairman of the Export Processing Zones Authority, Vice President of the Federation of Pakistan Chambers of Commerce & Industry (FPCCI), Chairman of the Yarn Merchants Association of Pakistan, and President of the Lasbela Chamber of Commerce. He has also served on the boards of the Industrial Development Bank of Pakistan (IDBP), Port Qasim Authority, and the Karachi Port Trust.

In recognition of his services to the community and business sector, Mr. Ismail was awarded the Tamgha-e-Imtiaz by the Government of Pakistan.

Mr. Maqsood Ismail Ahmed

Non - Executive Director



Holds a Bachelor's degree in Business Administration from Middlesex University, United Kingdom, and an MBA from Oxford, bringing a strong blend of business knowledge and strategic management expertise to the Board.

As a Non-Executive Director of Ismail Industries Limited, Mr. Hamid has made significant contributions to the Company's strategic direction, business growth, and operational performance. His leadership and strategic insight have supported the Group's expansion, revenue growth, and sustained improvement in profitability across its core business segments.

With a forward-looking approach and a strong focus on innovation, Mr. Hamid continues to contribute to the Group's long-term strategy and sustainable growth.

Mr. Hamid Maqsood Ismail

Non - Executive Director



Muhammad Zain is an Aviation Management graduate from Germany with international professional experience in Revenue Management at Brussels Airlines, part of the Lufthansa Group.

He currently holds a leadership role at Diamond Textiles, where he oversees business operations and leads construction and development projects. His experience combines international corporate exposure with hands-on operational and project management expertise.

At Diamond Textiles, Zain is focused on enhancing operational efficiency, maintaining high standards of quality, and developing scalable, export-focused textile operations positioned for sustainable growth.

Mr. Muhammad Zain

Independent Director



She is a Fellow Chartered Accountant (ICAP), Fellow Member of ACCA, and CPA, with extensive experience in audit, assurance, financial reporting, and corporate governance. She began her career with Unilever Pakistan and subsequently gained international experience with Deloitte and Nasdaq Dubai. Since returning to Pakistan in 2009, she has been associated with her family practice, where she currently heads the Audit and Assurance Services department.

She serves on the Boards of Reliance Insurance Company Limited and Trading Corporation of Pakistan (Private) Limited, where she is also a member of the Audit & Risk Management Committee. She is a member of the Senate of the Pakistan Institute of Fashion & Design and chairs its Finance & Planning Committee.

Ms. Tasneem has also served on ICAP's Auditing Standards & Ethics Committee since 2014 and CA Women's Committee since 2017. She serves as an Independent Director of Ismail Industries Limited in accordance with applicable corporate governance requirements.

Ms. Tasneem Yusuf

Independent Director

Director International Business



Mr. Bilal Ismail holds a Master's degree in Architecture from the Rhode Island School of Design and a Bachelor's degree in French from the University of California, Los Angeles (USA).

As the director of international business, Mr. Bilal Ismail brings a strongly brand-driven and consumer-focused perspective to the Group, with a particular emphasis on building brands that are positioned for long-term growth. He is closely involved in shaping brand strategy and product development with a focus on ensuring that the Group's products remain responsive to evolving consumer preferences and global trends.

Mr. Bilal Ismail works to strengthen the company's food portfolio's presence across existing markets while identifying new opportunities for growth. His approach combines an understanding of brand and consumer behavior with commercial strategy, helping position the company's brands for an increasingly competitive and international marketplace.

Beyond his professional commitments, Mr. Bilal has a keen interest in architecture, design, travel and reading.

Mr. Bilal Ismail

Management Profile



Sitting Posture: Left to Right

• **Mr. Yousuf Alam**	Head of Legal
• **Mr. Ahmed Raza Parekh**	Group CFO
• **Ms. Farheen Salman Amir**	CEO - Food Division
• **Mr. Hassan Sadiq**	Sr. General Manager International Business
• **Mr. Noman Lutfi**	Chief Supply Chain Officer

Standing Posture: Left to Right

• **Mr. Atif Najam**	Chief Information Officer
• **Mr. Zunair Ahmed**	Sr. General Manager Projects
• **Ms. Wajeeha Khan**	Chief Human Resource Officer
• **Mr. Irfan Shahzad Bhatti**	Chief Operating Officer – Technical
• **Mr. Faisal Aheed**	Chief Commercial Officer - Plastic Division

Management Profile



Ms. Farheen Salman Amir

CEO - Food Division

Ms. Farheen Salman Amir is a seasoned business leader with over 25 years of leadership experience across the Personal Care, Ice Cream, Food, and Beverages sectors. She brings extensive international experience from her distinguished career with Unilever, having held senior leadership roles in Pakistan and the North Africa & Middle East region.

She has led and revitalized major portfolios including Brooke Bond Tea, Knorr Foods, and Wall's Ice Cream, and previously served as President, Sri Lanka & Pakistan for Lipton Teas & Infusions, overseeing multiple production sites and tea estates across the region.

As Chief Executive Officer – Food Division, she leads the Bisconni, CandyLand & Ghiza Sales and Marketing teams and serves as a member of Food Division Advisory Boards.



Group Chief Financial Officer

Mr. Ahmed Raza Parekh

Mr. Ahmed Raza Parekh is a seasoned finance professional with over 19 years of experience spanning audit, financial management, and corporate finance. He is a Fellow Chartered Accountant and a Certified Internal Auditor, bringing a strong blend of technical expertise, strategic insight, and financial leadership.

He began his professional career with Deloitte, subsequently gaining diverse experience through key finance leadership roles across various organisations. His extensive exposure to audit and finance has enabled him to develop a comprehensive understanding of financial management, governance, risk, and business performance.

He leads the Group's finance function, providing strategic financial direction and supporting sustainable growth, operational excellence, and effective financial governance across the Group.



Mr. Irfan Shahzad Bhatti

COO – Technical

Mr. Irfan is an experienced professional with more than 20 years of hands on experience of supply chain, business operations and project management.

Mr. Irfan is qualified professional, working as Chief Operating Officer in Ismail Industries Limited, looking after overall business operations of Food division (Candyland, Bisconni and Snack City).

Chief Commecial Officer - Plastic Division

Mr Faisal Aheed

Mr. Faisal is an accomplished sales and business executive who has overall experience of more than 25 years specially in the packaging and manufacturing industries.

Currently, Mr. Faisal is the head of sales and marketing at Plastic division and Ismail Resin (PVT) Ltd. where he is looking after commercial strategy, sales performance and market development for the group's two key verticals





Ms. Wajeeha Khan

Chief Human Resource Officer

Ms. Wajeeha is a HR professional, having significant experience of developing end-to-end human capital strategies and leading transformational agendas.

Ms. Wajeeha is currently leading the Organization's Human Capital as Chief Human Resource Officer, where she is creating an environment for opportunity and innovation, while using human capital to meet long-term organizational strategic goals.



Mr. Zunair Ahmed

Sr. General Manager Projects

Mr. Zunair is a skill full professional having experience of more than 18 years relating to Business Operations and Supply Chain. He is a Certified Supply Chain Professional (CSCP) with APICS/ASCM (USA), with an ability to manage complex and diverse projects.

Mr. Zunair is currently working as Head of Project at Ismail Industries Limited, where he is responsible for deriving business strategies, developing new ventures and conducting business feasibility studies.

Head of Legal

Mr. Yousuf Alam



A seasoned legal professional, having direct experience in Corporate Law, Claims Management and Regulatory Compliance. Mr. Yousuf has a vast experience of serving as legal council for major organizations in Pakistan.

Mr. Yousuf is currently leading the legal team of the Ismail Industries Limited, as Head of Legal and looking after all the relevant matter, effectively and efficiently.



Mr.Noman Lutfi

Chief Supply Chain Officer

Mr. Noman A. Lutfi is experienced Supply Chain and Logistics professional, having more than 25 years of professional experience in supply chain strategy and operational improvement. Mr. Noman is certified member of chartered institute of logistics and transport from CMILT – UK.

Mr. Noman is currently leading the supply chain department as the Group Head of Supply Chain for Ismail Industries Limited and currently managing and overseeing the end-to-end supply chain within multiple operating units.



Mr. Hassan Sadiq

Head of International Business

Hassan Asad Sadiq joined Ismail Industries Limited as Senior General Manager – Export, bringing over two decades of experience in sales, distribution, business development and commercial leadership. He has held senior positions including Head of Commercial at Emaar and Business Development Director at Tetra Pak Pakistan, with a strong track record in market development, strategic partnerships and commercial growth.

In his current role, he is responsible for strengthening the Company's market reach, developing strategic channels and partnerships, and identifying new business opportunities. His extensive commercial experience supports the Company's growth strategy and its continued focus on expanding and diversifying its market footprint.

Chief Information Officer

Mr. Atif Najam

Mr. Atif is an accomplished technology leader with over 20 years of experience in IT leadership and business transformation, with expertise spanning digital strategy, enterprise systems, cybersecurity, governance, and large-scale technology implementations.

He leads the Group's IT strategy and digital transformation agenda, encompassing IT governance, cybersecurity and risk management, enterprise systems and ERP enablement, data governance, and technology-driven initiatives aimed at enhancing business growth and operational efficiency. His professional achievements include the Global CIO Award and recognition among the Top 200 CIOs globally by GEC Media Global CIO Awards.



Chairman's Review Report



Dear Esteemed Stakeholders,

It is my privilege, on behalf of the Board of Directors, to present the Chairman's Review of Ismail Industries Limited for the year ended June 30, 2026. The year was characterised by a gradual strengthening of Pakistan's macroeconomic fundamentals, alongside significant geopolitical, cost and demand-side pressures. Against this backdrop, the Group remained focused on protecting the resilience of its businesses, strengthening operational capabilities and advancing strategic initiatives designed to create a broader and more sustainable platform for long-term growth.

Economic Environment

FY2025–26 represented a gradual transition from macroeconomic stabilisation towards recovery. Pakistan's real GDP expanded by 3.70%, while Large-Scale Manufacturing grew by 6.11% and the services sector by 4.09%. At the same time, the operating environment remained challenging, with renewed inflationary pressures, higher global energy and commodity prices and supply-chain disruptions arising from heightened geopolitical tensions. The State Bank of Pakistan's policy rate stood at 11.50% at June 30, 2026, following substantial monetary easing from the exceptionally high levels witnessed during the earlier stabilisation period.

For IIL, these dynamics resulted into subdued consumer demand, intense competitive pressure, elevated energy and input costs and continued pressure on selected export markets. Despite these challenges, the Group's diversified business model continued to provide resilience. Group gross sales increased by 7.25% to Rs.150.2 billion, supported by the contribution of its diversified portfolio spanning confectionery, biscuits, flour, pharmaceuticals and flexible packaging. At the standalone level, gross sales remained broadly stable at Rs.120.57 billion, while profitability was affected by cost pressures, higher taxation rates and the challenging business environment. The Board views this resilience as evidence of the strength of the Group's portfolio and the effectiveness of its long-term diversification strategy.

Board Performance and Governance

The Board continued to discharge its responsibilities with a strong emphasis on strategic oversight, prudent risk management, effective governance and long-term value creation. Throughout the year, the Board closely monitored business performance, capital allocation, liquidity, risk exposures, regulatory developments, sustainability priorities and the execution of major strategic projects. In an increasingly complex operating environment, the Board remained focused on ensuring that management maintained an appropriate balance between near-term business requirements and investments necessary to strengthen the Group's future competitiveness.

The Audit Committee and Human Resource & Remuneration Committee continued to operate in accordance with their respective Terms of Reference and supported the Board in fulfilling its oversight responsibilities. The Board remains committed to maintaining high standards of transparency, accountability, integrity and corporate governance, while continuously strengthening the Company's control environment and governance practices in line with evolving regulatory and stakeholder expectations.

Board Composition and Effectiveness

The Board comprises seven Directors, including two Independent Directors, bringing together diverse experience across business leadership, finance, technology, governance and regulatory matters. This breadth of expertise enables the Board to provide balanced perspectives and informed oversight across the Group's increasingly diversified business portfolio.

The annual evaluation of the Board reaffirmed its effectiveness in strategic direction, oversight of performance and risk, Board and Committee functioning, quality of decision-making and monitoring of the Company's strategic objectives. The Board will continue to enhance its effectiveness through continuous professional development, constructive engagement and a strong focus on emerging business, regulatory, technology and sustainability considerations.

ESG and Sustainability

Sustainability continues to form an integral part of the Group's strategy and governance framework. IIL remains committed to responsible growth through initiatives aimed at improving energy and resource efficiency, increasing the use of renewable energy, strengthening water management, promoting circularity and responsible waste management, and enhancing employee welfare and community development.

During the year, the Group further progressed initiatives across renewable energy, water conservation, recycling and circular economy solutions, while continuing to invest in its people and surrounding communities. Social initiatives including the Hub School Programme, Khadija Girls College, access to clean drinking water and tree plantation activities, together with support for organisations such as Mustafa Welfare Pakistan, Indus Hospital, SHED Foundation, Saylani Welfare Trust, SIUT and LRBT, reflect the Group's commitment to creating meaningful and sustainable social impact. These initiatives contribute to the Group's broader ESG agenda and support its alignment with relevant United Nations Sustainable Development Goals and first-time adoption of IFRS S1 & S2.

Future Outlook

As Pakistan enters FY2026–27, the macroeconomic environment provides a more stable platform for businesses, although the recovery remains exposed to external and geopolitical risks. At the same time, developments in the Middle East, global commodity prices, energy costs, freight rates and international trade policies remain important variables for the industrial and consumer sectors.

For IIL, our strategic focus will remain firmly centred on profitable and resilient growth. We will continue to strengthen our core businesses, improve capacity utilisation, enhance productivity and supply-chain efficiency, optimise working capital and maintain disciplined cost management. Capital allocation will remain selective and returns-oriented, with priority given to investments that enhance vertical integration, strengthen competitive positioning, unlock operating synergies and provide access to attractive growth markets. Our international strategy will remain focused on higher-value and sustainable opportunities, while our Abu Dhabi manufacturing platform is expected to provide an important regional foothold and progressively evolve the Group from an export-led model towards a more locally anchored international manufacturing and market-servicing platform.

Our priorities are clear: strengthen the resilience of our existing businesses, accelerate innovation and digital transformation, deepen integration across the value chain, improve margins and asset productivity, and expand selectively into markets and businesses where we can create differentiated and sustainable value. We will continue to balance growth aspirations with financial discipline and responsible stewardship, while embedding sustainability into our long-term strategy. With the strength of our brands, diversified portfolio, experienced people and growing international footprint, IIL is well positioned to pursue its next phase of growth and create enduring value for shareholders and all stakeholders.

Acknowledgement

On behalf of the Board, I extend my sincere appreciation to our shareholders, lenders, customers, suppliers, distributors, business partners and other stakeholders for their continued trust and support. I also acknowledge the dedication, resilience and professionalism of our directors, senior management and employees, whose collective efforts remain fundamental to the progress of the Group.

The Board remains grateful for the confidence placed in Ismail Industries Limited and looks forward to building on the foundations established during the year through disciplined execution, responsible leadership and a clear commitment to sustainable long-term value creation.



Muhammad M. Ismail
Chairman
Dated: August 28, 2026

چیئرمین کا جائزہ

معزز فریقین

بورڈ آف ڈائریکٹران کی جانب سے، 30 جون 2026 کو ختم ہونے والے سال کے لیے اسماعیل انڈسٹریز لمیٹڈ کے چیئرمین کا جائزہ پیش کرنا میرے لیے اعزاز کی بات ہے۔ یہ سال پاکستان کے میکرو اکنامک بنیادی اصولوں کی بتدریج مضبوطی کے ساتھ نمایاں جغرافیائی سیاسی، لاگت اور طلب کے دباؤ کے ساتھ نمایاں تھا۔ اس پس منظر میں، گروپ نے اپنے کاروبار کی لچک کی حفاظت، آپریشنل صلاحیتوں کو مضبوط بنانے اور طویل مدتی ترقی کے لیے ایک وسیع تر اور زیادہ پائیدار پلیٹ فارم بنانے کے لیے بنائے گئے اسٹریٹجک اقدامات کو آگے بڑھانے پر توجہ مرکوز رکھی۔

اقتصادی ماحول

مالی سال ۲۰۲۶-۲۰۲۵ معاشی استحکام سے معاشی بحالی کی جانب بتدریج منتقلی کا دور رہا۔ پاکستان کی حقیقی مجموعی ملکی پیداوار میں 3.70% اضافہ ہوا، جبکہ بڑے پیمانے کی صنعتی پیداوار میں 6.11% اور خدمات کے شعبے میں 4.09% اضافہ ریکارڈ کیا گیا۔

اس کے ساتھ، کاروباری ماحول بدستور چیلنجنگ رہا، جس کی بنیادی وجوہات میں مہنگائی کے دوبارہ بڑھتے ہوئے دباؤ، عالمی سطح پر توانائی اور اجناس کی بلند قیمتیں، اور بڑھتی ہوئی جغرافیائی سیاسی کشیدگی کے باعث رسد کے نظام میں پیدا ہونے والی رکاوٹیں شامل تھیں۔

30 جون 2026 کو اسٹیٹ بینک آف پاکستان کی شرح پالیسی 11.50% رہی، جو گزشتہ استحکامی دور میں دیکھنے میں آنے والی غیر معمولی بلند شرحوں کے بعد مالیاتی پالیسی میں نمایاں نرمی کے نتیجے میں حاصل ہوئی۔

اسماعیل انڈسٹریز لمیٹڈ کے لیے ان حالات کے نتیجے میں صارفین کی طلب میں کمی، شدید مسابقتی دباؤ، توانائی اور خام مال کی بلند قیمتوں، جبکہ بعض برآمدی منڈیوں میں مسلسل دباؤ کا سامنا رہا۔ ان چیلنجز کے باوجود، گروپ کے متنوع کاروباری ماڈل نے استحکام اور مضبوطی فراہم کرنے میں اہم کردار ادا کیا۔

گروپ کی مجموعی فروخت 7.25 فیصد اضافے کے ساتھ 150.2 ارب روپے تک پہنچ گئی، جس میں کنفیکشنری بسکٹ، آٹا، ادویات اور فلیکسیبل پیکیجنگ پر مشتمل متنوع کاروباری پورٹ فولیو کی نمایاں شراکت رہی۔ اسٹینڈ الون سطح پر مجموعی فروخت تقریباً مستحکم رہتے ہوئے 120.57 ارب روپے رہی، جبکہ لاگت کے دباؤ، بلند شرحِ ٹیکس اور مشکل کاروباری ماحول کے باعث منافع پر اثر پڑا۔

بورڈ کے مطابق، یہ استحکام گروپ کے متنوع کاروباری پورٹ فولیو کی مضبوطی اور طویل مدتی تنوع کی حکمتِ عملی کی مؤثریت کا عکاس ہے۔

بورڈ پرفارمنس اور گورننس

بورڈ نے اپنی ذمہ داریوں کو سٹریٹجک نگرانی محتاط رسک مینجمنٹ، موثر گورننس اور طویل مدتی قدر کی تخلیق پر زور دیتے ہوئے ادا کرنا جاری رکھا۔ پورے سال کے دوران، بورڈ نے کاروباری کارکردگی، سرمائے کی تقسیم، نقدی دستیابی، خطرات سے وابستگی، ریگولیٹری ڈیولپمنٹس، پائیداری کی ترجیحات اور بڑے اسٹریٹجک پراجیکٹس کی تکمیل پر گہری نظر رکھی۔ بڑھتے ہوئے پیچیدہ آپریٹنگ ماحول میں، بورڈ اس بات کو یقینی بنانے پر مرکوز رہا کہ انتظامیہ قریبی مدتی کاروباری ضروریات اور گروپ کی مستقبل کی مسابقت کو مضبوط کرنے کے لیے ضروری سرمایہ کاری کے درمیان مناسب توازن برقرار رکھے۔

آڈٹ کمیٹی اور انسانی وسائل و معاوضہ جات نے اپنے متعلقہ شرائط کے مطابق کام جاری رکھا اور بورڈ کی نگرانی کی ذمہ داریوں کو پورا کرنے میں تعاون کیا۔ بورڈ شفافیت، جوابدہی، دیانتداری اور کارپوریٹ گورننس کے اعلیٰ معیارات کو برقرار رکھنے کے لیے پرعزم ہے، جبکہ کمپنی کے کنٹرول ماحول اور گورننس کے طریقوں کو ابھرتی ہوئی ریگولیٹری اور اسٹیک ہولڈر کی توقعات کے مطابق مسلسل مضبوط کرتا ہے۔

بورڈ کی تشکیل اور تاثیر

بورڈ سات ڈائریکٹران پر مشتمل ہے، جن میں دو آزاد ڈائریکٹران شامل ہیں، جو کاروباری قیادت، فنانس، ٹیکنالوجی، گورننس اور ریگولیٹری معاملات میں متنوع تجربے کو اکٹھا کرتے ہیں۔ مہارت کی یہ وسعت بورڈ کو گروپ کے بڑھتے ہوئے متنوع کاروباری پورٹ فولیو میں متوازن نقطہ نظر اور باخبر نگرانی فراہم کرنے کے قابل بناتی ہے۔

بورڈ کی سالانہ تشخیص نے اسٹریٹجک سمت، کارکردگی اور خطرے کی نگرانی، بورڈ اور کمیٹی کے کام کاج، فیصلہ سازی کے معیار اور کمپنی کے اسٹریٹجک مقاصد کی نگرانی میں اس کی تاثیر کی تصدیق کی۔ بورڈ مسلسل پیشہ ورانہ ترقی، تعمیری مشغولیت اور ابھرتے ہوئے کاروبار، ریگولیٹری، ٹیکنالوجی اور پائیداری کے تحفظات پر مضبوط توجہ کے ذریعے اپنی تاثیر کو بڑھاتا جاری رکھے گا۔

ای ایس جی اور پائیداری

پائیداری گروپ کی حکمت عملی اور گورننس فریم ورک کا ایک لازمی حصہ بنتی چلی جا رہی ہے۔ اسماعیل انڈسٹریز لمیٹڈ توانائی اور وسائل کی کارکردگی کو بہتر بنانے، قابل تجدید توانائی کے استعمال میں اضافہ، پانی کے انتظام کو مضبوط بنانے، گردشی اور ذمہ دارانہ ویسٹ مینجمنٹ کو فروغ دینے، اور ملازمین کی فلاح و بہبود اور کمیونٹی کی ترقی کو بڑھانے کے لیے اقدامات کے ذریعے ذمہ دارانہ ترقی کے لیے پرعزم ہے۔

سال کے دوران، گروپ نے قابلِ تجدید توانائی، پانی کے تحفظ، ری سائیکلنگ اور وسائل کے دوبارہ استعمال پر مبنی معیشت کے حل کے حوالے سے اپنی سرگرمیوں کو مزید آگے بڑھایا، جبکہ اپنے ملازمین اور اردگرد کی آبادیوں میں بھی سرمایہ کاری کا سلسلہ جاری رکھا۔

سماجی اقدامات میں حب اسکول پروگرام، خدیجہ گرلز کالج، صاف پینے کے پانی تک رسائی اور شجرکاری کی سرگرمیوں کے ساتھ مصطفیٰ ویلفیئر پاکستان، انڈس ہسپتال، عَیدْ فاؤنڈیشن، سیلانی ویلفیئر ٹرسٹ، ایس آئی یو ٹی اور ایل آر بی ٹی جیسے اداروں کی معاونت شامل ہے۔ یہ اقدامات گروپ کے بامعنی اور پائیدار سماجی اثرات پیدا کرنے کے عزم کی عکاسی کرتے ہیں۔

یہ تمام اقدامات گروپ کے وسیع تر ماحولیاتی، سماجی اور انتظامی ایجنڈے میں معاونت فراہم کرتے ہیں اور اقوامِ متحدہ کے متعلقہ پائیدار ترقی کے اہداف کے ساتھ ہم آہنگی کو فروغ دیتے ہیں، جبکہ بین الاقوامی مالیاتی رپورٹنگ معیار کے تحت پائیداری سے متعلق معیارات کے ایس ون اور ایس ٹو کو پہلی مرتبہ اپنانے میں بھی معاون ہیں۔

مستقبل کی پیش بینی

جیسے ہی پاکستان مالی سال ۲۰۲۷-۲۰۲۶ میں داخل ہو رہا ہے، مجموعی اقتصادی ماحول کاروبار کے لیے ایک زیادہ مستحکم پلیٹ فارم فراہم کرتا ہے، حالانکہ بحالی اب بھی بیرونی اور جغرافیائی سیاسی خطرات سے متاثر رہتی ہے۔ اس دوران، مشرق وسطیٰ کی صورتحال، عالمی اجناس کی قیمتیں، توانائی کے اخراجات، کرایہ نقل و حمل اور بین الاقوامی تجارتی پالیسیاں صنعتی اور صارفین کے شعبوں کے لیے اہم متغیرات رہتی ہیں۔

اسماعیل انڈسٹریز لمیٹڈ کے لیے، ہمارا اسٹریٹجک فوکس منافع بخش اور مضبوط ترقی پر مرکوز رہے گا۔ ہم اپنے بنیادی کاروبار کو مضبوط کرتے رہیں گے صلاحیت کے استعمال کو بہتر بنائیں گے، پیداواریت اور سپلائی چین کی کارکردگی بڑھائیں گے، ورکنگ کیپیٹل کو بہتر کریں گے اور لاگت کے نظم و ضبط کو برقرار رکھیں گے۔ سرمایہ کاری کا انتخاب محتاط اور منافع بخش ہوگا، جس میں پہلی ترجیح ایسی سرمایہ کاریوں کو دی جائے گی جو عمودی انضمام کو بڑھائیں، مسابقتی پوزیشن کو مضبوط کریں، آپریٹنگ سنرجیز کو کھولیں اور پرکشش ترقیاتی مارکیٹوں تک رسائی فراہم کریں۔ ہماری بین الاقوامی حکمت عملی زیادہ قدر والے اور پائیدار مواقع پر مرکوز رہے گی، جبکہ ہمارے ابوظہبی مینوفیکچرنگ پلیٹ فارم سے توقع ہے کہ یہ ایک اہم علاقائی قدم فراہم کرے گا اور گروپ کو برآمدی ماڈل سے زیادہ مقامی سطحی بین الاقوامی مینوفیکچرنگ اور مارکیٹ سروسنگ پلیٹ فارم کی طرف بتدریج ترقی دے گا۔

ہماری ترجیحات واضح ہیں: اپنے موجودہ کاروبار کی لچک کو مضبوط کرنا، جدت اور ڈیجیٹل تبدیلی کو تیز کرنا، ویلیو چین میں انضمام کو گہرا کرنا، مارجن اور اثاثہ کی پیداواری صلاحیت کو بہتر بنانا، اور منتخب طور پر مارکیٹوں اور کاروباروں میں پھیلنا جہاں ہم مختلف اور پائیدار قدر پیدا کر سکتے ہیں۔ ہم اپنی طویل مدتی حکمت عملی میں پائیداری کو شامل کرتے ہوئے مالیاتی نظم و ضبط اور ذمہ دارانہ ذمہ داری کے ساتھ ترقی کی خواہشات کو متوازن کرتے رہیں گے۔ ہمارے برانڈز، متنوع پورٹ فولیو، تجربہ کار لوگوں اور بڑھتے ہوئے بین الاقوامی نقشوں کی مضبوطی کے ساتھ، اپنی ترقی کے اگلے مرحلے کو آگے بڑھانے اور حصص یافتگان اور فریقین کے لیے پائیدار قدر پیدا کرنے کے لیے اچھی طرح سے پوزیشن میں ہے۔

اظہار تشکر

بورڈ کی جانب سے، میں اپنے حصص یافتگان، قرض دہندگان، صارفین، سپلائرز، تقسیم کاروں، کاروباری شراکت داروں اور دیگر فریقین کو ان کے مسلسل اعتماد اور تعاون کے لیے تہہ دل سے خراج تحسین پیش کرتا ہوں۔ میں اپنے ڈائریکٹران، سینئر مینجمنٹ اور ملازمین کی لگن، لچک اور پیشہ ورانہ مہارت کو بھی تسلیم کرتا ہوں، جن کی اجتماعی کوششیں گروپ کی ترقی کے لیے بنیادی حیثیت رکھتی ہیں۔ بورڈ اسماعیل انڈسٹریز لمیٹڈ پر کیے گئے اعتماد کے لیے شکر گزار ہے اور نظم و ضبط، ذمہ دارانہ قیادت اور پائیدار طویل مدتی قدر تخلیق کے لیے واضح عزم کے ذریعے سال کے دوران قائم کی گئی بنیادوں پر استوار ہونے کا منتظر ہے۔



محمد ایم اسماعیل

چیئرمین

بتاریخ: 28 اگست 2026

Director's Review Report

Legacy of Excellence

On behalf of the Board of Directors, it was our privilege to present the Directors' Report of Ismail Industries Limited, together with the Company's annual audited standalone and consolidated financial statements for the year ended June 30, 2026.

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

The Report provides a comprehensive review of the Company's financial and operational performance, strategic initiatives, business developments, risk management framework, internal control environment and corporate governance practices, together with the principal opportunities, challenges and material developments during the year.

Macro Economic Prospects



FY2026 marked an important phase in Pakistan's economic journey, as the country moved from acute macroeconomic stabilization towards a gradual recovery. Against a backdrop of significant domestic and global uncertainties, the economy demonstrated greater resilience, with real GDP growth accelerating to 3.7% the highest level recorded in four years, compared with 2.68% in the preceding year. Macroeconomic confidence was further supported by fiscal consolidation, relative exchange-rate stability and continued engagement with the IMF under the Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF).

The external account strengthened for a second consecutive year, anchored by record workers' remittances of USD 41.6 billion (up from USD 38.3 billion), which substantially offset a widening trade deficit, while the Rupee appreciated by approximately 2.0% against the US Dollar and the State Bank of Pakistan's foreign exchange reserves rose to USD 18.4 billion from USD 14.5 billion, including successful reviews that unlocked disbursements of approximately USD 2.5 billion, together with improved sovereign credit ratings, reinforced policy credibility and investor confidence.

The operating environment nevertheless became increasingly challenging during the latter part of FY2026. Average inflation increased to 7.05%, compared with 4.49% in FY2025, while heightened geopolitical tensions in the Middle East and disruptions in regional energy markets resulted in significant volatility in international oil and energy prices. Rising fuel and power costs, higher taxation and utility tariffs, elevated imported input costs and subdued consumer purchasing power placed considerable pressure on industrial margins, supply chains and overall demand. Inflationary pressures intensified towards the close of the year, prompting a cautious monetary response from the State Bank of Pakistan. Following a reduction in the policy rate to 10.5% in December 2025, the policy rate was subsequently increased by 100 basis points to 11.5% in April 2026 and maintained at that level for the remainder of the year. While resilient remittance inflows and improved foreign exchange liquidity continued to provide support to the external account, volatility in commodity prices, exchange rates and financing costs remained significant considerations for businesses navigating the evolving economic landscape.

Against this backdrop, the Company's management adopted a proactive and disciplined strategic response focused on protecting earnings, strengthening resilience and positioning the business for sustainable growth. Management remained focused on defending margins through rigorous cost optimization, productivity improvement and enhanced energy and resource efficiency, while strengthening working capital discipline to preserve liquidity and improve cash conversion. Capital allocation was prioritized towards initiatives offering clear strategic and financial returns, with continued investment in manufacturing capabilities, capacity optimization, technology and operational infrastructure to enhance competitiveness and reduce structural cost pressures. At the market level, the Company's management remained focused on protecting its core competences, strengthening customer relationships, responding to evolving demand patterns and selectively pursuing growth opportunities. This combination of operational discipline, prudent financial management and targeted investment enabled the Company to navigate a highly volatile environment while maintaining the flexibility to respond decisively as market conditions improve. Going forward, the Company will remain focused on balance-sheet resilience and long-term value creation, supported by its diversified portfolio, strong market positions and execution capabilities.

Business Performance

Description	FY 25-26	FY 24-25
	----Rs in million ----	
Gross Sales	**120,572**	118,397
Gross profit	**21,210**	21,834
GP in %	**20.34**	20.76
Operating Profit	**9,339**	10,823
Finance Cost	**4,666**	5,047
Levies & Taxation	**2,453**	2,006
Profit after tax	**3,954**	5,749
Net profit in %	**3.79%**	5.47%
EPS	**59.59**	86.64

During the year, the resilience of our diversified business model was tested against an exceptionally demanding operating environment, while our strategic priorities remained firmly focused on protecting the core, strengthening competitiveness and investing for sustainable growth. Our portfolio across confectionery, biscuits, nutrition, plastic films and Ghiza continued to provide important diversification and resilience, enabling the Company to navigate softer consumer demand, elevated input and energy costs, inflationary pressures and persistent supply-chain challenges. Within the Company, local sales increased by 30.60% to Rs. 107,976 million, reflecting stronger domestic market penetration and the continued relevance of our brands and product portfolio. This performance was partly offset by a 64.74% decline in export sales to Rs. 12,595 million, reflecting a challenging external market environment specifically closure of Afghanistan Border.

From a profitability perspective, the principal challenge during the year was the conversion of revenue into sustainable earnings. As energy, distribution and compliance costs specifically the normal tax regime and supertaxes, which increased at a faster pace than our ability to fully recover these pressures through pricing and productivity initiatives. Our focus is therefore shifting from simply defending volumes to improving the quality, efficiency and profitability of growth across each business segment.

In parallel, the Company is actively pursuing opportunities to diversify its revenue base geographically and reduce dependence on any single market cycle. The development of the state-of-the-art manufacturing facility in Abu Dhabi, UAE, is a significant component of this strategy and is expected to provide a stronger regional manufacturing platform, improve access to international markets, enhance supply-chain economics and create a scalable base for future export growth.

Below is the segment-wise breakup of annual turnover:



Food Segment Operations

The Food segment represents a strategically important and highly diversified pillar of the Company, with a broad-based portfolio spanning confectionery, biscuits, nutrition, cereals and flour. Its extensive product offering including jellies, marshmallows, toffees, candies, lollipops, coated chews, bubble gum, chocolates, biscuits, cakes, nutritional food supplements and flour enables the Company to address diverse consumer occasions and income segments while maintaining a well-balanced category mix. The segment is anchored by established and increasingly valuable brands, including Candyland, Bisconni, Ismail Nutrition and Ghiza, which enjoy strong consumer recognition and differentiated market positions within their respective categories. This portfolio provides a resilient platform for sustainable growth, supported by the Group's emphasis on brand building, product innovation, quality, distribution reach and responsiveness to evolving consumer preferences.

CandyLand, Ismail Industries Limited's flagship confectionery business, has been at the forefront of Pakistan's confectionery industry since commencing operations in June 1988. From its first production plant, the business has grown into one of the country's leading confectionery manufacturers, with a manufacturing footprint spanning over 8 acres, world-class production capabilities and continuous investment in technology. As a pioneer of the jelly category in Pakistan, CandyLand has since expanded into technically demanding segments including marshmallows and lollipops, building a diversified portfolio that today spans jellies, chocolates, candies, toffees, chews, gums, milk chocolates, spreads, chocolate beans and truffles. This commitment to quality is underscored by ISO 22000 certification and Halal certification from SANHA across the product range, and has supported exports to more than 40 countries worldwide.

Guided by a consumer-centric, innovation-led approach, CandyLand continued to strengthen its portfolio during the year through meaningful product innovation, premiumization and category expansion, including the launch of new brands such as Bisca, Orangy, Sour Bites, Jellies Premium Range, Biggy Lollipop and Sweet Bear. These initiatives were supported by an extensive nationwide distribution network reaching customers in remote areas, dedicated technical and marketing teams, and integrated consumer engagement and marketing campaigns reinforcing the business's focus on delivering strong customer value and sustaining category leadership across multiple confectionery segments.

Looking ahead, CandyLand remains committed to strengthening its leadership position across key confectionery categories through continued innovation, operational excellence, responsible business practices and strategic brand building. With world-class manufacturing capabilities, a broad and expanding product portfolio, and a deep understanding of evolving consumer preferences, the business is well positioned to sustain long-term growth and create lasting value for consumers, business partners and shareholders.

Bisconni, a key business of Ismail Industries Limited, has evolved since its establishment in 2002 into one of Pakistan's leading biscuit and wafer manufacturers, underpinned by a strong reputation for quality, innovation and consumer trust. The business operates from a state-of-the-art manufacturing facility in Hub and Port Qasim, with capabilities spanning plain and sandwich biscuits, cookies, wafers and cakes. Its diversified portfolio brings together iconic everyday brands, including Cocomo, Chocolatto, Chocolate Chip, Novita, Rite, Treat, Crux, Craving, Flo Cake and Chai Wala Biskut, alongside premium and health-conscious propositions developed to address a broader range of consumer preferences and occasions. Bisconni's market positioning, particularly in the cookies and wafers categories, reflects the strength of its brands, manufacturing capabilities and nationwide distribution reach.

Building on this foundation, Bisconni has accelerated its portfolio diversification and premiumization strategy, with the introduction and expansion of its premium portfolio, Bisconni Prime, and wellness-focused range, Bisconni Active. Since 2023–24, the business has further enriched its offering through premium brands such as Mi Amor, Divine, DayDream, ChipHop, Perfetto and Digestive, complemented during the year by new launches including Butter Cookies, Flare, Eclipse and Lotus Cakes in selected flavors. These initiatives reinforce Bisconni's focus on moving beyond traditional volume-driven categories towards differentiated, higher-value propositions while responding to evolving consumer preferences. Quality and food safety remain fundamental to the business, with products manufactured in accordance with ISO 22000 requirements and Halal-certified by SANHA.

Access to adequate nutrition is fundamental to human development, yet malnutrition continues to represent a significant global challenge, particularly among vulnerable communities and children in low-income populations. Against this backdrop, Ismail Industries Limited established its Ismail Nutrition division in 2010 to translate its longstanding expertise in food manufacturing into a meaningful social and commercial response to critical nutritional needs. Leveraging more than five decades of experience in food production, research and development, together with access to advanced food technologies, the division has developed specialized lipid-based nutritional products and fortified foods designed to meet internationally recognized nutritional requirements. Through this platform, the Company contributes not only to addressing immediate nutritional needs but also to strengthening access to safe, high-quality and affordable nutrition for communities in Pakistan and beyond.

Since its establishment, Ismail Nutrition has evolved into a specialized nutrition solutions provider with an expanding domestic and international footprint. Its products are supplied through partnerships with leading humanitarian, institutional and development organizations, including the United Nations World Food Program (WFP), UNICEF, Aga Khan University, Action Against Hunger, the International Rescue Committee and IRMNCH, among others. The division has also expanded its portfolio to include Super Cereal, approved by the WFP as a global supplier product, further reinforcing the Company's role in supporting large-scale nutrition programs and humanitarian interventions.

It is the state-of-the-art facilities assessed by the WFP for food safety, compliance and Good Manufacturing Practices (GMP), Ismail Nutrition continues to uphold rigorous standards across its operations. Certifications including FSSC and Halal certification by SANHA, together with products designed to meet WHO specifications, demonstrate the division's commitment to quality, safety and reliability. Looking ahead, Ismail Nutrition will continue to combine innovation, technical expertise and responsible manufacturing with strategic market expansion to broaden its impact and strengthen its position as a trusted provider of nutrition solutions, creating enduring social and economic value for stakeholders.

Ghiza, a strategic initiative of Ismail Industries Limited established in 2022, forms an integral part of the Company's food value chain, with a clear focus on strengthening its flour and grain platform through scale, technology, quality and customer-centric solutions. Strategically located in Port Qasim, operates a state-of-the-art 240 TPD Bühler roller mill, with annual production capacity of approximately 86,400 tonnes, supported by advanced Sortex technology, an in-house laboratory and robust quality assurance systems.

The business maintained a strong focus on quality from wheat procurement through processing, utilizing advanced Sortex technology and laboratory-based controls to ensure consistency and product integrity. Its diversified portfolio includes Ghiza Maida, Ghiza Special Fine Atta, Ghiza Fortified Super Fine Atta, Ghiza Fortified Riwayati Atta, Ghiza Khalis Atta, Ghiza Suji Semolina and Ghiza Premium Bran, enabling the business to address a broad spectrum of consumer and institutional requirements.

Astro Films, established in 2003, is the flexible packaging films division of Ismail Industries Limited and a strategically important component of the Company's vertically integrated manufacturing platform. Operating from facilities at Hub and Port Qasim Industrial Zone, Karachi, the business manufactures BOPET, CPP and BOPP films and has established itself as one of Pakistan's leading packaging film manufacturers. With combined installed film production capacity of approximately 63,000 tonnes per annum and metallization capacity of 19,000 tonnes per annum, Astro Films provides a critical strategic linkage to the Company's food businesses

by supporting the security, quality and reliability of packaging supply while also serving a diversified base of domestic and international customers. This integration enhances supply-chain resilience, provides greater control over critical packaging inputs and creates opportunities for operational efficiencies and cost optimization, while the division's growing export presence contributes to geographic and revenue diversification.

Astro Films' international customer base spans the Americas, Europe, Africa and Asia, reflecting a genuinely global footprint as a packaging films supplier. Its competitive positioning rests on consistent product quality backed by solution-based sales support and after-sales service, which together have built a sustainable business and a strong reputation for reliability positioning Astro Films to continue as one of the most competitive and fastest-growing exporters of flexible packaging films internationally.

International Business Division

The International Business Division continued to strengthen its presence across North America, Europe, the GCC, Africa and Asia-Pacific through active participation in key international trade platforms, including PLMA Chicago, ISM Cologne, IFE London, THAIFEX and Sweets & Snacks Expo – Las Vegas. The confectionery portfolio remained a key growth driver, complemented by Bisconni's established brands, including Cocomo and Chocolatto. Continued product innovation, portfolio diversification and market-specific offerings supported customer engagement and new business development.

The Company will focus on expanding its international footprint through deeper penetration of existing markets, selective entry into high-potential geographies and growth in higher-value product categories.

BISCONNI | Middle East Manufacturing LLC

During FY2024–25, the Company continued to advance its strategic international expansion through its wholly owned subsidiary, Bisconni Middle East Manufacturing – L.L.C (S.P.C), established in Abu Dhabi, United Arab Emirates. The project represents a significant step in the Company's evolution towards becoming a more globally integrated food and confectionery business. The planned state-of-the-art facility will manufacture chocolate and sugar confectionery, enrobed wafers, biscuits and dry bakery products, creating a scalable regional manufacturing platform to serve customers across the Middle East, Africa, Europe and Asia. By establishing production closer to key consumption markets, the investment is expected to enhance market responsiveness, shorten supply chains and strengthen the Company's ability to compete effectively in international markets.

Strategically, the project is expected to transform the Company's international business model from predominantly export-led distribution towards a more locally anchored manufacturing and market-servicing platform. This is expected to provide greater flexibility in product development, pricing and customer fulfilment, while enabling the Company to pursue new markets, customers and channels with improved service levels. The UAE's location and business infrastructure also provide a platform to optimize regional logistics, strengthen sourcing and distribution capabilities and support future expansion. Over the medium to long term, the facility is expected to diversify the Company's revenue base, improve international growth prospects and enhance the resilience and scalability of the Company's global operations.

During the year, the project progressed in line with its execution priorities, with the main factory shed structure completed and architectural and finishing works underway. Construction of the Utility Building and Warehouse Administration Building is progressing, alongside MEP and HVAC works required for operational readiness. The project is now moving towards machinery delivery, installation and commissioning, with the Building Completion Certificate targeted by the end of 2026 and commercial start-up planned during 2027. Management remains focused on disciplined execution, cost and timeline management and a smooth transition from construction to operations, with the objective of establishing Abu Dhabi as a key platform for the Company's future international growth and long-term value creation.

HUDSON PHARMA

Hudson Pharma (Private) Limited (HPPL), a subsidiary of Ismail Industries Limited, delivered a significant improvement in financial and operating performance during the year. Gross sales increased to Rs. 4.515 billion from Rs. 1.724 billion in the previous year, while net sales rose to Rs. 3.878 billion from Rs. 1.292 billion. The improvement in scale, supported by stronger commercial execution, portfolio expansion and operating efficiencies, enabled HPPL to report a profit of Rs. 237.9 million compared with a loss of Rs. 197.5 million in the prior year, marking a meaningful advancement in its financial performance.

The Company continued to diversify its portfolio across pharmaceutical, cosmetology, nutrition and food-supplement categories, including vitamins, premixes, minerals and other nutritional products.

ISMAIL RESIN iR Resin for a broad range of applications

Ismail Resin (Private) Limited (IRPL) represents a strategically important component of Ismail Industries Limited's plastics value chain, supporting the Company's backward integration while developing an independent PET Resin business with the potential to serve both domestic and international markets. Located in the Western Industrial Zone of Port Qasim, the state-of-the-art facility is equipped with 300 tonnes-per-day Continuous Polymerization (CP) and 300 tonnes-per-day Solid State Polycondensation (SSP) lines from leading technology providers, Oerlikon Barmag and Bühler. Supported by internationally recognized certifications, including ISO 9001, ISO 14001, HACCP, FSSC 22000 and Halal certification, IRPL continues to strengthen its platform around product quality, operational reliability and global market standards.

During FY2025–26, IRPL delivered a significant improvement in operating and financial performance. Production increased by 12.5% to 79,948 tonnes from 71,042 tonnes, raising capacity utilization to approximately 74% compared with 66% in the previous year. Gross sales increased by 23.6% to Rs. 32.472 billion, while net sales rose by 22.8% to Rs. 27.491 billion. Gross profit increased substantially to Rs. 2.350 billion from Rs. 650 million, while operating profit strengthened to Rs. 1.922 billion from Rs. 391 million. The loss for the year reduced by approximately 85% to Rs. 274 million from Rs. 1.855 billion, reflecting stronger production volumes, improved operating leverage, enhanced cost absorption and improved market conditions. Despite the remaining impact of finance costs, the significant reduction in losses represents an important step towards establishing a sustainable and profitable earnings base. IRPL is also progressing its strategic transition towards a more sustainable and diversified PET platform through investment in a 25,000 (approx.) tonnes-per-annum bottle-to-bottle recycled PET (rPET) facility. The project will convert post-consumer PET waste into high-quality recycled resin, supporting the circular economy, reducing dependence on virgin raw materials and responding to the growing demand for sustainable packaging solutions. Located adjacent to the existing facility at Port Qasim, the investment is expected to generate operational synergies while positioning IRPL to participate in emerging domestic and international markets for recycled materials. The management will remain focused on improving capacity utilization, strengthening cost competitiveness, optimizing the product portfolio and advancing the rPET project towards commercial operations. These initiatives are expected to enhance the resilience of the plastics value chain, support sustainable growth and strengthen IRPL's contribution to the long-term value creation strategy.

BOK Bank of Khyber

The Company holds a 24.43% equity stake in the paid-up share capital of the Bank of Khyber (BOK), representing a strategically important long-term investment in the financial sector. As at June 30, 2026, the market value of the investment stood at approximately Rs. 9.5 billion. During the period under review, BOK's profitability moderated, with profit after tax for the six months ended June 30, 2026 declining to Rs. 1.466 billion from Rs. 3.365 billion in the corresponding period of 2025. The decline primarily reflected pressure on net interest income and securities-related gains, alongside higher non-mark-up expenses. On a trailing twelve-month basis to June 30, 2026, BOK's profit after tax stood at approximately Rs. 3.9 billion, translating into an estimated share of profit of approximately Rs. 957 million attributable to the Company.

Despite the near-term moderation in earnings, BOK continued to strengthen its balance sheet and franchise. Total assets increased to Rs. 597.4 billion as at June 30, 2026, while deposits reached Rs. 486.7 billion and net advances and investments stood at Rs. 171.0 billion and Rs. 353.2 billion, respectively. The Bank also reported a net reversal of credit loss allowance of Rs. 292 million and a reduction in net non-performing loans, reflecting

continued focus on asset quality and prudent risk management. These developments provide a sound foundation for sustainable growth as the banking sector continues to adjust to evolving interest rate and macroeconomic conditions.

The Company continues to regard its investment in BOK as an important source of diversified earnings and long-term value. While short-term profitability remains sensitive to interest rate cycles and market conditions. The Board will continue to monitor BOK's financial performance and strategic direction, with a long-term focus on preserving and enhancing shareholder value.

Critical Performance Indicators

The management of Ismail Industries Limited monitors a set of critical performance indicators aligned with the Group's strategic priorities and long-term objectives. These indicators provide a consistent framework for evaluating performance, supporting decision-making and driving accountability across the organisation. The key performance areas include:

a. Sustainable and profitable growth, strengthening domestic and international market presence, improving margins and enhancing cost competitiveness;

b. Organisational development, talent management and strengthening leadership capabilities;

c. Environmental, Social and Governance (ESG) performance and responsible business practices;

d. Portfolio diversification, product innovation and expansion into high-potential markets; and

e. Digital transformation, technology enablement, automation and operational efficiency.

Corporate and Brand Image

During the year under review, Ismail Industries Limited continued to strengthen its corporate and brand profile through its commitment to excellence, innovation, sustainability and responsible business practices. These efforts were recognised through a number of notable industry and professional accolades.

The Company received the following awards during the year:

- Won the top exporter award in the Processed Food sector FY 2025, Presented by the PM of Pakistan
- Won the Best Corporate & Sustainability Report Merit Award 2024 by ICAP & ICMAP
- Won the Bronze Effie in the Snacks & Desserts category at the Effie Awards Pakistan 2026

ESG Performance



Governance

Sustainability continues to form an integral part of Ismail Industries Limited's strategy, with the Company progressively embedding Environmental, Social and Governance (ESG) considerations into business planning, risk management and operational decision-making. During FY2025–26, the Company further strengthened its sustainability governance framework through enhanced Board oversight, including the incorporation of sustainability-related responsibilities into the Terms of Reference of the Board Audit Committee. This governance structure is complemented by a cross-functional Sustainability Core Team, comprising representatives from Technical Projects, ESG, Human Resources and Operations. The framework is designed to identify and assess material ESG risks and opportunities, monitor performance and ensure accountability across business units. The Company also continued its alignment with applicable SECP ESG disclosure requirements and the first-time adoption of IFRS S1 and IFRS S2, supported by established policies covering ethical conduct, anti-bribery, suppliers, product safety and quality, and whistleblowing.

Environmental stewardship remained focused on reducing resource intensity, increasing renewable energy adoption, strengthening water management and advancing circularity across the Group's operations. The Company continued to expand its renewable energy portfolio, with solar installations across operational sites contributing to lower dependence on conventional electricity and reduced carbon emissions. Significant progress was also made in water conservation, wastewater treatment and reuse, while investments in recycled PET, biomass utilisation and energy recovery demonstrate the Company's broader transition towards more resource-efficient and circular manufacturing models. These initiatives are increasingly being integrated with operational efficiency and capital allocation considerations, ensuring that environmental performance supports both resilience and long-term business competitiveness.

The Company's social priorities remain centred on product quality and safety, employee health and safety, capability development, nutrition and community engagement. The Group's food and nutrition businesses continue to contribute to consumer wellbeing through fortified and nutrition-focused products, while workplace safety programmes and behaviour-based safety practices are being strengthened across higher-risk operations. Community initiatives encompass education, nutrition, healthcare and welfare programmes undertaken directly and in collaboration with recognised social organisations.

Key ESG initiatives and progress during FY2025–26 include:

- **Renewable Energy:** The Group's solar portfolio reached approximately 17 MW of installed capacity, reducing reliance on conventional grid electricity and supporting the transition towards lower-carbon energy.
- **Wastewater Reuse at CandyLand:** Cooling tower blowdown is treated through filtration and reverse osmosis, with treated water reused in boilers, economisers and cooling systems. The initiative generates several gallons of treated water per day and reduces reliance on water tankers.
- **Wastewater Management at Ismail Resin:** A comprehensive wastewater treatment system incorporating pH adjustment, coagulation and flocculation, biological treatment, filtration and disinfection supports responsible water management and controlled discharge/reuse.
- **Closed-Loop Water & Energy Recovery at Ismail Resin:** Approximately 100% of process water is recycled through stripping, effluent treatment and demineralisation, while waste heat is recovered through a lithium-bromide absorption chiller.
- **R-PET / Plastic Circularity:** The Company is developing a 25,000 (approx.) tonnes-per-annum recycled PET bottle-to-bottle facility to recover post-consumer plastic waste and convert it into recycled resin, supporting circular-economy objectives, reducing reliance on virgin raw materials and responding to growing demand for sustainable packaging solutions.
- **Biomass-to-Biochar:** Ismail Resin utilised more than 23,000 tonnes of agricultural biomass during 2025, producing approximately 4,000 tonnes of biochar. The initiative supports renewable process heat, reduces agricultural waste burning and associated air pollution, and facilitates longer-term carbon retention.
- **Nutrition & Food Security:** Ghiza's fortified flour portfolio and Ismail Nutrition's specialised nutritional products contribute to improved access to nutritionally enriched food products, supporting the Group's wider commitment to consumer wellbeing and nutrition security.
- **Product Safety & Quality:** The Group's food manufacturing operations maintain internationally recognised food safety and quality systems, including relevant ISO, FSSC, HACCP and Halal certifications, supporting product integrity and consumer trust.
- **People & Workplace Safety:** Behaviour-based safety initiatives, workforce training and strengthened safety practices continue to be deployed across higher-risk manufacturing operations, with a focus on reducing workplace risk and strengthening a proactive safety culture.
- **Community Development:** The Company continued to support education, healthcare, nutrition and welfare initiatives through programmes and partnerships with organisations including the Hub School Programme, Khadija Girls College, Mustafa Welfare Trust, SHED Foundation, Saylani Welfare Trust, SIUT and LRBT.

Way Forward

- Formalize an ESG Policy and Board dashboard.
- Publish baseline KPIs on energy, GHG emissions, water, packaging, safety, and fortified food volumes.
- Advance rPET and packaging recyclability milestones.
- Integrate ESG metrics into capital allocation, including the UAE project.
- Prepare for limited assurance on select KPIs as local assurance standards evolve.



Adequacy of Internal Financial Controls

The Board of Directors is responsible for overseeing the adequacy and effectiveness of the Company's internal control framework, which is designed to support effective and efficient operations, safeguard assets, ensure compliance with applicable laws and regulations, and maintain the integrity and reliability of financial reporting. The Board, through the Audit Committee, ensures that the internal control environment remains appropriate for the Company's scale, complexity and evolving risk profile. During FY2025–26, the Company continued to strengthen controls over financial reporting and consolidation, ERP and IT systems, procurement and supply-chain processes, and regulatory and governance compliance.

The Internal Audit function operates independently and reports functionally to the Audit Committee, providing objective and risk-based assurance over the design and operating effectiveness of internal controls across the Group's businesses and subsidiaries. During the year, Internal Audit assessed key control areas including financial reporting and consolidation, SAP S/4HANA and related information technology controls, data integrity, cybersecurity, procurement, inventory and supply-chain processes, and compliance with applicable regulatory requirements. Management remains responsible for establishing, implementing and maintaining the internal control environment and for timely remediation of control deficiencies identified through internal and other assurance activities.

The Audit Committee supports the Board in fulfilling its oversight responsibilities by reviewing the effectiveness of the internal control framework, Internal Audit reports, significant control findings and the status of agreed management actions, as well as the Company's periodic financial reporting. The Board is satisfied, based on the reviews and assurance undertaken during the year, that the Company maintained an adequate and effective system of internal financial controls providing reasonable assurance over the safeguarding of assets, compliance with applicable requirements and the reliability of financial reporting. The Company will continue to enhance its control environment in line with business growth, digital transformation and emerging operational, financial and regulatory risks.

Statement of Unreserved Compliance with IFRS Issued by IASB

The financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting standards consist of the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and the provisions of and directives issued under the Act.

Financial Management

The Company's maintains a disciplined financial management framework focused on liquidity, prudent capital allocation, efficient working-capital management and sustainable balance-sheet strength. The Company also maintains a structured cash flow management process through regular forecasting and monitoring of cash inflows and outflows. Management continues to prioritize internally generated cash flows towards working-capital requirements, capital expenditure, strategic investments, debt servicing and shareholder returns. The Company's approach remains focused on strengthening cash conversion, optimizing working capital and ensuring financial flexibility in an evolving macroeconomic environment.

As at June 30, 2026, the unconsolidated balance sheet remained supported by total assets of approximately Rs.106.2 billion and current assets of approximately Rs.59.6 billion against current liabilities of approximately Rs.49.1 billion, translating into a current ratio of approximately 1.22 times. Management remains focused on maintaining prudent leverage, optimizing financing costs and directing capital towards initiatives that strengthen the Company's operating platform and generate sustainable long-term returns.

The Company continues to maintain a sound credit profile and access to banking to support its operational and investment requirements. The Company financial strength is also reflected in our AA- long-term and A1 short-term credit ratings, with a Stable outlook, assigned by the Pakistan Credit Rating Agency. Management remains committed to maintaining strong financial discipline, timely servicing of financial obligations and adequate liquidity while balancing investment requirements with shareholder returns.

Risk Management

Effective risk management is a core element of Ismail Industries Limited's strategy and a key enabler of resilient growth, disciplined capital allocation and long-term value creation. The Board of Directors retains overall responsibility for the Company's risk management framework and ensures that material risks and emerging opportunities are identified, assessed and addressed as an integral part of strategic and operational decision-making. Through the Enterprise Risk Management (ERM) framework, the Company systematically evaluates strategic, operational, financial, reputational and compliance risks across the Company's, prioritizing exposures based on their likelihood, potential impact and time horizon, and ensuring that appropriate mitigation actions, ownership and monitoring mechanisms are in place.



The Company also views risk management as an enabler of opportunity, supporting informed decisions around portfolio diversification, international expansion, technology investment and sustainability initiatives. The risk profile is reviewed on an ongoing basis, with emerging exposures, mitigation plans and corrective actions monitored through established governance forums. This proactive and integrated approach enables the Company to respond decisively to changing market conditions, protect stakeholder interests and pursue its strategic priorities with greater confidence and resilience.



Health, Safety and Environment

Health, Safety and Environment (HSE) remains a fundamental priority across Ismail Industries Limited and its diverse manufacturing operations. The Company is committed to maintaining safe and healthy workplaces for its employees, contractors and other stakeholders by adhering to applicable HSE standards, strengthening process safety and proactively identifying and mitigating workplace risks. Regular job safety analyses, risk assessments, safety briefings and awareness sessions are undertaken for critical and non-routine activities to reinforce safe practices and promote a culture in which health, safety and environmental responsibility is regarded as a shared organisational commitment.

Vision, Mission, and Overall Corporate Strategy Approval by the Board

The Board of Directors has carefully reviewed and approved the Vision, Mission and overall Corporate Strategy of Ismail Industries Limited, which collectively articulate the purpose, values and strategic direction of the Company. The Board ensures that the Company's Vision and Mission provide a clear foundation for the formulation and execution of its overall corporate strategy and are embedded across the organisation and translated into actionable priorities at every level of the Group. They serve as a common purpose that aligns the Board, management and employees and provide an important reference point for strategic and day-to-day decision-making.





Human Resource

Our people remain one of Ismail Industries Limited's most valuable assets and a key enabler of the Company's sustained growth, operational excellence and transformation agenda. As the Company continues to expand its businesses and strengthen its local and international footprint, we remain focused on developing a high-performing, engaged and future-ready workforce aligned with our strategic priorities. Our people strategy is centred on attracting and retaining capable talent, strengthening performance management, developing future leaders, fostering an inclusive workplace and building the capabilities required to support innovation, digitalisation and long-term business growth.

During the year, the Company continued to strengthen a performance-driven culture through structured goal setting, periodic performance reviews and continuous feedback, with individual objectives aligned to organisational priorities. Talent acquisition and workforce planning remained focused on ensuring the availability of critical capabilities, while learning and development initiatives supported functional, leadership and technology-related skills. Particular emphasis was placed on employee engagement, career development, recognition and retention, together with initiatives promoting diversity, inclusion and employee well-being.

Leadership development and succession planning continued to remain key priorities. The Company maintained a structured approach to identifying and developing high-potential talent, strengthening internal career pathways and building succession coverage for critical positions. Through coaching, mentoring, targeted development programmes and ongoing capability assessments, we continue to build a strong leadership pipeline and organisational resilience. These initiatives are intended to ensure leadership continuity, enhance employee potential and support the Company's ability to execute its strategy effectively in an evolving business environment.

Information Technology

Ismail Industries Limited continues to leverage technology and digital transformation as strategic enablers of operational efficiency, governance and sustainable growth. During the year, the Company further optimised its SAP S/4HANA environment and strengthened IT controls to enhance data integrity, financial reporting, cybersecurity and business continuity. Digital solutions and automation initiatives were progressively deployed across key business processes to improve supply-chain visibility, streamline operations, enhance reporting and enable faster, more informed decision-making.

The Company also continued to enhance its analytics and automation capabilities to drive productivity, optimise costs and strengthen process controls across the Group. Cybersecurity governance remained a key priority, with continued strengthening of access controls, security monitoring, incident response, data protection and business continuity measures to safeguard critical systems and information assets.

Looking ahead, the IT roadmap remains focused on greater integration across subsidiaries and business functions, strengthening cyber resilience and technology governance, and leveraging digital capabilities to support scalability and the Group's expanding local and international operations. These initiatives are expected to further enhance operational agility, resource efficiency and long-term competitiveness while supporting the Company's broader ESG objectives.

Transactions with Related Parties

All transactions with related parties during the year were conducted on an arm's length basis and duly reviewed and approved by the Board Audit Committee and the Board of Directors. Details of all such transactions are disclosed in Note 45 to the Unconsolidated Financial Statements for the year ended June 30, 2026Composition of The Board

Composition of the Board

The Board of Directors of the Company consists of:

Total Number of Directors	
Male	6
Female	1

Categories	Name
Executive	Mr. Munsarim Saifullah (CEO)
	Mr. Ahmed Muhammad
Independent	Mr. Muhammad Zain
	Ms. Tasneem Yusuf
Non-Executive	Mr. Muhammad M. Ismail
	Mr. Maqsood Ismail
	Mr. Hamid Maqsood Ismail
Female	Ms. Tasneem Yusuf

Board of Directors Meeting Attendance

During the year, four meetings of the Board of Directors were held. The attendance record of each director is as follows:

Name of Directors	Meetings Attended
Mr. Muhammad M. Ismail	4/4
Mr. Maqsood Ismail Ahmed	4/4
Mr. Munsarim Saifullah	4/4
Mr. Hamid Maqsood Ismail	4/4
Mr. Ahmed Muhammad	4/4
Ms. Tasneem Yusuf	4/4
Mr. Muhammad Zain	3/3*
Mr. Muhammad Zubair Motiwala	1/1*

Audit Committee Meeting Attendance

During the year, four meetings of the Audit Committee were held. The attendance record of each director is as follows:

Name of Directors	Meetings Attended
Ms. Tasneem Yusuf	4/4
Mr. Muhammad M. Ismail	4/4
Mr. Maqsood Ismail Ahmed	4/4

Human Resource & Remuneration Committee Meeting Attendance

During the year, two meetings of the Human Resource and Remuneration Committee was held. The attendance record of each director is as follows:

Name of Directors	Meetings Attended
Mr. Muhammad Zubair Motiwala	1/1*
Mr. Muhammad Zain	1/1*
Mr. Maqsood Ismail Ahmed	2/2
Mr. Hamid Maqsood Ismail	2/2

*Mr. Muhammad Zubair Motiwala retired from the Board of Directors with effect from October 22, 2025, and on the same date, Mr. Muhammad Zain was appointed as a Director of the Company.

Training of the Board

The Company recognises the importance of continuous professional development of its Board members and ensures that Directors remain apprised of developments in applicable corporate laws, regulations and the Code of Corporate Governance. The Company facilitates and supports Directors in fulfilling the applicable requirements relating to Directors' Training Certification and continuing professional development.

Evaluation Criteria for the Board

Apart from their mandatory job requirements, the performance of the Board of our Company is evaluated regularly along the following parameters, both at individual and team levels.

1. Effectiveness in bringing in a mix of gender, talents, skills and philosophical perspectives.
2. Integrity, credibility, trustworthiness and active participation of members.
3. Follow-up and review of annual targets set by the management.
4. Ability to provide guidance and direction to the Company.
5. Ability to identify aspects of the organization's performance requiring action.
6. Review of succession planning of management.
7. Ability to assess and understand the risk exposures of the Company.
8. Contribution and interest in improving health, safety and environment, employment and other policies and practices in the Company.
9. Safeguarding the Company against unnecessary litigation and reputational risk.

Performance Evaluation of Directors and their Remuneration

In accordance with the requirements of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Company has adopted a structured mechanism based on the above-mentioned parameters, for the annual evaluation of the performance and effectiveness of the Board. The evaluation covers key areas including Board composition and leadership, effectiveness of Board processes, strategic oversight and planning, financial and operational performance, risk management, and monitoring of the Company's objectives. The Human Resource and Remuneration Committee facilitates the evaluation process based on feedback received from individual Directors.

Details of remuneration and other benefits paid to Directors are disclosed in note 36 to the unconsolidated financial statements. These remunerations are duly approved by the Board of Directors. Non-Executive and Independent Directors are not paid any remuneration in accordance with the remuneration policy of the Company



Corporate Governance

The Company remains committed to the highest standards of corporate governance, upholding transparency, accountability and the protection of stakeholders' interests as core pillars of its operations. The Board, comprising a balanced mix of executive, non-executive and independent directors, provides strategic direction and oversight, supported by its Audit and HR & Remuneration Committees, which discharge their respective responsibilities in accordance with their approved Terms of Reference.

The Company's governance practices remain closely aligned with the SECP's Code of Corporate Governance, applicable ICAP guidelines, and emerging ESG disclosure requirements. During the year, the Board conducted a formal evaluation of its performance and effectiveness, confirming that the governance framework in place remains robust, well-structured and responsive to evolving regulatory expectations and the changing needs of the business.

Compliance with Corporate and Financial Reporting Framework

The Company remains committed to maintaining the highest standards of corporate governance, transparency and financial reporting and complies with the applicable requirements of the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019, as amended from time to time. The Directors are pleased to confirm that,

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in 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 departures therefrom have 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 ten years is included in the Annual Report.
- Outstanding taxes and levies are disclosed in the Notes to the Financial Statements.
- The related party transactions entered into during the year have been reviewed and approved or ratified by the Audit Committee and the Board of Directors, as applicable, in accordance with the applicable laws and regulatory requirements.

Earnings Per Share

The earnings per share for the year ended June 30, 2026 is Rs. 59.59 compared to corresponding year of Rs. 86.64.

Dividend

The Company remains committed to enhancing shareholder value and maintaining a sustainable return to its shareholders. In view of the Company's financial performance and retained earnings, the Board of Directors is pleased to recommend a final cash dividend of 50%, equivalent to Rs. 5 per share, for the year ended June 30, 2026, subject to the approval of the members at the forthcoming Annual General Meeting. The dividend will be paid to those shareholders whose names appear in the Register of Members as at the relevant book closure date notified for the forthcoming Annual General Meeting, in accordance with the applicable statutory and regulatory requirements.

Pattern of Shareholding

The pattern of shareholding of the Company in accordance with Section 227(2)(f) of the Companies Act, 2017 and rule 5.19.11 of the PSX Rule Book as at June 30, 2026, is annexed to this report.

Statutory Auditors

The financial statements of the Company for the current year 2025-26 were audited by M/s. Grant Thornton Anjum Rahman, Chartered Accountants. The auditors will retire at the end of the Annual General Meeting. Being eligible, they have offered themselves for re-appointment. The Board has recommended the appointment of M/s. Grant Thornton Anjum Rahman, Chartered Accountants as auditors for the forthcoming year, as recommended by the Audit Committee, subject to the approval of the members at the upcoming Annual General Meeting.

Subsequent Events

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company and the date of this report.

Future Outlook

Pakistan enters FY2026–27 from a position of improving macroeconomic stability, although the recovery remains vulnerable to external and geopolitical shocks. The economy expanded by 3.7% in FY2025–26, while the Government has set a growth target of 4.0% for FY2026–27. External resilience has also strengthened, with the State Bank of Pakistan expecting inflows of around US$44 billion in FY2026–27. These developments provide a more supportive platform for economic activity. However, the recent resurgence specially US-IRAN conflict creates inflationary pressures and heightened global uncertainty reinforce the need for prudent financial and operational planning.

For Ismail Industries Limited, the outlook will therefore be shaped not only by the pace of domestic economic recovery, but by our ability to remain agile in an increasingly volatile cost and competitive environment. Geopolitical tensions, particularly in the Middle East, continue to pose risks to energy prices, freight costs and regional supply chains, with international oil prices demonstrating significant sensitivity to developments in the region. At the same time, fluctuations in imported raw-material prices, exchange rates, interest rates, energy tariffs and international trade policies may continue to exert pressure on margins and working capital. In response, our priorities will remain focused on strengthening end-to-end supply-chain resilience, improving manufacturing productivity, optimising capacity utilisation, accelerating digital transformation and maintaining rigorous cost and cash-flow discipline. Our approach to international markets will remain deliberately selective, with greater emphasis on value, margins, customer quality and sustainable market access rather than volume-led growth.

We remain confident that the Company's diversified business portfolio, established brands, integrated value chain and strong operating platforms provide a solid foundation for the next phase of growth. Our capital allocation philosophy will remain disciplined and returns-focused, with investment directed towards initiatives that strengthen vertical integration, improve asset utilisation, enhance structural cost competitiveness and create access to high-growth markets. The continued development of our Abu Dhabi manufacturing platform is expected to provide an important regional foothold and greater supply-chain agility, while investments in recycling, renewable energy, technology and operational excellence will support both competitiveness and long-term sustainability. As the operating environment evolves, management will remain focused on protecting margins, strengthening resilience, unlocking synergies across businesses and pursuing profitable growth opportunities. We believe

this balanced strategy will enable IIL to navigate near-term volatility while building a more scalable, efficient and geographically diversified platform capable of delivering sustainable long-term value to shareholders and other stakeholders.

Acknowledgement

The Board of Directors extends its sincere appreciation to all stakeholders for their continued trust, confidence, and support to the Company. Appreciation is also conveyed to our suppliers, distributors, lenders, employees, and business partners for their continued cooperation, as well as to the management team for its leadership and focus on navigating challenges and driving sustainable value creation.

We continue to pray to Allah for the success of the Company and the benefit of all stakeholders and the country in general.

On behalf of the Board

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Karachi: August 28, 2026





کارپوریٹ گورننس

کمپنی کارپوریٹ گورننس کے اعلیٰ ترین معیارات کو برقرار رکھنے کے لیے پُرعزم ہے، جس میں شفافیت، جوابدہی اور متعلقہ فریقین کے مفادات کا تحفظ کمپنی کے کاروباری امور کے بنیادی اصول ہیں۔ بورڈ آف ڈائریکٹران میں ایگزیکٹو، نان ایگزیکٹو اور آزاد ڈائریکٹران کا متوازن امتزاج شامل ہے، جو کمپنی کو اسٹریٹجک سمت اور نگرانی فراہم کرتا ہے۔ اس سلسلے میں آڈٹ کمیٹی اور ہیومن ریسورس اینڈ ریمیونریشن کمیٹی بھی اپنے منظور شدہ ٹرمز آف ریفرنس کے مطابق اپنی متعلقہ ذمہ داریاں انجام دیتی ہیں۔

کمپنی کے گورننس کے طریقہ کار ایس ای سی پی کے کوڈ آف کارپوریٹ گورننس، آئی کیپ کی قابلِ اطلاق رہنما ہدایات اور ای ایس جی سے متعلق ابھرتے ہوئے افشائی تقاضوں کے مطابق ہیں۔ سال کے دوران، بورڈ آف ڈائریکٹران نے اپنی کارکردگی اور مؤثریت کا باقاعدہ جائزہ لیا اور اس بات کی تصدیق کی کہ کمپنی کا موجودہ گورننس نظام مضبوط، منظم اور ضابطہ جاتی تقاضوں میں ہونے والی تبدیلیوں اور کاروبار کی بدلتی ہوئی ضروریات کے مطابق مؤثر طور پر کام کر رہا ہے۔

کارپوریٹ اور مالیاتی رپورٹنگ کے تقاضوں کی تعمیل

کمپنی کارپوریٹ گورننس، شفافیت اور مالیاتی رپورٹنگ کے اعلیٰ ترین معیارات کو برقرار رکھنے کے لیے پُرعزم ہے اور کمپنیز ایکٹ، 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019، جن میں وقتاً فوقتاً ترامیم کی گئی ہیں، کے قابلِ اطلاق تقاضوں کی پابندی کرتی ہے۔

ڈائریکٹران اس امر کی تصدیق کرتے ہیں کہ:

کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی بیانات کمپنی کی مالی حالت، کاروباری نتائج، نقد بہاؤ اور ایکویٹی میں ہونے والی تبدیلیوں کی منصفانہ عکاسی کرتے ہیں۔

- کمپنی کی اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیز مستقل طور پر لاگو کی گئی ہیں اور اکاؤنٹنگ سے متعلق اندازے مناسب اور محتاط فیصلوں کی بنیاد پر کیے گئے ہیں۔
- پاکستان میں قابلِ اطلاق انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز کو مالیاتی بیانات کی تیاری میں اختیار کیا گیا ہے اور ان سے کسی بھی انحراف کو مناسب طور پر ظاہر کیا گیا ہے۔
- اندرونی کنٹرول کا نظام مؤثر انداز میں ڈیزائن کیا گیا ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے۔
- کمپنی کے بطور جاری کاروبار اپنی سرگرمیاں جاری رکھنے کی صلاحیت کے حوالے سے کوئی شک نہیں ہے۔
- کارپوریٹ گورننس کے بہترین طریقہ کار سے کوئی اہم انحراف نہیں ہوا۔
- گزشتہ دس سال کا اہم آپریشنل اور مالیاتی ڈیٹا سالانہ رپورٹ میں شامل کیا گیا ہے۔
- واجب الادا ٹیکسز اور دیگر محصولات کی تفصیلات مالیاتی بیانات کے نوٹس میں ظاہر کی گئی ہیں۔
- سال کے دوران متعلقہ فریقین کے ساتھ کیے گئے لین دین کا، قابلِ اطلاق قوانین اور ضابطہ جاتی تقاضوں کے مطابق، آڈٹ کمیٹی اور بورڈ آف ڈائریکٹران نے، جہاں قابلِ اطلاق تھا، جائزہ لے کر منظوری دی یا بعد ازاں توثیق کی۔

فی حصص آمدنی

30 جون 2026 کو ختم ہونے والے سال کے لیے فی حصص آمدنی 59.59 روپے رہی، جبکہ گزشتہ سال کی اسی مدت میں یہ 86.64 روپے تھی۔

ڈیویڈنڈ

کمپنی شیئر ہولڈرز کی قدر میں اضافہ کرنے اور انہیں پائیدار منافع فراہم کرنے کے لیے پُرعزم ہے۔ کمپنی کی مالی کارکردگی اور برقرار رکھے گئے منافع کو مدنظر رکھتے ہوئے، بورڈ آف ڈائریکٹران نے 30 جون 2026 کو ختم ہونے والے سال کے لیے 50 فیصد حتمی نقد ڈیویڈنڈ، یعنی ۵ روپے فی شیئر دینے کی سفارش کی ہے، جو آئندہ سالانہ جنرل میٹنگ میں اراکین کی منظوری سے مشروط ہے۔

ڈیویڈنڈ ان شیئر ہولڈرز کو ادا کیا جائے گا جن کے نام آئندہ سالانہ جنرل میٹنگ کے لیے مطلع کردہ متعلقہ بک کلوزر کی تاریخ تک رجسٹر آف ممبرز میں درج ہوں گے، اور یہ ادائیگی قابلِ اطلاق قانونی اور ضابطہ جاتی تقاضوں کے مطابق کی جائے گی۔

شیئر ہولڈنگ کی تفصیل

کمپنی کی 30 جون 2026 تک شیئر ہولڈنگ کی تفصیل کمپنیز ایکٹ 2017 کی دفعہ 227 کی ذیلی دفعہ 2 ایف اور پی ایس ایکس رول بک کے قاعدہ 5.19.1 کے مطابق اس رپورٹ کے ساتھ منسلک ہے۔

قانون کے تحت مقرر کردہ آڈیٹرز

کمپنی کے موجودہ مالی سال 26-2025 کے مالیاتی بیانات کا آڈٹ میسرز گرانٹ تھارنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس نے کیا۔ آڈیٹرز سالانہ جنرل میٹنگ کے اختتام پر ریٹائر ہو جائیں گے۔ اہل ہونے کی وجہ سے انہوں نے دوبارہ تقرری کے لیے اپنی رضامندی ظاہر کی ہے

آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹران نے آئندہ مالی سال کے لیے میسرز گرانٹ تھارنٹن انجم رحمان، چارٹرڈ اکاؤنٹنٹس کو آڈیٹرز کے طور پر دوبارہ مقرر کرنے کی سفارش کی ہے، جو آئندہ سالانہ جنرل میٹنگ میں اراکین کی منظوری سے مشروط ہے

بعد از مالی سال کے واقعات

کمپنی کے مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حیثیت کو متاثر کرنے والی کوئی اہم تبدیلی یا ذمہ داری سامنے نہیں آئی۔

مستقبل کے امکانات

پاکستان مالی سال 27-2026 میں بہتر ہوتی ہوئی معاشی استحکام کی صورتحال کے ساتھ داخل ہو رہا ہے، اگرچہ معاشی بحالی اب بھی بیرونی اور جغرافیائی سیاسی عوامل سے پیدا ہونے والے اثرات کے لیے حساس ہے۔ مالی سال 26-2025 کے دوران معیشت میں 3.7 فیصد اضافہ ہوا، جبکہ حکومت نے مالی سال 27-2026 کے لیے 4.0 فیصد معاشی ترقی کا ہدف مقرر کیا ہے۔ بیرونی شعبے میں بھی مضبوطی آئی ہے، جبکہ اسٹیٹ بینک آف پاکستان نے مالی سال 27-2026 کے دوران تقریباً 44 ارب امریکی ڈالر کی آمد متوقع قرار دی ہے۔ یہ پیش رفت معاشی سرگرمیوں کے لیے نسبتاً بہتر بنیاد فراہم کرتی ہے۔ تاہم، حالیہ صورتحال، خصوصاً امریکہ اور ایران کے درمیان تنازع، افراطِ زر کے دباؤ اور عالمی سطح پر بڑھتی ہوئی غیر یقینی صورتحال کا باعث بن رہی ہے، جس سے محتاط مالیاتی اور آپریشنل منصوبہ بندی کی ضرورت مزید بڑھ گئی ہے۔

اسماعیل انڈسٹریز لمیٹڈ کے لیے مستقبل کے امکانات نہ صرف ملکی معاشی بحالی کی رفتار بلکہ بڑھتے ہوئے غیر یقینی لاگت اور مسابقتی ماحول میں تیزی سے حالات کے مطابق خود کو ڈھالنے کی ہماری صلاحیت سے بھی متاثر ہوں گے۔ جغرافیائی سیاسی کشیدگی، خصوصاً مشرقِ وسطیٰ میں، توانائی کی قیمتوں، فریٹ اخراجات اور علاقائی سپلائی چینز کے لیے مسلسل خطرات پیدا کر رہی ہے، جبکہ خطے میں ہونے والی پیش رفت کے باعث عالمی سطح پر تیل کی قیمتوں میں نمایاں اتار چڑھاؤ دیکھنے میں آ رہا ہے۔ اسی طرح درآمد شدہ خام مال کی قیمتوں، شرحِ مبادلہ، شرحِ سود، توانائی کے ٹیرف اور بین الاقوامی تجارتی پالیسیوں میں تبدیلیاں منافع کی شرح اور ورکنگ کیپٹل پر دباؤ ڈال سکتی ہیں۔ اس صورتحال کے پیشِ نظر ہماری ترجیحات میں اینڈ ٹو اینڈ سپلائی چین کی مضبوطی، مینوفیکچرنگ کی پیداواری صلاحیت میں بہتری، پیداواری صلاحیت کے مؤثر استعمال، ڈیجیٹل تبدیلی میں تیزی اور اخراجات و کیش فلو کے سخت نظم و نسق پر توجہ برقرار رہے گی۔ بین الاقوامی مارکیٹوں کے حوالے سے ہمارا طریقہ کار محتاط اور منتخب بنیادوں پر رہے گا، جس میں صرف حجم پر مبنی ترقی کے بجائے قدر، منافع کی شرح، صارفین کے معیار اور پائیدار مارکیٹ تک رسائی کو زیادہ اہمیت دی جائے گی۔

ہمیں یقین ہے کہ کمپنی کا متعدد کاروباری شعبوں پر مشتمل پورٹ فولیو، مضبوط برانڈز، مربوط ویلیو چین اور مستحکم آپریشنل پلیٹ فارم ترقی کے اگلے مرحلے کے لیے مضبوط بنیاد فراہم کرتے ہیں۔ ہماری سرمایہ مختص کرنے کی حکمتِ عملی محتاط اور منافع پر مرکوز رہے گی، جس کے تحت ایسی سرمایہ کاری اور اقدامات کو ترجیح دی جائے گی جو عمودی انضمام کو مضبوط کریں، اثاثوں کے مؤثر استعمال میں بہتری لائیں، لاگت کے اعتبار سے مسابقتی صلاحیت کو بہتر بنائیں اور تیزی سے ترقی کرنے والی مارکیٹوں تک رسائی پیدا کریں۔ ایوظہبی میں ہماری مینوفیکچرنگ سہولت کی مسلسل ترقی سے خطے میں کمپنی کی موجودگی مضبوط ہونے اور سپلائی چین کو بدلتے ہوئے حالات کے مطابق زیادہ مؤثر انداز میں چلانے میں مدد ملنے کی توقع ہے، جبکہ ری سائیکلنگ، قابلِ تجدید توانائی، ٹیکنالوجی اور آپریشنل بہتری میں سرمایہ کاری مسابقتی صلاحیت اور طویل مدتی پائیداری دونوں کو مضبوط بنانے میں معاون ہوگی۔

کاروباری ماحول میں تبدیلی کے ساتھ انتظامیہ منافع کی شرح کے تحفظ، کاروباری مضبوطی میں اضافے، مختلف کاروباری شعبوں کے درمیان باہمی فوائد سے فائدہ اٹھانے اور منافع بخش ترقی کے مواقع تلاش کرنے پر توجہ مرکوز رکھے گی۔ ہمارا یقین ہے کہ یہ متوازن حکمتِ عملی IIL کو قابلِ مدتی غیر یقینی صورتحال سے مؤثر انداز میں نمٹنے کے ساتھ ایک ایسے زیادہ قابلِ توسیع، مؤثر اور جغرافیائی طور پر متنوع کاروباری پلیٹ فارم کی تعمیر میں مدد دے گی جو شیئر ہولڈرز اور دیگر متعلقہ فریقین کے لیے طویل مدتی پائیدار قدر پیدا کرنے کی صلاحیت رکھتا ہو۔

اظہارِ تشکر

بورڈ آف ڈائریکٹران تمام متعلقہ فریقین کی جانب سے کمپنی پر مسلسل اعتماد، بھروسے اور تعاون کو قدر کی نگاہ سے دیکھتے ہے اور ان کا مخلصانہ شکریہ ادا کرتا ہے۔ کمپنی اپنے سپلائرز، ڈسٹری بیوٹرز، قرض فراہم کرنے والے اداروں، ملازمین اور کاروباری شراکت داروں کے مسلسل تعاون کو بھی سراہتی ہے۔ اس کے ساتھ، انتظامیہ کی ٹیم کی قیادت اور کاروباری چیلنجز سے مؤثر انداز میں نمٹنے اور پائیدار قدر پیدا کرنے کے لیے مسلسل توجہ اور کوششوں کو بھی سراہا جاتا ہے۔

ہم کمپنی کی کامیابی، تمام متعلقہ فریقین اور ملک کی مجموعی بھلائی کے لیے اللہ تعالیٰ سے دعا گو ہیں۔

منصم سیف اللہ
چیف ایگزیکٹو آفیسر

مقصود اسماعیل
ڈائریکٹر

کراچی: 28 اگست 2026



صحت، تحفظ اور ماحولیات

اسماعیل انڈسٹریز لمیٹڈ اور اس کے مختلف پیداواری آپریشنز میں صحت، حفاظت اور ماحولیات (ایچ ایس ای) ایک بنیادی ترجیح بنی ہوئی ہے۔ کمپنی اپنے ملازمین، ٹھیکیداروں اور دیگر اسٹیک ہولڈرز کے لیے قابل اطلاق ایچ ایس ای معیارات پر عمل پیرا ہو کر، عمل کی حفاظت کو مضبوط بنا کر اور فعال طور پر ہوکام کی جگہ کے خطرات کی شناخت اور ان کو کم کر کے محفوظ اور صحت مند کام کی جگہوں کو برقرار رکھنے کے لیے پرعزم ہے۔ محفوظ طریقوں کو تقویت دینے اور ایک ایسی ثقافت کو فروغ دینے کے لیے جس میں صحت، حفاظت اور ماحولیاتی ذمہ داری کو مشترکہ تنظیمی عزم کے طور پر سمجھا جاتا ہے، اہم اور غیر معمول کی سرگرمیوں کے لیے ملازمت کی حفاظت کے باقاعدگی سے تجزیے، خطرے کی تشخیص، حفاظتی بریفنگ اور آگاہی کے اجلاس منعقد کیے جاتے ہیں۔

بورڈ کی جانب سے ویژن، مشن اور مجموعی کارپوریٹ حکمت عملی کی منظوری

بورڈ آف ڈائریکٹران نیا اسماعیل انڈسٹریز لمیٹڈ کے ویژن، مشن اور مجموعی کارپوریٹ حکمتِ عملی کا تفصیلی جائزہ لے کر ان کی منظوری دی ہے، جو مجموعی طور پر کمپنی کے مقصد، اقدار اور اسٹریٹجک سمت کی وضاحت کرتے ہیں۔ بورڈ اس بات کو یقینی بناتا ہے کہ کمپنی کا ویژن اور مشن اس کی مجموعی کارپوریٹ حکمتِ عملی کی تشکیل اور مؤثر نفاذ کے لیے واضح بنیاد فراہم کریں، انہیں ادارے کے تمام شعبوں میں مؤثر طور پر شامل کیا جائے اور گروپ کی ہر سطح پر قابلِ عمل ترجیحات میں تبدیل کیا جائے۔ یہ ویژن اور مشن بورڈ، انتظامیہ اور ملازمین کو ایک مشترکہ مقصد کے تحت ہم آہنگ کرتے ہیں اور اسٹریٹجک اور روزمرہ کی فیصلہ سازی کے لیے ایک اہم رہنما اصول فراہم کرتے ہیں۔



انسانی وسائل

ہمارے ملازمین اسمٰعیل انڈسٹریز لمیٹڈ کے اہم ترین اثاثوں میں شامل ہیں اور کمپنی کی مسلسل ترقی، بہتر آپریشنل کارکردگی اور کاروباری ترقی میں اہم کردار ادا کرتے ہیں۔ کمپنی اپنے کاروباری شعبوں کو وسعت دینے اور ملکی و بین الاقوامی سطح پر اپنی موجودگی کو مزید مضبوط بنانے کے ساتھ ایک باصلاحیت، پُرعزم اور مستقبل کے تقاضوں کے مطابق تیار افرادی قوت کی ترقی پر توجہ مرکوز رکھتی ہے۔ ہماری انسانی وسائل کی حکمتِ عملی کا مقصد باصلاحیت افراد کو کمپنی کی جانب راغب کرنا اور انہیں برقرار رکھنا، ملازمین کی کارکردگی کو بہتر بنانا، مستقبل کے لیے قیادت تیار کرنا، شمولیت پر مبنی کام کا ماحول قائم کرنا اور جدت، ڈیجیٹلائزیشن اور طویل مدتی کاروباری ترقی کے لیے ضروری صلاحیتوں کو فروغ دینا ہے۔ سال کے دوران، کمپنی نے واضح اہداف کے تعین، باقاعدہ کارکردگی کے جائزوں اور مسلسل فیڈ بیک کے ذریعے کارکردگی پر مبنی ماحول کو مزید مضبوط بنایا۔ ملازمین کے انفرادی اہداف کو کمپنی کی ترجیحات سے ہم آہنگ کیا گیا۔ افرادی قوت کی منصوبہ بندی اور نئے ٹیلنٹ کے حصول کے ذریعے اہم صلاحیتوں کی دستیابی کو یقینی بنانے پر توجہ دی گئی، جبکہ تربیت اور ترقی کے اقدامات کے ذریعے شعبہ جاتی، قیادت اور ٹیکنالوجی سے متعلق مہارتوں کو بہتر بنایا گیا۔ ملازمین کی شمولیت، کیریئر کی ترقی، حوصلہ افزائی اور افرادی قوت کو برقرار رکھنے کے ساتھ تنوع، شمولیت اور ملازمین کی فلاح و بہبود سے متعلق اقدامات پر بھی خصوصی توجہ دی گئی۔

قیادت کی ترقی اور جانشینی کی منصوبہ بندی بھی اہم ترجیحات میں شامل رہی۔ کمپنی نے اعلیٰ صلاحیت رکھنے والے ملازمین کی نشاندہی اور ان کی ترقی، اندرونی کیریئر کے مواقع کو بہتر بنانے اور اہم عہدوں کے لیے جانشینی کی منصوبہ بندی کے لیے ایک منظم طریقہ کار برقرار رکھا۔ کوچنگ، رہنمائی، خصوصی ترقیاتی پروگراموں اور مسلسل صلاحیتوں کے جائزوں کے ذریعے کمپنی مستقبل کی قیادت کو مضبوط بنانے اور ادارے کی مجموعی صلاحیت میں اضافہ کرنے پر توجہ دے رہی ہے۔ ان اقدامات کا مقصد قیادت میں تسلسل برقرار رکھنا، ملازمین کی صلاحیتوں کو بہتر بنانا اور بدلتے ہوئے کاروباری ماحول میں کمپنی کی حکمتِ عملی پر مؤثر عمل درآمد کو یقینی بنانا ہے۔



انفارمیشن ٹیکنالوجی

اسماعیل انڈسٹریز لمیٹڈ آپریشنل کارکردگی، مؤثر حکمرانی اور پائیدار ترقی کے لیے ٹیکنالوجی اور ڈیجیٹل تبدیلی سے مسلسل فائدہ اٹھا رہی ہے۔ سال کے دوران، کمپنی نے اپنے SAP S/4 HANA ماحول کو مزید بہتر بنایا اور ڈیٹا کی درستگی، مالیاتی رپورٹنگ، سائبر سیکیورٹی اور کاروباری تسلسل کو بہتر بنانے کے لیے آئی ٹی کنٹرولز کو مزید مضبوط کیا۔ سپلائی چین کی بہتر نگرانی، کاروباری عمل کو آسان

کمپنی نے پورے گروپ میں پیداواری صلاحیت بڑھانے، اخراجات کو بہتر بنانے اور کاروباری عمل پر کنٹرول کو مضبوط کرنے کے لیے اپنی تجزیاتی اور خودکار صلاحیتوں کو بھی مزید بہتر بنایا۔ اہم نظاموں اور معلوماتی اثاثوں کے تحفظ کے لیے رسائی کے کنٹرول، سیکیورٹی کی نگرانی، سیکیورٹی واقعات سے نمٹنے، ڈیٹا کے تحفظ اور کاروباری تسلسل سے متعلق اقدامات کو مسلسل مضبوط بنایا گیا، جبکہ سائبر سیکیورٹی کا مؤثر انتظام بھی ایک اہم ترجیح رہا۔

آگے بڑھتے ہوئے، آئی ٹی روڈ میپ کا مرکز ڈیلی کمپنیوں اور مختلف کاروباری شعبوں کے درمیان بہتر

انضمام، سائبر سیکیورٹی کی مضبوطی اور ٹیکنالوجی کے مؤثر انتظام کو مزید بہتر بنانا ہے۔ اس کے ساتھ، گروپ کے بڑھتے ہوئے ملکی اور بین الاقوامی کاروباری آپریشنز کی ضروریات کو پورا کرنے کے لیے ڈیجیٹل صلاحیتوں کو مزید مؤثر انداز میں استعمال کرنے پر توجہ مرکوز رکھی جائے گی۔ توقع ہے کہ ان اقدامات سے کمپنی کے وسیع تر ای ایس جی مقاصد کی معاونت کے ساتھ آپریشنل کارکردگی، وسائل کے مؤثر استعمال اور طویل مدتی مسابقتی صلاحیت میں مزید بہتری آئے گی۔

متعلقہ فریقین کے ساتھ لین دین

سال کے دوران متعلقہ فریقین کے ساتھ تمام لین دین غیر جانب دارانہ بنیادوں پر اور مارکیٹ کے مطابق شرائط پر کیے گئے جن کا آڈٹ کمیٹی اور بورڈ آف ڈائریکٹران نے باقاعدہ جائزہ لے کر منظوری دی۔ ان تمام لین دین کی تفصیلات 30 جون 2026 کو ختم ہونے والے سال کے غیر مربوطہ مالیاتی بیانات کے نوٹ نمبر 45 میں درج ہیں۔

بورڈ آف ڈائریکٹران کی تشکیل

کمپنی کا بورڈ آف ڈائریکٹران درج ذیل اراکین پر مشتمل ہے

Total Number of Directors	
Male	6
Female	1

Categories	Name
Executive	Mr. Munsarim Saifullah (CEO)
	Mr. Ahmed Muhammad
Independent	Mr. Muhammad Zain
	Ms. Tasneem Yusuf
Non-Executive	Mr. Muhammad M. Ismail
	Mr. Maqsood Ismail
	Mr. Hamid Maqsood Ismail
Female	Ms. Tasneem Yusuf

بورڈ آف ڈائریکٹران کے اراکین اور حاضری

سال کے دوران بورڈ آف ڈائریکٹران کے اراکین میں تبدیلی ہوئی ہے۔ اراکین کے نام اور ان کی جانب سے شرکت کی جانے والی اجلاسوں کی تعداد درج ذیل ہے

Name of Directors	Meetings Attended
Mr. Muhammad M. Ismail	4/4
Mr. Maqsood Ismail Ahmed	4/4
Mr. Munsarim Saifullah	4/4
Mr. Hamid Maqsood Ismail	4/4
Mr. Ahmed Muhammad	4/4
Ms. Tasneem Yusuf	4/4
Mr. Muhammad Zain	3/3*
Mr. Muhammad Zubair Motiwala	1/1*

آڈٹ کمیٹی

Name of Directors	Meetings Attended
Ms. Tasneem Yusuf	4/4
Mr. Muhammad M. Ismail	4/4
Mr. Maqsood Ismail Ahmed	4/4

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Name of Directors	Meetings Attended
Mr. Muhammad Zubair Motiwala	1/1*
Mr. Muhammad Zain	1/1*
Mr. Maqsood Ismail Ahmed	2/2
Mr. Hamid Maqsood Ismail	2/2

بورڈ آف ڈائریکٹران کی تربیت

کمپنی اپنے بورڈ ممبران کی مسلسل پیشہ ورانہ ترقی کی اہمیت کو تسلیم کرتی ہے اور اس بات کو یقینی بناتی ہے کہ ڈائریکٹرز کو قابل اطلاق کارپوریٹ قوانین، قواعد و ضوابط اور کوڈ آف کارپوریٹ گورننس میں ہونے والی پیشرفت سے آگاہ رکھا جائے۔ کمپنی ڈائریکٹران کی ٹریننگ سرٹیفکیشن اور مسلسل پیشہ ورانہ ترقی سے متعلق قابل اطلاق ضروریات کو پورا کرنے میں ڈائریکٹران کی سہولت اور مدد کرتی ہے۔

بورڈ کے جائزے کے معیار

لازمی ذمہ داریوں کے علاوہ، ہماری کمپنی کے بورڈ کی کارکردگی کا باقاعدگی سے انفرادی اور اجتماعی دونوں سطحوں پر درج ذیل معیارات کے مطابق جائزہ لیا جاتا ہے

۔مرد و خواتین کی مناسب نمائندگی، صلاحیتوں، مہارتوں اور مختلف نقطہ ؟ نظر کا مناسب امتزاج لانے میں مؤثریت۔

۔اراکین کی دیانت داری، ساکھ، قابلِ اعتماد ہونا اور اجلاسوں میں فعال شرکت۔

۔انتظامیہ کی جانب سے مقرر کردہ سالانہ اہداف پر فالو اپ اور ان کا جائزہ۔

۔کمپنی کو رہنمائی اور سمت فراہم کرنے کی صلاحیت۔

۔ادارے کی کارکردگی کے ان شعبوں کی نشاندہی کرنے کی صلاحیت جن میں اقدامات کی ضرورت ہو۔

۔انتظامیہ کی جانشینی کی منصوبہ بندی کا جائزہ۔

۔کمپنی کو درپیش خطرات کو سمجھنے اور ان کا جائزہ لینے کی صلاحیت۔

۔کمپنی میں صحت، حفاظت اور ماحول، ملازمت اور دیگر پالیسیوں اور طریقہ کار کو بہتر بنانے میں دلچسپی اور کردار۔

۔کمپنی کو غیر ضروری قانونی کارروائی اور ساکھ سے متعلق خطرات سے محفوظ رکھنے کے اقدامات۔

ڈائریکٹران کی کارکردگی کا جائزہ اور ان کے معاوضے

کمپنیز ایکٹ، 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تقاضوں کے مطابق، کمپنی نے اوپر بیان کردہ معیارات کی بنیاد پر بورڈ کی کارکردگی اور مؤثریت کے سالانہ جائزے کے لیے ایک منظم طریقہ کار اختیار کیا ہے۔ اس جائزے میں بورڈ کی تشکیل اور قیادت، بورڈ کے طریقہ کار کی مؤثریت، اسٹریٹجک نگرانی اور منصوبہ بندی، مالیاتی اور آپریشنل کارکردگی، خطرات کا نظم و نسق اور کمپنی کے مقرر کردہ اہداف کی نگرانی سمیت اہم شعبوں کا جائزہ لیا جاتا ہے۔

ہیومن ریسورس اور ریمیونریشن کمیٹی انفرادی ڈائریکٹران سے حاصل ہونے والی آراء کی بنیاد پر جائزے کے عمل میں معاونت فراہم کرتی ہے۔ بورڈ کی مجموعی کارکردگی کے حوالے سے چیئرمین کی ایک علیحدہ رپورٹ بھی تیار کی جاتی ہے۔

ڈائریکٹران کو ادا کیے گئے معاوضے اور دیگر فوائد کی تفصیلات غیر مربوطہ مالیاتی بیانات کے نوٹ نمبر 36 میں درج ہیں۔ یہ معاوضے بورڈ آف ڈائریکٹران کی جانب سے باقاعدہ منظور کیے جاتے ہیں۔ کمپنی کی ریمیونریشن پالیسی کے مطابق نان ایگزیکٹو ڈائریکٹران کو کوئی معاوضہ ادا نہیں کیا جاتا۔

مالی سال 26-2025 کے دوران ای ایس جی سے متعلق اہم اقدامات اور پیش رفت درج ذیل ہیں

۔قابلِ تجدید توانائی: گروپ کے شمسی توانائی کے منصوبوں کی مجموعی تنصیب شدہ صلاحیت تقریباً 17 میگاواٹ تک پہنچ گئی، جس سے روایتی گرڈ بجلی پر انحصار کم کرنے اور کم کاربن والی توانائی کی جانب منتقلی میں مدد ملی۔

۔کینڈی لینڈ میں استعمال شدہ پانی کا دوبارہ استعمال: کولنگ ٹاور سے خارج ہونے والے پانی کو فلٹریشن اور ریورس اوسموسس کے ذریعے صاف کیا جاتا ہے، جبکہ صاف شدہ پانی کو بوائلرز، اکانومائزرز اور کولنگ سسٹمز میں دوبارہ استعمال کیا جاتا ہے۔اس اقدام کے ذریعے روزانہ کئی گیلن صاف شدہ پانی حاصل ہوتا ہے اور واٹر ٹینکرز پر انحصار کم ہوتا ہے۔

۔اسماعیل ریزن میں استعمال شدہ پانی کا انتظام: پانی کے ذمہ دارانہ انتظام اور کنٹرول شدہ اخراج یا دوبارہ استعمال کے لیے ایک جامع استعمال شدہ پانی کی صفائی کا نظام قائم کیا گیا ہے، جس میں پی ایچ کی درستگی، کوا گیولیشن اور فلوکولیشن، حیاتیاتی صفائی، فلٹریشن اور جراثیم کشی کے مراحل شامل ہیں۔

۔کینڈی لینڈ میں استعمال شدہ پانی کا دوبارہ استعمال: کولنگ ٹاور سے خارج ہونے والے پانی کو فلٹریشن اور ریورس اوسموسس کے ذریعے صاف کیا جاتا ہے، جبکہ صاف شدہ پانی کو بوائلرز، اکانومائزرز اور کولنگ سسٹمز میں دوبارہ استعمال کیا جاتا ہے۔اس اقدام کے ذریعے روزانہ کئی گیلن صاف شدہ پانی حاصل ہوتا ہے اور واٹر ٹینکرز پر انحصار کم ہوتا ہے۔

۔اسماعیل ریزن میں استعمال شدہ پانی کا انتظام: پانی کے ذمہ دارانہ انتظام اور کنٹرول شدہ اخراج یا دوبارہ استعمال کے لیے ایک جامع استعمال شدہ پانی کی صفائی کا نظام قائم کیا گیا ہے، جس میں پی ایچ کی درستگی، کوا گیولیشن اور فلوکولیشن، حیاتیاتی صفائی، فلٹریشن اور جراثیم کشی کے مراحل شامل ہیں۔

۔اسماعیل ریزن میں پانی اور توانائی کا بندنظام اور دوبارہ حصول: پروسیس میں استعمال ہونے والے تقریباً 100 فیصد پانی کو اسٹرپنگ، ایفلوئنٹ ٹریٹمنٹ اور ڈی منرلائزیشن کے ذریعے ری سائیکل کیا جاتا ہے، جبکہ ضائع ہونے والی حرارت کو لیتھیم برومائیڈ ایبزارپشن چلر کے ذریعے دوبارہ حاصل کیا جاتا ہے۔

rPET اور پلاسٹک کا دوبارہ استعمال: کمپنی 25,000 ٹن سالانہ پیداواری صلاحیت کی ری سائیکل شدہ PET بوتل سے بوتل سہولت قائم کر رہی ہے، جس کے ذریعے صارفین کے استعمال کے بعد حاصل ہونے والے استعمال شدہ پلاسٹک کو دوبارہ حاصل کر کے ری سائیکل شدہ ریزن میں تبدیل کیا جائے گا۔اس سے سرکلر اکانومی کے مقاصد کے حصول، نئے خام مال پر انحصار کم کرنے اور پائیدار پیکیجنگ کی بڑھتی ہوئی طلب کو پورا کرنے میں مدد ملے گی۔

۔بائیو ماس سے بائیو چار: اسماعیل ریزن نے 2025 کے دوران 23,000 ٹن سے زائد زرعی بائیو ماس استعمال کیا، جس سے تقریباً 4,000 ٹن بائیو چار تیار کیا گیا۔اس اقدام سے قابلِ تجدید پروسیس حرارت کے حصول، زرعی فضلے کو جلانے اور اس سے پیدا ہونے والی فضائی آلودگی میں کمی، اور طویل مدتی بنیادوں پر کاربن کے ذخیرے میں معاونت حاصل ہوتی ہے۔

۔غذائیت اور غذائی تحفظ: غذا کے فورٹیفائیڈ آٹے کے مصنوعات کے پورٹ فولیو اور اسماعیل نیوٹریشن کی خصوصی غذائی مصنوعات کے ذریعے غذائیت سے بھرپور خوراک تک بہتر رسائی میں معاونت فراہم کی جا رہی ہے، جو صارفین کی صحت و بہبود اور غذائی تحفظ کے لیے گروپ کے وسیع تر عزم کو تقویت دیتی ہے۔

پروڈکٹ سیفٹی اینڈ کوالٹی: گروپ کے فوڈ مینوفیکچرنگ آپریشنز بین الاقوامی سطح پر تسلیم شدہ فوڈ سیفٹی اور کوالٹی سسٹم کو برقرار رکھتے ہیں، بشمول متعلقہ آئی ایس او، ایف ایس سی، ایچ اے سی پی اور حلال سرٹیفکیشن، پروڈکٹ کی سلامتی اور صارفین کے اعتماد کی حمایت کرتے ہیں۔

۔افراد اور کام کی جگہ حفاظت: زیادہ خطرے والے پیداواری آپریشنز میں رویوں پر مبنی حفاظتی اقدامات، ملازمین کی تربیت اور حفاظتی طریقہ کار کو مزید مضبوط بنانے کا سلسلہ جاری ہے، جس کا مقصد کام کی جگہ پر خطرات کو کم کرنا اور فعال حفاظتی کلچر کو مزید فروغ دینا ہے۔

۔کیمونٹی کی ترقی: کمپنی نے تعلیم، صحت کی دیکھ بھال، غذائیت اور فلاح و بہبود سے متعلق اقدامات کی معاونت کا سلسلہ جاری رکھا۔یہ معاونت مختلف پروگراموں اور شراکت داریوں کے ذریعے فراہم کی گئی، جن میں حب اسکول پروگرام، گرلز کالج، مصطفیٰ ویلفیئر ٹرسٹ، شیڈ فاؤنڈیشن، سیلانی ویلفیئر ٹرسٹ، ایس آئی یو ٹی اور ایل آر بی ٹی شامل ہیں۔

آئندہ کا لائحہ عمل

۔ای ایس جی پالیسی کو باقاعدہ طور پر نافذ کرنا اور بورڈ کے لیے ای ایس جی ڈیش بورڈ تیار کرنا۔

۔توانائی، گرین ہاؤس گیسوں کے اخراج، پانی، پیکیجنگ، حفاظتی اقدامات اور نوریٹیفائیڈ غذائی مصنوعات کی پیداوار سے متعلق بنیادی کارکردگی کے اشاریے شائع کرنا۔

۔rPET اور پیکیجنگ کی ری سائیکلنگ سے متعلق اہداف اور پیش رفت کو مزید آگے بڑھانا۔

۔سرمایہ کاری سے متعلق فیصلوں میں ای ایس جی کارکردگی کے اشاریوں کو شامل کرنا، جس میں متحدہ عرب امارات کا منصوبہ بھی شامل ہے۔

۔مقامی یقین دہانی کے معیارات میں بہتری کے ساتھ منتخب کارکردگی کے اشاریوں کے لیے محدود سطح کی یقین دہانی کے عمل کی تیاری کرنا۔



اندرونی مالیاتی کنٹرولز کی موزونیت

بورڈ آف ڈائریکٹران کمپنی کے اندرونی کنٹرول فریم ورک کی مناسبت اور تاثیر کی نگرانی کے لیے ذمہ دار ہے، جو موثر اور موثر کارروائیوں کی حمایت کرنے، اثاثوں کی حفاظت، قابل اطلاق قوانین اور ضوابط کی تعمیل کو یقینی بنانے اور مالیاتی رپورٹنگ کی درستگی اور اعتماد کو برقرار رکھنے کے لیے ڈیزائن کیا گیا ہے۔بورڈ آڈٹ کمیٹی کے ذریعے، اس بات کو یقینی بناتا ہے کہ اندرونی کنٹرول کا ماحول کمپنی کے پیمانے، پیچیدگی اور ابھرتے ہوئے رسک پروفائل کے لیے موزوں رہے۔مالی سال کے 26-2025 دوران، کمپنی نے مالیاتی رپورٹنگ اور اسٹکام، ای آر پی اور آئی ٹی سسٹم، خریداری اور سپلائی چین کے عمل، اور ریگولیٹری اور گورننس کی تعمیل پر کنٹرول کو مضبوط کرنا جاری رکھا۔

اندرونی آڈٹ کا شعبہ آزادانہ طور پر کام کرتا ہے اور آڈٹ کمیٹی کو فعال طور پر رپورٹ کرتا ہے یہ شعبہ گروپ کے کاروباری شعبوں اور ذیلی کمپنیوں میں اندرونی کنٹرولز کے ڈیزائن اور ان کی عملی مؤثریت کے حوالے سے غیر جانب دار اور خطرات پر مبنی یقین دہانی فراہم کرتا ہے۔۔سال کے دوران، اندرونی آڈٹ نے مالیاتی رپورٹنگ اور کنسولیڈیشن SAP S/4HANA اور متعلقہ انفارمیشن ٹیکنالوجی کنٹرولز، ڈیٹا کی درستگی، سائبر سیکیورٹی، خریداری، انونیٹری اور سپلائی چین کے عمل، اور قابلِ اطلاق ریگولیٹری تقاضوں کی پابندی سمیت اہم کنٹرول ایریاز کا جائزہ لیا۔انتظامیہ اندرونی کنٹرول کے ماحول کو قائم کرنے، نافذ کرنے اور برقرار رکھنے، اور اندرونی آڈٹ اور دیگر یقین دہانی کی سرگرمیوں کے ذریعے نشاندہی کی جانے والی کنٹرول کی خامیوں کو بروقت دور کرنے کی ذمہ دار ہے۔

آڈٹ کمیٹی، اندرونی کنٹرول کے نظام کی مؤثریت، اندرونی آڈٹ رپورٹس، اہم کنٹرول سے متعلق نتائج اور انتظامیہ کی جانب سے طے شدہ اقدامات کی صورتحال، نیز کمپنی کی متواتر مالیاتی رپورٹنگ کا جائزہ لے کر بورڈ کو اپنی نگرانی کی ذمہ داریاں پوری کرنے میں معاونت فراہم کرتی ہے۔سال کے دوران کیے گئے جائزوں اور یقین دہانی کی سرگرمیوں کی بنیاد پر، بورڈ مطمئن ہے کہ کمپنی نے اندرونی مالیاتی کنٹرولز کا ایک موزوں اور مؤثر نظام برقرار رکھا، جو اثاثوں کے تحفظ، قابلِ اطلاق تقاضوں کی پابندی اور مالیاتی رپورٹنگ کی قابلِ اعتماد ہونے کے حوالے سے مناسب سطح کی یقین دہانی فراہم کرتا ہے۔کمپنی کاروباری ترقی، ڈیجیٹل تبدیلی اور ابھرتے ہوئے آپریشنل، مالیاتی اور ریگولیٹری خطرات کے مطابق اپنے اندرونی کنٹرول کے ماحول کو مزید بہتر بنانے کا سلسلہ جاری رکھے گی۔

آئی اے ایس بی کی جانب سے جاری کردہ آئی ایف آر ایس کی مکمل پابندی کا بیان۔

مالیاتی بیانات پاکستان میں قابلِ اطلاق اکاؤنٹنگ اور رپورٹنگ کے معیارات کے مطابق تیار کیے گئے ہیں۔منظور شدہ اکاؤنٹنگ معیارات میں انٹرنیشنل اکاؤنٹنگ اسٹینڈرڈز بورڈ (آئی اے ایس بی) کی جانب سے جاری کردہ انٹرنیشنل فنانشل رپورٹنگ اسٹینڈرڈز (آئی ایف آر ایس) شامل ہیں، جنہیں کمپنیز ایکٹ، 2017 کے تحت نافذ کیا گیا ہے، نیز مذکورہ ایکٹ کی دفعات اور اس کے تحت جاری کردہ ہدایات بھی شامل ہیں۔

مالیاتی نظم ونسق

کمپنی ایک منظم مالیاتی نظم ونسق کے نظام کو برقرار رکھتی ہے، جس میں لیکویڈیٹی محتاط سرمایہ کاری، ورکنگ کیپٹل کے مؤثر انتظام اور بیلنس شیٹ کی پائیدار مضبوطی پر توجہ مرکوز کی جاتی ہے۔

کمپنی باقاعدہ پیش گوئی اور نقد رقوم کی آمد و اخراج کی نگرانی کے ذریعے کیش فلو کے انتظام کا ایک منظم طریقہ کار بھی برقرار رکھتی ہے۔انتظامیہ اندرونی طور پر پیدا ہونے والے نقد بہاؤ کو ورکنگ کیپٹل کی ضروریات، سرمایہ جاتی اخراجات، اسٹریٹجک سرمایہ کاری، قرضوں کی ادائیگی اور شیئر ہولڈرز کو منافع کی ادائیگی کے لیے ترجیحی بنیادوں پر استعمال کرنے کا سلسلہ جاری رکھے ہوئے ہے۔کمپنی کی حکمتِ عملی بدلتے ہوئے معاشی ماحول میں نقد رقم کی مؤثر وصولی، ورکنگ کیپٹل کو بہتر بنانے اور مالیاتی لچک کو یقینی بنانے پر مسلسل مرکوز ہے۔

30 جون 2026 تک، غیر مربوطہ بیلنس شیٹ کو تقریباً 106.2 ارب روپے کے مجموعی اثاثوں اور تقریباً 59.6 ارب روپے کے جاری اثاثوں سے مضبوط سہارا حاصل رہا، جبکہ جاری واجبات تقریباً 49.1 ارب روپے رہیں، جس کے نتیجے میں جاری تناسب تقریباً 1.22 گنا رہا۔انتظامیہ محتاط مالیاتی تناسب برقرار رکھنے، مالیاتی اخراجات کو بہتر بنانے اور سرمایہ کو ایسے اقدامات کی جانب مختص کرنے پر توجہ مرکوز رکھتی ہے جو کمپنی کے آپریشنل پلیٹ فارم کو مزید مضبوط بنائیں اور طویل مدتی بنیادوں پر پائیدار منافع حاصل کرنے میں معاون ہوں۔

کمپنی اپنے آپریشنل اور سرمایہ کاری سے متعلق تقاضوں کی تکمیل کے لیے مضبوط کریڈٹ پروفائل اور بینکاری سہولیات تک رسائی برقرار رکھتی ہے۔کمپنی کی مالیاتی مضبوطی اس کی طویل مدتی اے مائنس اور قلیل مدتی اے ون کریڈٹ ریٹنگز سے بھی ظاہر ہوتی ہے، جن کے ساتھ مستحکم آؤٹ لک دیا گیا ہے اور یہ ریٹنگز پاکستان کریڈٹ ریٹنگ ایجنسی کی جانب سے تفویض کی گئی ہیں۔انتظامیہ مضبوط مالیاتی نظم وضبط برقرار رکھنے، مالیاتی واجبات کی بروقت ادائیگی اور مناسب لیکویڈیٹی کو یقینی بنانے کے لیے پُرعزم ہے، جبکہ سرمایہ کاری کی ضروریات اور شیئر ہولڈرز کے منافع کے درمیان مناسب توازن برقرار رکھا جائے گا۔

خطرات کا نظم ونسق

مؤثر خطرات کا نظم ونسق 26 اسماعیل انڈسٹریز لمیٹڈ کی حکمتِ عملی کا ایک بنیادی حصہ اور کاروباری مضبوطی محتاط سرمایہ کاری اور طویل مدتی قدر میں اضافے کے لیے ایک اہم ذریعہ ہے۔بورڈ آف ڈائریکٹران کمپنی کے خطرات کے نظم ونسق کے نظام کی مجموعی نگرانی کا ذمہ دار ہے اور اس بات کو یقینی بناتا ہے کہ اہم خطرات اور ابھرتے ہوئے مواقع کی نشاندہی، جائزہ اور مناسب طریقے سے انتظام کیا جائے اور انہیں اسٹریٹجک اور آپریشنل فیصلہ سازی کا لازمی حصہ بنایا جائے۔انٹرپرائز رسک مینجمنٹ (ای آر ایم) کے نظام کے ذریعے کمپنی اسٹریٹجک، آپریشنل، مالیاتی، ساکھ اور ضابطہ جاتی خطرات کا منظم انداز میں جائزہ لیتی ہے۔خطرات کو ان کے وقوع پذیر ہونے کے امکان، ممکنہ اثرات اور متوقع مدت کی بنیاد پر ترجیح دی جاتی ہے، جبکہ مناسب خطرات سے بچاؤ کے اقدامات، ذمہ داریوں اور نگرانی کے طریقہ کار کو یقینی بنایا جاتا ہے۔

کمپنی خطرات کے نظم ونسق کو مواقع سے فائدہ اٹھانے کے ایک ذریعہ کے طور پر بھی دیکھتی ہے، جو مصنوعات کے پورٹ فولیو میں تنوع، بین الاقوامی توسیع، ٹیکنالوجی میں سرمایہ کاری اور پائیداری سے متعلق اقدامات کے بارے میں باخبر فیصلوں میں معاونت فراہم کرتا ہے۔خطرات کی صورتحال کا مسلسل جائزہ لیا جاتا ہے، جبکہ ابھرتے ہوئے خطرات، ان سے نمٹنے کے منصوبوں اور اصلاحی اقدامات کی نگرانی قائم شدہ انتظامی فورمز کے ذریعے کی جاتی ہے۔یہ فعال اور مربوط طریقہ کار کمپنی کو مارکیٹ کے بدلتے ہوئے حالات کا بروقت اور مؤثر انداز میں سامنا کرنے، متعلقہ فریقین کے مفادات کے تحفظ اور اپنی اسٹریٹجک ترجیحات کو زیادہ اعتماد اور کاروباری مضبوطی کے ساتھ آگے بڑھانے کے قابل بناتا ہے۔

سال کے دوران، منصوبے پر عمل درآمد مقررہ ترجیحات کے مطابق جاری رہا، جس کے تحت مرکزی فیکٹری شیڈ کا ڈھانچہ مکمل کر لیا گیا جبکہ آرکیٹیکچرل اور فنشنگ کا کام جاری ہے۔ یوٹیلیٹی بلڈنگ اور ویئر ہاؤس ایڈمنسٹریشن بلڈنگ کی تعمیر بھی جاری ہے، جبکہ آپریشنل تیاری کے لیے ضروری ایم ای پی اور ایچ وی اے سی کے کام بھی ساتھ ساتھ جاری ہیں۔ منصوبہ اب مشینری کی ترسیل، تنصیب اور کمیشننگ کے مرحلے کی جانب بڑھ رہا ہے۔ بلڈنگ کمپلیشن سرٹیفکیٹ 2026 کے اختتام تک حاصل کرنے کا ہدف مقرر کیا گیا ہے، جبکہ کمرشل آپریشنز کا آغاز 2027 کے دوران متوقع ہے۔ انتظامیہ منصوبے پر منظم انداز میں عمل درآمد، لاگت اور مقررہ مدت کی مؤثر نگرانی، اور تعمیراتی مرحلے سے آپریشنز کے مرحلے میں ہموار منتقلی پر مسلسل توجہ مرکوز رکھے ہوئے ہے۔ اس کا مقصد ابوظہبی کو کمپنی کی مستقبل کی بین الاقوامی ترقی اور طویل مدتی قدر میں اضافے کے لیے ایک اہم پلیٹ فارم کے طور پر قائم کرنا ہے۔

ہڈسن فارما (پرائیویٹ) لمیٹڈ (ایچ پی ایل)، جو اسمٰعیل انڈسٹریز لمیٹڈ کی ذیلی کمپنی ہے، نے سال کے دوران مالی اور آپریشنل کارکردگی میں نمایاں، بہتری حاصل کی۔ مجموعی فروخت گزشتہ سال کے 1.724 ارب روپے کے مقابلے میں بڑھ 4.515 ارب روپے ہوگئی، جبکہ خالص فروخت 1.292 ارب روپے سے بڑھ کر 3.878 ارب روپے ہوگئی۔ کاروباری حجم میں اس بہتری، جسے بہتر تجارتی کارکردگی، مصنوعات کے پورٹ فولیو میں توسیع اور آپریشنل کارکردگی میں اضافے سے تقویت ملی، کے نتیجے میں ایچ پی ایل نے گزشتہ سال کے 197.5 ملین روپے کے خسارے کے مقابلے میں 237.9 ملین روپے کا منافع رپورٹ کیا۔ یہ کمپنی کی مالی کارکردگی میں نمایاں پیش رفت کی عکاسی کرتا ہے۔

کمپنی نے فارماسیوٹیکل، کاسمیٹولوجی، نیوٹریشن اور فوڈ سپلیمنٹس کے شعبوں میں اپنے مصنوعات کے پورٹ فولیو کو مزید وسعت دی، جس میں وٹامنز، پری مکسز، منرلز اور دیگر غذائی مصنوعات شامل ہیں۔

اسماعیل ریزن (پرائیویٹ) لمیٹڈ (آئی آر پی ایل)، اسماعیل انڈسٹریز لمیٹڈ کی پلاسٹکس ویلیو چین کا ایک اہم اسٹریٹجک حصہ ہے، جو کمپنی کی بیک ورڈ انٹیگریشن کو مضبوط بنانے کے ساتھ ایک خود مختار PET ریزن کاروبار کی ترقی میں بھی معاون ہے، جس کے ذریعے ملکی اور بین الاقوامی دونوں مارکیٹوں کو خدمات فراہم کرنے کی صلاحیت موجود ہے۔ پورٹ قاسم کے ویسٹرن انڈسٹریل زون میں واقع اس جدید ترین پیداواری سہولت میں معروف ٹیکنالوجی فراہم کرنے والے اداروں، اوئرلیکن بارماگ اور بُہلر، کی جانب سے 300 ٹن یومیہ کی کنٹینیوئس پولیمرائزیشن (سی پی) اور 300 ٹن یومیہ کی سالڈ اسٹیٹ پولی کنڈنسیشن (ایس پی) لائنز نصب ہیں۔ بین الاقوامی سطح پر تسلیم شدہ سرٹیفکیشنز، بشمول ISO 9001، ISO 14001، FSSC 22000 اور حلال سرٹیفکیشن، کی معاونت سے آئی آر پی ایل مصنوعات کے معیار، آپریشنل قابلِ اعتماد کارکردگی اور عالمی مارکیٹ کے معیارات کے مطابق اپنی صلاحیتوں کو مسلسل مضبوط بنا رہا ہے۔

مالی سال 26-2025 کے دوران، آئی آر پی ایل نے آپریشنل اور مالی کارکردگی میں نمایاں بہتری حاصل کی۔ پیداوار میں 12.5 فیصد اضافہ ہوا اور یہ 71.042 ٹن سے بڑھ کر 79,948 ٹن ہوگئی، جس کے نتیجے میں پیداواری صلاحیت کے استعمال کی شرح گزشتہ سال کی 66 فیصد کے مقابلے میں بڑھ کر تقریباً 74 فیصد ہوگئی۔ مجموعی فروخت میں 23.6 فیصد اضافہ ہوا اور یہ 32.472 ارب روپے تک پہنچ گئی، جبکہ خالص فروخت 22.8 فیصد اضافے کے ساتھ 27.491 ارب روپے ہوگئی۔ مجموعی منافع نمایاں طور پر بڑھ کر 2.350 ارب روپے ہوگیا، جبکہ گزشتہ سال یہ 650 ملین روپے تھا۔ اسی طرح، آپریٹنگ منافع 391 ملین روپے سے بڑھ کر 1.922 ارب روپے ہوگیا۔ سال کے خسارے میں تقریباً 85 فیصد کمی ہوئی اور یہ گزشتہ سال کے 1.855 ارب روپے کے مقابلے میں کم ہو کر 274 ملین روپے رہ گیا۔ یہ بہتری پیداوار کے حجم میں اضافے، آپریشنل صلاحیت کے بہتر استعمال، اخراجات کی بہتر وصولی اور مارکیٹ کے حالات میں بہتری کی عکاسی کرتی ہے۔ اگرچہ مالیاتی اخراجات کے اثرات اب بھی موجود رہے، تاہم خسارے میں نمایاں کمی ایک پائیدار اور منافع بخش آمدنی کی بنیاد قائم کرنے کی جانب ایک اہم پیش رفت ہے۔

آئی آر پی ایل 24000 ٹن سالانہ پیداواری صلاحیت کی بوتل سے بوتل ری سائیکل شدہ PET (rPET) سہولت میں سرمایہ کاری کے ذریعے زیادہ پائیدار اور متعدد شعبوں پر مشتمل PET پلیٹ فارم کی جانب اپنی اسٹریٹجک منتقلی کو بھی آگے بڑھا رہا ہے۔ اس منصوبے کے تحت صارفین کے استعمال کے بعد حاصل ہونے والے PET استعمال شدہ کو اعلیٰ معیار کے ری سائیکل شدہ ریزن میں تبدیل کیا جائے گا، جس سے سرکلرا کانومی کو فروغ دینے، نئے خام مال پر انحصار کم کرنے اور پائیدار پیکیجنگ کی بڑھتی ہوئی طلب کو پورا کرنے میں مدد ملے گی۔ پورٹ قاسم میں موجودہ پیداواری سہولت سے متصل واقع یہ منصوبہ آپریشنل سطح پر باہمی فوائد پیدا کرنے کے ساتھ ساتھ آئی آر پی ایل کو ری سائیکل شدہ مواد کی ابھرتی ہوئی ملکی اور بین الاقوامی مارکیٹوں میں حصہ لینے کے قابل بنانے میں معاون ثابت ہوگا۔ انتظامیہ پیداواری صلاحیت کے بہتر استعمال، لاگت کے اعتبار سے مسابقتی صلاحیت کو مضبوط بنانے، مصنوعات کے پورٹ فولیو کو بہتر بنانے اور rPET منصوبے کو کمرشل آپریشنز کے مرحلے تک پہنچانے پر مسلسل توجہ مرکوز رکھے گی۔ ان اقدامات سے پلاسٹکس ویلیو چین کی مضبوطی میں اضافہ، پائیدار ترقی میں معاونت اور طویل مدتی قدر پیدا کرنے کی حکمتِ عملی میں آئی آر پی ایل کے کردار کو مزید مستحکم کرنے کی توقع ہے۔

کمپنی بینک آف خیبر (بی او کے) کے ادا شدہ حصص کے سرمائے میں 24.43 فیصد ایکویٹی حصہ رکھتی ہے، جو مالیاتی شعبے میں کمپنی کی ایک اسٹریٹجک اور طویل مدتی سرمایہ کاری کی نمائندگی کرتا ہے۔ ۳۰ جون ۲۰۲۶ تک اس سرمایہ کاری کی مارکیٹ ویلیو تقریباً 9.5 ارب روپے رہی۔ زیرِ جائزہ مدت کے دوران، بینک آف خیبر کی منافع بخش کارکردگی میں کمی آئی۔ ۳۰ جون ۲۰۲۶ کو ختم ہونے والے چھ ماہ کے دوران بینک کا بعد از ٹیکس منافع 1.466 ارب روپے رہا، جبکہ گزشتہ سال کی اسی مدت میں یہ 3.365 ارب روپے تھا۔ اس کمی کی بنیادی وجوہات میں خالص سودی آمدنی اور سیکیورٹیز سے متعلق منافع پر دباؤ، جبکہ نان مارک اَپ اخراجات میں اضافہ شامل رہا۔ ۳۰ جون ۲۰۲۶ تک گزشتہ بارہ ماہ کی بنیاد پر، بینک آف خیبر کا بعد از ٹیکس منافع تقریباً 3.9 ارب روپے رہا، جس کے نتیجے میں کمپنی سے منسوب متوقع منافع کا حصہ تقریباً 957 ملین روپے بنتا ہے۔

قلیل مدتی منافع میں کمی کے باوجود، بینک آف خیبر نے اپنی بیلنس شیٹ اور کاروباری بنیاد کو مزید مضبوط بنانے کا سلسلہ جاری رکھا۔ ۳۰ جون ۲۰۲۶ تک بینک کے کل اثاثے بڑھ کر 597.4 ارب روپے ہوگئے، جبکہ ڈپازٹس 486.7 ارب روپے تک پہنچ گئے۔ خالص ایڈوانسز اور سرمایہ کاری بالترتیب 171.0 ارب روپے اور 353.2 ارب روپے رہی۔ بینک نے کریڈٹ لاس الاؤنس میں 292 ملین روپے کی خالص ریورسل بھی رپورٹ کی، جبکہ خالص نان پرفارمنگ قرضوں میں بھی کمی ہوئی۔ یہ پیش رفت اثاثوں کے معیار کو برقرار رکھنے اور محتاط رسک مینجمنٹ پر بینک کی مسلسل توجہ کی عکاسی کرتی ہے۔ یہ مثبت پیش رفت پائیدار ترقی کے لیے ایک مضبوط بنیاد فراہم کرتی ہے، کیونکہ بینکاری کا شعبہ شرحِ سود اور مجموعی معاشی حالات میں ہونے والی تبدیلیوں کے مطابق مسلسل خود کو ڈھال رہا ہے۔

کمپنی بینک آف خیبر میں اپنی سرمایہ کاری کو متنوع آمدنی اور طویل مدتی قدر کا ایک اہم ذریعہ سمجھتی ہے۔ اگرچہ قلیل مدتی منافع شرحِ سود میں ہونے والی تبدیلیوں اور مارکیٹ کے حالات سے متاثر ہوتا رہتا ہے، تاہم بورڈ آف ڈائریکٹران بینک آف خیبر کی مالی کارکردگی اور اسٹریٹجک سمت کا مسلسل جائزہ لیتے رہیں گے، جس کا مقصد طویل مدتی بنیادوں پر شیئر ہولڈرز کی قدر کو برقرار رکھنا اور اس میں اضافہ کرنا ہے۔

اہم کارکردگی کے اشاریے

اسماعیل انڈسٹریز لمیٹڈ کی انتظامیہ کمپنی کی اسٹریٹجک ترجیحات اور طویل مدتی مقاصد کے مطابق اہم کارکردگی کے اشاریوں کے ایک مجموعے کی مسلسل نگرانی کرتی ہے۔ یہ اشاریے کمپنی کی کارکردگی کا جائزہ لینے، فیصلہ سازی میں معاونت فراہم کرنے اور ادارے کے مختلف شعبوں میں ذمہ داری اور جوابدہی کو یقینی بنانے کے لیے ایک مستقل بنیاد فراہم کرتے ہیں۔ اہم کارکردگی کے شعبے درج ذیل ہیں

ا) پائیدار اور منافع بخش ترقی، ملکی اور بین الاقوامی مارکیٹ کی موجودگی کو مضبوط بنانا، مارجن کو بہتر بنانا اور لاگت کی مسابقت کو بڑھانا

ب) تنظیمی ترقی، ٹیلنٹ مینجمنٹ اور قیادت کی صلاحیتوں کو مضبوط کرنا

ج) ماحولیاتی، سماجی اور گورننس (ای ایس جی) کارکردگی اور ذمہ دارانہ کاروباری طریقہ کار

د) مصنوعات کے پورٹ فولیو میں تنوع، مصنوعات میں جدت اور زیادہ ترقی کی صلاحیت رکھنے والی مارکیٹوں میں توسیع؛ اور

ای) ڈیجیٹل تبدیلی، ٹیکنالوجی کا مؤثر استعمال، آٹومیشن اور آپریشنل کارکردگی میں بہتری

کارپوریٹ اور برانڈ تشخص

زیرِ جائزہ سال کے دوران اسماعیل انڈسٹریز لمیٹڈ نے بہترین کارکردگی، اختراع، پائیداری اور ذمہ دار کاروباری طریقوں کے عزم کے ذریعے اپنے کارپوریٹ اور برانڈ تشخص کو مضبوط کرنا جاری رکھا۔ ان کوششوں کو متعدد قابل ذکر صنعتوں اور پیشہ ورانہ اعزازات کے ذریعے تسلیم کیا گیا۔

- کمپنی نے سال کے دوران درج ذیل ایوارڈز حاصل کیے
- مالی سال 2025 کے دوران پروسیسڈ فوڈ کے شعبے میں ٹاپ ایکسپورٹر ایوارڈ حاصل کیا، جو وزیرِ اعظم پاکستان کی جانب سے پیش کیا گیا۔
- ایفیز ایوارڈز پاکستان 2026 میں اسٹیکس اینڈ ڈیزرٹس کیٹیگری میں برونز ایشی ایوارڈ حاصل کیا۔

ای ایس جی کی کارکردگی



گورننس

پائیداری اسماعیل انڈسٹریز لمیٹڈ کی حکمتِ عملی کا ایک اہم حصہ ہے، اور کمپنی کاروباری منصوبہ بندی، خطرات کے انتظام اور آپریشنز سے متعلق فیصلہ سازی میں ماحولیاتی، سماجی اور نظامِ حکمرانی (ای ایس جی) سے متعلق امور کو بتدریج شامل کر رہی ہے۔ مالی سال 26-2025 کے دوران، کمپنی نے بورڈ کی نگرانی میں اپنے ای ایس جی نظامِ حکمرانی کو مزید مضبوط بنایا، جس میں سسٹین ایبلٹی اسٹیئرنگ کمیٹی اور مختلف شعبوں پر مشتمل سسٹین ایبلٹی کور ٹیم کی معاونت حاصل رہی۔ اس کور ٹیم میں ٹیکنیکل پروجیکٹس، ای ایس جی، انسانی وسائل اور آپریشنز کے نمائندگان شامل ہیں۔ یہ نظام کاروبار سے متعلق اہم ای ایس جی خطرات اور مواقع کی نشاندہی اور جائزہ لینے، کارکردگی کی نگرانی اور مختلف کاروباری شعبوں میں ذمہ داری اور جوابدہی کو یقینی بنانے کے لیے ترتیب دیا گیا ہے۔ کمپنی نے قابلِ اطلاق ایس ای سی پی ای ایس جی افشائی تقاضوں کے ساتھ اپنی مطابقت برقرار رکھنے کا سلسلہ بھی جاری رکھا، جبکہ آئی ایف آر ایس ون اور آئی ایف آر ایس ٹو کو پہلی مرتبہ اپنانے کے عمل کو بھی آگے بڑھایا۔ اس سلسلے میں اخلاقی طرزِ عمل، انسدادِ رشوت ستانی، سپلائرز، مصنوعات کے تحفظ اور معیار، اور بے ضابطگیوں کی نشاندہی اور رپورٹنگ سے متعلق پہلے سے موجود پالیسیوں کو بنیاد بنایا گیا ہے۔

ماحولیاتی ذمہ داری کے حوالے سے کمپنی کی توجہ وسائل کے مؤثر استعمال، قابلِ تجدید توانائی کے استعمال میں اضافہ، پانی کے بہتر انتظام اور گروپ کے آپریشنز میں وسائل کے دوبارہ استعمال کو فروغ دینے پر مرکوز رہی۔ کمپنی نے قابلِ تجدید توانائی کے اپنے دائرے کار کو مزید وسعت دی، جس کے تحت مختلف آپریشنل مقامات پر شمسی توانائی کے نظام نصب کیے گئے۔ ان تنصیبات سے روایتی بجلی پر انحصار کم کرنے اور کاربن کے اخراج میں کمی لانے میں مدد ملی۔ پانی کے تحفظ، گندے پانی کی صفائی اور دوبارہ استعمال کے حوالے سے بھی نمایاں پیش رفت ہوئی۔ اسی طرح، ری سائیکل شدہ PET، بائیو ماس کے استعمال اور توانائی کے دوبارہ حصول میں سرمایہ کاری کمپنی کی وسائل کے زیادہ مؤثر استعمال اور سرکلر مینوفیکچرنگ ماڈلز کی جانب وسیع تر منتقلی کی عکاسی کرتی ہے۔ ان اقدامات کو بتدریج آپریشنل کارکردگی اور سرمایہ کاری سے متعلق فیصلوں کے ساتھ مربوط کیا جا رہا ہے، تاکہ ماحولیاتی کارکردگی کمپنی کی کاروباری مضبوطی اور طویل مدتی مسابقتی صلاحیت، دونوں میں معاون ثابت ہو۔

کمپنی کی سماجی ترجیحات مصنوعات کے معیار اور حفاظت، ملازمین کی صحت اور حفاظت، صلاحیت کی ترقی، غذائیت اور کمیونٹی کی شمولیت پر مرکوز ہیں۔ گروپ کے خوراک اور غذائیت کے کاروبار مضبوط اور غذائیت پر مرکوز مصنوعات کے ذریعے صارفین کی فلاح و بہبود میں اپنا حصہ ڈالتے رہتے ہیں، جبکہ کام کی جگہ پر حفاظتی پروگراموں اور رویے پر مبنی حفاظتی طریقوں کو زیادہ خطرے والے کاموں میں مضبوط کیا جا رہا ہے۔ کمیونٹی اقدامات میں تعلیم، غذائیت، صحت کی دیکھ بھال اور فلاحی پروگرام شامل ہیں جو براہ راست اور تسلیم شدہ سماجی تنظیموں کے تعاون سے شروع کیے گئے ہیں۔

مستقبل کے حوالے سے، کینڈی لینڈ مسلسل جدت، بہترین عملیاتی کارکردگی، ذمہ دارانہ کاروباری طریقہ کار اور حکمتِ عملی کے تحت برانڈز کی مضبوط تعمیر کے ذریعے کنفیکشنری کی اہم مصنوعات کے شعبوں میں اپنی نمایاں حیثیت کو مزید مضبوط بنانے کے لیے پُرعزم ہے۔ جدید ترین پیداواری صلاحیتوں، وسیع اور مسلسل وسعت پاتے ہوئے مصنوعات کے پورٹ فولیو، اور صارفین کی بدلتی ہوئی ترجیحات کی گہری سمجھ بوجھ کے باعث، کینڈی لینڈ طویل مدتی ترقی کو برقرار رکھنے اور صارفین، کاروباری شراکت داروں اور حصص یافتگان کے لیے مستقل قدر پیدا کرنے کے لیے مضبوط بنیاد رکھتا ہے۔

بسکونی، اسماعیل انڈسٹریز لمیٹڈ کا ایک اہم کاروباری شعبہ ہے، جو 2002 میں اپنے قیام کے بعد سے ترقی کرتے ہوئے پاکستان کے نمایاں بسکٹ اور ویفر تیار کرنے والے اداروں میں شامل ہو گیا ہے۔ یہ کامیابی معیار، جدت اور صارفین کے اعتماد کے حوالے سے مضبوط ساکھ کی بنیاد پر حاصل ہوئی ہے۔ یہ کاروبار حب اور پورٹ قاسم میں قائم جدید ترین پیداواری سہولیات کے ذریعے کام کرتا ہے، جہاں سادہ اور سینڈوچ بسکٹ کوکیز، ویفرز اور کیک تیار کیے جاتے ہیں۔ اس کا متعدد مصنوعات پر مشتمل پورٹ فولیو روزمرہ استعمال کے معروف برانڈز، بشمول کوکومو، چوکولیٹو، چاکلیٹ چپ، نوویٹا، رائٹ، ٹریٹ، کرکس، کریونگ، فلوکیک اور چائے والا بسکٹ، پر مشتمل ہے۔ اس کے ساتھ صارفین کی مختلف ترجیحات اور مواقع کو مدِ نظر رکھتے ہوئے اعلیٰ معیار اور صحت سے متعلق مصنوعات بھی تیار کی گئی ہیں۔ بالخصوص کوکیز اور ویفرز کے شعبوں میں بسکونی کی مارکیٹ پوزیشن اس کے مضبوط برانڈز، مؤثر پیداواری صلاحیتوں اور ملک بھر میں وسیع تقسیم کاری کے نیٹ ورک کی عکاسی کرتی ہے۔ اس مضبوط بنیاد کو آگے بڑھاتے ہوئے، بسکونی نے اپنی مصنوعات میں تنوع اور اعلیٰ معیار کی مصنوعات کے فروغ کی حکمتِ عملی کو مزید تیز کیا ہے۔ اس سلسلے میں اعلیٰ معیار کی مصنوعات پر مشتمل بسکونی پرائم اور صحت و تندرستی پر مرکوز مصنوعات کی رینج بسکونی ایکٹو کو متعارف کرایا اور وسعت دی گئی۔

مالی سال 24-2023 سے کاروبار نے می اَمور، ڈیوائن، ڈے ڈریم، چپ ہاپ، پرفیٹو اور ڈائجیسٹو جیسے پریمیم برانڈز کے ذریعے اپنی مصنوعات میں مزید اضافہ کیا ہے۔ رواں سال کے دوران منتخب ذائقوں میں بٹر کوکیز، فلیئر، ایکلپس اور لوٹس کیکس جیسی نئی مصنوعات بھی متعارف کرائی گئیں۔ یہ اقدامات بسکونی کی اس حکمتِ عملی کو مزید مضبوط کرتے ہیں جس کے تحت روایتی طور پر صرف حجم پر مبنی مصنوعات کے شعبوں سے آگے بڑھتے ہوئے منفرد اور زیادہ قدر رکھنے والی مصنوعات پیش کی جا رہی ہیں، جبکہ صارفین کی بدلتی ہوئی ترجیحات کو بھی مدِ نظر رکھا جا رہا ہے۔ معیار اور غذائی تحفظ اس کاروبار کی بنیادی ترجیحات میں شامل ہیں، اور تمام مصنوعات بین الاقوامی معیار کے مطابق تیار کی جاتی ہیں جبکہ SANHA کی جانب سے حلال سرٹیفکیشن بھی حاصل ہے۔

مناسب غذائیت تک رسائی انسانی ترقی کے لیے بنیادی اہمیت رکھتی ہے، تاہم غذائی قلت اب بھی ایک اہم عالمی چیلنج ہے، خصوصاً کم آمدنی والے طبقات اور کم آمدنی والے گھرانوں کے بچوں میں۔ اسی پس منظر میں، اسماعیل انڈسٹریز لمیٹڈ نے 2010 میں اسماعیل نیوٹریشن ڈویژن قائم کیا، تاکہ خوراک کی تیاری میں اپنی طویل عرصے سے حاصل کردہ مہارت کو غذائی ضروریات سے متعلق اہم مسائل کے مؤثر سماجی اور کاروباری حل میں تبدیل کیا جا سکے۔ خوراک کی تیاری، تحقیق و ترقی میں پانچ دہائیوں سے زائد کے تجربے اور جدید غذائی ٹیکنالوجی تک رسائی سے فائدہ اٹھاتے ہوئے، اس ڈویژن نے خصوصی غذائی مصنوعات اور غذائی اجزا سے بھرپور خوراک تیار کی ہے، جو بین الاقوامی سطح پر تسلیم شدہ غذائی ضروریات کو پورا کرنے کے لیے تیار کی گئی ہیں۔ اس پلیٹ فارم کے ذریعے کمپنی نہ صرف فوری غذائی ضروریات کو پورا کرنے میں اپنا کردار ادا کرتی ہے بلکہ پاکستان اور دیگر ممالک میں لوگوں کے لیے محفوظ، اعلیٰ معیار اور قابلِ استطاعت غذائیت تک رسائی کو بہتر بنانے میں بھی معاونت فراہم کرتی ہے۔

قیام کے بعد سے، اسماعیل نیوٹریشن نے ترقی کرتے ہوئے ایک خصوصی غذائی حل فراہم کرنے والے ادارے کی حیثیت حاصل کر لی ہے، جس کی ملکی اور بین الاقوامی سطح پر رسائی مسلسل بڑھ رہی ہے۔ اس کی مصنوعات معروف انسانی فلاحی ادارہ جاتی اور ترقیاتی تنظیموں کے ساتھ شراکت داری کے ذریعے فراہم کی جاتی ہیں، جن میں اقوامِ متحدہ کا عالمی خوراک پروگرام، یونیسف، آغا خان یونیورسٹی، ایکشن اگینسٹ ہنگر، انٹرنیشنل ریسکیو کمیٹی اور آئی آر ایم این سی ایچ سمیت دیگر ادارے شامل ہیں۔

اس ڈویژن نے اپنی مصنوعات کے دائرہ کار کو مزید وسعت دیتے ہوئے سپر سیریل بھی شامل کیا ہے، جسے عالمی خوراک پروگرام نے عالمی سطح پر فراہم کنندہ کی مصنوعات کے طور پر منظور کیا ہے۔ اس سے بڑے پیمانے پر غذائی پروگراموں اور انسانی امدادی اقدامات میں کمپنی کے کردار کو مزید تقویت ملتی ہے۔ اسماعیل نیوٹریشن کی جدید ترین پیداواری سہولیات کا عالمی خوراک پروگرام کی جانب سے غذائی تحفظ ضوابط کی پابندی اور عمدہ پیداواری طریقہ کار کے حوالے سے جائزہ لیا گیا ہے، جس کے باعث اسماعیل نیوٹریشن اپنی تمام سرگرمیوں میں سخت معیارات کو برقرار رکھتا ہے۔

FSSC اور SANHA کی جانب سے حلال سرٹیفکیشن سمیت مختلف اسناد، اور عالمی ادارہ صحت کی مقرر کردہ ضروریات کے مطابق تیار کردہ مصنوعات، معیار، تحفظ اور قابلِ اعتماد کارکردگی کے لیے ڈویژن کے عزم کی عکاسی کرتی ہیں۔ مستقبل میں، اسماعیل نیوٹریشن جدت، تکنیکی مہارت اور ذمہ دارانہ پیداواری طریقہ کار کو اسٹریٹجک مارکیٹ میں توسیع کے ساتھ یکجا کرتے ہوئے اپنی رسائی اور اثر کو مزید وسعت دینے اور غذائی حل فراہم کرنے والے ایک قابلِ اعتماد ادارے کے طور پر اپنی حیثیت کو مزید مضبوط بنانے کے لیے کام جاری رکھے گا۔ اس کے ذریعے متعلقہ فریقین کے لیے دیرپا سماجی اور معاشی قدر پیدا کرنے پر توجہ مرکوز رکھی جائے گی۔

غذا، اسماعیل انڈسٹریز لمیٹڈ کا 2022 میں قائم کیا گیا ایک اہم اسٹریٹجک منصوبہ ہے، جو کمپنی کی فوڈ ویلیو چین کا ایک اہم حصہ ہے۔ اس کا واضح مقصد پیمانے، ٹیکنالوجی، معیار اور صارفین کی ضروریات پر مبنی حل کے ذریعے آٹا اور اناج کے کاروبار کو مزید مضبوط بنانا ہے۔ پورٹ قاسم میں اسٹریٹجک طور پر قائم یہ کاروبار جدید ترین 240 ٹی پی ڈی بُہلر رولرمل کے ذریعے کام کرتا ہے، جس کی سالانہ پیداواری صلاحیت تقریباً 86,400 ٹن ہے۔ اس پیداواری نظام کو جدید سورٹیکس ٹیکنالوجی، اندرونِ ادارہ لیبارٹری اور مضبوط کوالٹی اشورنس نظام سے معاونت حاصل ہے۔

کمپنی نے گندم کی خریداری سے لے کر اس کی پروسیسنگ تک معیار پر بھرپور توجہ برقرار رکھی۔ مصنوعات میں یکسانیت اور معیار کی مکمل پاسداری کو یقینی بنانے کے لیے جدید سورٹیکس ٹیکنالوجی اور لیبارٹری پر مبنی کنٹرولز سے استفادہ کیا جاتا ہے۔ اس کے متعدد مصنوعات پر مشتمل پورٹ فولیو میں غذا میدہ، غذا اسپیشل فائن آٹا، غذا فورٹیفائیڈ سپر فائن آٹا، غذا فورٹیفائیڈ روایتی آٹا، غذا خالص آٹا اور غذا شامل ہیں۔ اس کے علاوہ، پورٹ فولیو میں غذا سوجی، سیمولینا اور غذا پریمیم بران بھی شامل ہیں، جس کے ذریعے کاروبار صارفین اور ادارہ جاتی ضروریات کی وسیع رینج کو پورا کرنے کے قابل ہے۔

آسٹرو فلمز، جو 2003 میں قائم ہوا، اسماعیل انڈسٹریز لمیٹڈ کا فلیکسیبل پیکیجنگ فلمز کا شعبہ اور کمپنی کے عمودی طور پر مربوط پیداواری نظام کا حکمتِ عملی کے اعتبار سے ایک اہم حصہ ہے۔ حب اور پورٹ قاسم انڈسٹریل زون، کراچی میں پیداواری سہولیات کے ذریعے کام کرتے ہوئے، یہ کاروبار BOPET، CPP اور BOPP فلمز تیار کرتا ہے اور پاکستان کے نمایاں پیکیجنگ فلم تیار کرنے والے اداروں میں اپنی حیثیت قائم کر چکا ہے۔ تقریباً 63,000 ٹن سالانہ کی مجموعی نصب شدہ فلم پیداواری صلاحیت اور 19,000 ٹن سالانہ کی میٹلائزیشن صلاحیت کے ساتھ، آسٹرو فلمز کمپنی کے غذائی کاروبار کے لیے ایک اہم حکمتِ عملی کا رابطہ فراہم کرتا ہے۔ یہ پیکیجنگ کی فراہمی کے تحفظ، معیار اور قابلِ اعتماد دستیابی میں معاونت فراہم کرنے کے ساتھ ملکی اور بین الاقوامی صارفین کی متنوع بنیاد کو بھی خدمات فراہم کرتا ہے۔ اس عمودی انضمام سے سپلائی چین کی مضبوطی میں اضافہ، اہم پیکیجنگ خام مال پر بہتر کنٹرول، اور آپریشنل کارکردگی اور لاگت میں بہتری کے مواقع پیدا ہوتے ہیں۔ مزید برآں، ڈویژن کی بڑھتی ہوئی برآمدی سرگرمیاں کمپنی کے جغرافیائی دائرکار اور آمدنی کے ذرائع میں مزید وسعت پیدا کرنے میں معاون ہیں۔

آسٹرو فلمز کے بین الاقوامی صارفین کا دائرہ شمالی و جنوبی امریکا، یورپ، افریقہ اور ایشیا تک پھیلا ہوا ہے، جو پیکیجنگ فلمز کے فراہم کنندہ کی حیثیت سے اس کی حقیقی عالمی موجودگی کی عکاسی کرتا ہے۔ اس کی مسابقتی حیثیت مستقل مصنوعات کے معیار، حل پر مبنی فروخت کے لیے معاونت اور فروخت کے بعد خدمات پر قائم ہے، جنہوں نے مل کر ایک پائیدار کاروبار اور قابلِ اعتماد ادارے کے طور پر مضبوط ساکھ قائم کی ہے۔ اس مضبوط بنیاد کے باعث آسٹرو فلمز بین الاقوامی سطح پر فلیکسیبل پیکیجنگ فلمز کے سب سے زیادہ مسابقتی اور تیزی سے ترقی کرنے والے برآمد کنندگان میں اپنی حیثیت برقرار رکھنے کے لیے مضبوط پوزیشن میں ہے۔

بین الاقوامی بزنس ڈویژن

انٹرنیشنل بزنس ڈویژن نے پی ایل ایم اے شکاگو، آئی ایس ایم کولون، آئی ایف ای لندن، تھائیفیکس اور سوئیٹس اینڈ سنیکس ایکسپو-لاس ویگاس سمیت کلیدی بین الاقوامی تجارتی پلیٹ فارمز میں فعال شرکت کے ذریعے شمالی امریکہ، یورپ، جی سی سی، افریقہ اور ایشیا پیسیفک میں اپنی موجودگی کو مستحکم کرنا جاری رکھا۔ کنفیکشنری پورٹ فولیو ترقی کا ایک اہم محرک رہا، جس کی تکمیل بسکونی کے قائم کردہ برانڈز بشمول کوکومو اور چاکلیٹو نے کی۔ مسلسل پروڈکٹ انوویشن، پورٹ فولیو تنوع اور مارکیٹ سے متعلق مخصوص پیشکشوں نے صارفین کی مصروفیت اور نئے کاروباری ترقی کی حمایت کی۔

کمپنی موجودہ مارکیٹوں میں مزید گہری رسائی، بلند ترقی کی صلاحیت رکھنے والی نئی جغرافیائی مارکیٹوں میں محتاط اور منتخب داخلے، اور زیادہ قدر رکھنے والی مصنوعات کے شعبوں میں ترقی کے ذریعے اپنی بین الاقوامی رسائی کو وسعت دینے پر توجہ مرکوز رکھے گی۔

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مالی سال 25-2024 کے دوران، کمپنی نے ابوظہبی، متحدہ عرب امارات میں قائم اپنی مکمل ملکیتی ذیلی کمپنی، بسکونی مڈل ایسٹ مینوفیکچرنگ-ایل۔ایل۔سی (ایس۔پی۔سی)، کے ذریعے اپنی اسٹریٹجک بین الاقوامی توسیع کو مزید آگے بڑھایا۔ یہ منصوبہ کمپنی کو ایک زیادہ عالمی سطح پر مربوط فوڈ اور کنفیکشنری کاروبار میں تبدیل کرنے کی جانب ایک اہم پیش رفت کی نمائندگی کرتا ہے۔ منصوبہ بند جدید ترین پیداواری سہولت میں چاکلیٹ اور شوگر کنفیکشنری، این روبڈ ویفرز، بسکٹس اور خشک بیکری مصنوعات تیار کی جائیں گی، جس کے ذریعے مشرقِ وسطیٰ، افریقہ، یورپ اور ایشیا کی مارکیٹوں میں صارفین کو خدمات فراہم کرنے کے لیے ایک قابلِ توسیع علاقائی پیداواری پلیٹ فارم قائم ہوگا۔ اہم صارفین کی مارکیٹوں کے قریب پیداواری سہولت قائم کرنے سے مارکیٹ کی ضروریات کے مطابق بروقت ردِعمل سپلائی چین کے دورانیے میں کمی اور بین الاقوامی مارکیٹوں میں مؤثر مسابقت کی کمپنی کی صلاحیت میں مزید بہتری متوقع ہے۔

اسٹریٹجک لحاظ سے، اس منصوبے سے کمپنی کے بین الاقوامی کاروباری ماڈل میں اہم تبدیلی متوقع ہے، جس کے تحت موجودہ برآمدات پر مبنی تقسیم کاری کے ماڈل سے آگے بڑھتے ہوئے مقامی سطح پر مضبوط پیداواری اور مارکیٹ کو خدمات فراہم کرنے کا ایک مؤثر پلیٹ فارم قائم ہوگا۔ اس سے مصنوعات کی تیاری، قیمتوں کے تعین اور صارفین کی ضروریات کی تکمیل میں زیادہ لچک حاصل ہونے کی توقع ہے، جبکہ کمپنی بہتر خدمات کے ذریعے نئی مارکیٹوں، صارفین اور کاروباری ذرائع تک رسائی حاصل کرنے کے قابل ہوگی۔ متحدہ عرب امارات کا جغرافیائی محلِ وقوع اور مضبوط کاروباری انفراسٹرکچر علاقائی لاجسٹکس کو بہتر بنانے، خریداری اور تقسیم کاری کی صلاحیتوں کو مضبوط کرنے اور مستقبل میں کاروباری توسیع کے لیے ایک مؤثر بنیاد فراہم کرتا ہے۔ درمیانی اور طویل مدت میں، اس پیداواری سہولت سے کمپنی کے آمدنی کے ذرائع میں مزید تنوع پیدا ہونے، بین الاقوامی ترقی کے امکانات میں بہتری اور عالمی آپریشنز کی مضبوطی اور وسعت پذیری میں اضافے کی توقع ہے۔

ڈائریکٹران کی جائزہ رپورٹ

اعلیٰ کارکردگی کی روایت

ڈائریکٹران کے بورڈ کی جانب سے، یہ ہمارا اعزاز ہے کہ ہم اسماعیل انڈسٹریز لمیٹڈ کے ڈائریکٹران کی رپورٹ پیش کریں، ساتھ ہی کمپنی کے سالانہ آڈٹ شدہ علیحدہ اور مشترکہ مالیاتی بیانات برائے سال کے ختم ہونے والے 30 جون 2026 بھی پیش کریں۔

یہ ڈائریکٹران کی رپورٹ کمپنیز ایکٹ، 2017 کے سیکشن 227، لسٹڈ کمپنیز (کارپوریٹ گورننس کے ضوابط) 2019، اور دیگر متعلقہ قانونی و ریگولیٹری ضروریات کے مطابق تیار کی گئی ہے اور کمپنی کی 38 ویں سالانہ جنرل میٹنگ میں شیئر ہولڈرز کو پیش کی جائے گی جو 28 اکتوبر 2026 کو منعقد ہوگی۔

یہ رپورٹ کمپنی کی مالی اور عملی کارکردگی، اسٹریٹجک اقدامات، کاروباری ترقیات، رسک مینجمنٹ فریم ورک، اندرونی کنٹرول کا ماحول اور کارپوریٹ گورننس کے طریقوں کا مکمل جائزہ پیش کرتی ہے، ساتھ ہی سال کے دوران اہم مواقع، چیلنجز اور اہم پیش رفتوں کا بھی احاطہ کرتی ہے۔

کلی واقتصادی امکانات

مالی سال 2026 پاکستان کے معاشی سفر میں ایک اہم مرحلہ ثابت ہوا، کیونکہ ملک شدید معاشی استحکام کے مرحلے سے بتدریج معاشی بحالی کی جانب بڑھا۔ اہم ملکی اور عالمی غیر یقینی حالات کے باوجود، معیشت نے زیادہ مضبوطی کا مظاہرہ کیا، جس کے نتیجے میں حقیقی مجموعی ملکی پیداوار کی شرحِ نمو بڑھ کر 3.7% ہوگئی، جو گزشتہ چار سالوں میں ریکارڈ کی جانے والی بلند ترین سطح ہے، جبکہ گزشتہ سال یہ شرح 2.68% رہی تھی۔

معاشی استحکام پر مالیاتی استحکام، شرحِ مبادلہ میں نسبتاً استحکام اور بین الاقوامی مالیاتی فنڈ کے ساتھ توسیعی مالیاتی سہولت اور پائیداری و لچک کی سہولت کے تحت مسلسل تعاون نے مزید اعتماد فراہم کیا۔ ملکی بیرونی کھاتہ مسلسل دوسرے سال بھی مضبوط ہوا، جس کی بنیادی وجہ بیرونِ ملک مقیم پاکستانیوں کی جانب سے بھیجی جانے والی ریکارڈ 41.6 ارب امریکی ڈالر کی ترسیلاتِ زر تھیں، جو گزشتہ سال کی 38.3 ارب امریکی ڈالر کی ترسیلاتِ زر کے مقابلے میں زیادہ ہیں۔ ان ترسیلاتِ زر نے بڑھتے ہوئے تجارتی خسارے کے اثرات کو بڑی حد تک متوازن کیا۔ اسی دوران، پاکستانی روپے کی قدر میں امریکی ڈالر کے مقابلے میں تقریباً 2.0% اضافہ ہوا، جبکہ اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر 14.5 ارب امریکی ڈالر سے بڑھ کر 18.4 ارب امریکی ڈالر ہوگئے۔ کامیاب جائزوں کے نتیجے میں تقریباً 2.5 ارب امریکی ڈالر کی رقوم بھی جاری ہوئیں۔ اس کے ساتھ، ملکی قرضے کی بہتر درجہ بندی، پالیسی پر مضبوط اعتماد اور سرمایہ کاروں کے اعتماد میں اضافے نے مجموعی معاشی استحکام کو مزید تقویت فراہم کی۔

تاہم، مالی سال 2026 کے آخری حصے کے دوران کاروباری ماحول بتدریج مزید مشکل ہوتا گیا۔ اوسط افراطِ زر 7.05 فیصد تک بڑھ گیا، جبکہ مالی سال 2025 میں یہ 4.49% تھی۔ مشرقِ وسطیٰ میں بڑھتی ہوئی جغرافیائی سیاسی کشیدگی اور علاقائی توانائی کی منڈیوں میں پیدا ہونے والی رکاوٹوں کے باعث عالمی سطح پر تیل اور توانائی کی قیمتوں میں نمایاں اتار چڑھاؤ دیکھنے میں آیا۔ ایندھن اور بجلی کی بڑھتی ہوئی لاگت، بلند شرحِ ٹیکس، یوٹیلیٹی نرخوں میں اضافہ، درآمد شدہ خام مال اور دیگر پیداواری اشیا کی بلند قیمتوں، اور صارفین کی کمزور قوتِ خرید نے صنعتی منافع، رسد کے نظام اور مجموعی طلب پر نمایاں دباؤ ڈالا۔ سال کے اختتام کے قریب مہنگائی کے دباؤ میں مزید اضافہ ہوا، جس کے باعث اسٹیٹ بینک آف پاکستان نے محتاط مالیاتی پالیسی اختیار کی۔ دسمبر 2025 میں شرحِ پالیسی کو کم کر کے 10.5 فیصد کرنے کے بعد، اپریل 2026 میں شرحِ پالیسی میں 100 بنیادی پوائنٹس کا اضافہ کرتے ہوئے اسے 11.5 فیصد کر دیا گیا، اور باقی سال کے دوران اسی سطح پر برقرار رکھا گیا۔

اگرچہ ترسیلاتِ زر کی مضبوط آمد اور زرمبادلہ کی بہتر دستیابی نے بیرونی کھاتے کو مسلسل سہارا فراہم کیا، تاہم اجناس کی قیمتوں، شرحِ مبادلہ اور مالی اعانت کی لاگت میں اتار چڑھاؤ بدلتے ہوئے معاشی حالات میں کاروباری اداروں کے لیے اہم عوامل رہے۔

اس پس منظر میں، کمپنی کی انتظامیہ نے ایک فعال اور منظم حکمتِ عملی اختیار کی، جس کا مقصد منافع کے تحفظ کا کاروباری مضبوطی میں اضافے اور پائیدار ترقی کے لیے کاروبار کو بہتر انداز میں تیار کرنا تھا۔ انتظامیہ نے مؤثر لاگت میں کمی، پیداواری صلاحیت میں بہتری اور توانائی و وسائل کے مؤثر استعمال کے ذریعے منافع کی شرح کے تحفظ پر توجہ برقرار رکھی، جبکہ لیکویڈیٹی کے تحفظ اور نقدی کی وصولی میں بہتری کے لیے ورکنگ کیپیٹل کے نظم وضبط کو بھی مزید مضبوط کیا۔ سرمائے کی تقسیم میں ان اقدامات کو ترجیح دی گئی جن سے واضح حکمتِ عملی اور مالی فوائد حاصل ہونے کی توقع تھی۔ اس سلسلے میں پیداواری صلاحیتوں، پیداواری گنجائش کے مؤثر استعمال، ٹیکنالوجی اور عملیاتی بنیادی ڈھانچے میں مسلسل سرمایہ کاری جاری رکھی گئی، تاکہ مسابقتی صلاحیت میں اضافہ ہو اور ساختی لاگت کے دباؤ میں کمی لائی جا سکے۔ مارکیٹ کی سطح پر، کمپنی کی انتظامیہ نے اپنی بنیادی صلاحیتوں کے تحفظ، صارفین کے ساتھ تعلقات کو مزید مضبوط بنانے، طلب کے بدلتے ہوئے رجحانات کے مطابق بروقت ردِعمل دینے اور منتخب طور پر ترقی کے مواقع سے فائدہ اٹھانے پر توجہ برقرار رکھی۔ عملیاتی نظم وضبط محتاط مالی انتظام اور ہدفی سرمایہ کاری کے اس مجموعی اقدامات نے کمپنی کو انتہائی غیر یقینی اور اتار چڑھاؤ والے کاروباری ماحول سے مؤثر انداز میں نمٹنے کے قابل بنایا، جبکہ مارکیٹ کے حالات میں بہتری آنے پر فیصلہ کن اقدامات کرنے کے لیے ضروری لچک بھی برقرار رکھی گئی۔ مستقبل میں، کمپنی اپنی مالیاتی حالت کی مضبوطی اور طویل مدتی قدر میں اضافے پر توجہ مرکوز رکھے گی، جسے اس کے متعدد شعبوں پر مشتمل کاروباری پورٹ فولیو، منڈی میں مضبوط حیثیت اور مؤثر عملیاتی صلاحیتوں سے مزید تقویت حاصل ہوگی۔

کاروبار کی کارکردگی

Description	FY 25-26	FY 24-25
	----Rs in million ----	
Gross Sales	120,572	118,397
Gross profit	21,210	21,834
GP in %	20.34	20.76
Operating Profit	9,339	10,823
Finance Cost	4,666	5,047
Levies & Taxation	2,453	2,006
Profit after tax	3,954	5,749
Net profit in %	3.79%	5.47%
EPS	59.59	86.64

سال کے دوران، ہمارے متعدد شعبوں پر مشتمل کاروباری ماڈل کی مضبوطی کو غیر معمولی طور پر مشکل کاروباری ماحول میں آزمایا گیا، جبکہ ہماری حکمتِ عملی کی ترجیحات بنیادی کاروبار کے تحفظ، مسابقتی صلاحیت کو مضبوط بنانے اور پائیدار ترقی کے لیے سرمایہ کاری پر بدستور مضبوطی سے مرکوز رہیں۔

کنفیکشنری بسکٹ، نیوٹریشن، پلاسٹک فلمز اور غذائی مصنوعات پر مشتمل ہمارے کاروباری شعبوں نے کمپنی کو کاروباری تنوع اور مضبوطی فراہم کرنے میں اہم کردار ادا کیا جس کے باعث کمپنی صارفین کینسبتاً کمزور طلب، خام مال اور توانائی کی بلند لاگت، افراطِ زر کے دباؤ اور رسد کے نظام سے متعلق مسلسل مشکلات کے باوجود کاروباری سرگرمیوں کو مؤثر انداز میں جاری رکھنے میں کامیاب رہی۔

کمپنی کی مقامی فروخت میں 30.60% اضافہ ہوا اور یہ 107,976 ملین روپے تک پہنچ گئی، جو ملکی منڈی میں کمپنی کی بہتر رسائی اور ہمارے برانڈز اور مصنوعات کے متنوع پورٹ فولیو کی مسلسل اہمیت کی عکاسی کرتی ہے۔ تاہم، برآمدی فروخت میں 64.74% کمی ہوئی اور یہ 12,595 ملین روپے رہی۔ یہ کمی بیرونی مارکیٹ کے مشکل حالات کی عکاسی کرتی ہے، جس میں بالخصوص افغانستان کی سرحد کی بندش نے برآمدی سرگرمیوں کو متاثر کیا۔

منافع کے نقطہ نظر سے، سال کے دوران بنیادی چیلنج آمدنی سے مستقل اور بہتر منافع حاصل کرنا رہا۔ توانائی، ڈسٹری بیوشن اور قانونی تقاضوں سے متعلق اخراجات، بالخصوص نارمل ٹیکس نظام اور سپر ٹیکس میں اضافہ، ہماری قیمتوں میں اضافے اور پیداواری صلاحیت میں بہتری کے اقدامات کے ذریعے ان اضافی اخراجات کو مکمل طور پر پورا کرنے کی صلاحیت سے زیادہ تیزی سے ہوا۔

لہٰذا، ہماری توجہ محض فروخت کے حجم کو برقرار رکھنے کے بجائے ہر کاروباری شعبے میں ترقی کے معیار، کارکردگی اور منافع بخش نمو کو بہتر بنانے پر مرکوز ہو رہی ہے۔ اس کے ساتھ، کمپنی اپنی آمدنی کے ذرائع کو جغرافیائی اعتبار سے متنوع بنانے اور کسی ایک منڈی کے کاروباری دور پر انحصار کم کرنے کے لیے فعال طور پر مختلف مواقع تلاش کر رہی ہے۔ ابوظہبی، متحدہ عرب امارات میں جدید ترین پیداواری سہولت کی ترقی اس حکمتِ عملی کا ایک اہم حصہ ہے۔ اس سے خطے میں ایک مضبوط پیداواری بنیاد فراہم ہونے، بین الاقوامی منڈیوں تک رسائی بہتر ہونے، رسد کے نظام سے متعلق لاگت اور کارکردگی میں بہتری آنے اور مستقبل میں برآمدات میں توسیع کے لیے قابلِ توسیع بنیاد قائم ہونے کی توقع ہے۔

ذیل میں سالانہ کاروباری حجم کی شعبہ وار تقسیم پیش کی گئی ہے۔



غذائی شعبے کی سرگرمیاں

غذائی شعبہ کمپنی کے لیے حکمتِ عملی کے اعتبار سے ایک اہم اور انتہائی متنوع ستون کی حیثیت رکھتا ہے، جس کا وسیع کاروباری پورٹ فولیو کنفیکشنری بسکٹ، غذائیت، اجناس اور آٹے پر مشتمل ہے۔ اس کی وسیع مصنوعات میں جیلیاں، مارش میلو، ٹافیاں، کینڈیز، لالی پاپ، کوٹیڈ چیو، ببل گم، چاکلیٹس، بسکٹ، کیک، غذائی معاون اشیا اور آٹا شامل ہیں، جس کے ذریعے کمپنی مختلف صارفین کی ضروریات اور آمدنی کے مختلف طبقات کو پورا کرنے کے ساتھ ساتھ مصنوعات کے شعبوں میں متوازن کاروباری بنیاد برقرار رکھتی ہے۔ اس شعبے کی بنیاد معروف اور مسلسل بڑھتی ہوئی قدر رکھنے والے برانڈز، بشمول کینڈی لینڈ، بسکونی، اسماعیل نیوٹریشن اور غذا، پر قائم ہے، جنہیں اپنے متعلقہ زمروں میں صارفین میں مضبوط پہچان اور منفرد مارکیٹ کی حیثیت حاصل ہے۔ یہ متنوع کاروباری پورٹ فولیو پائیدار ترقی کے لیے ایک مضبوط بنیاد فراہم کرتا ہے، جسے برانڈز کی ترقی، مصنوعات میں جدت، معیار، وسیع تر تقسیم اور صارفین کی بدلتی ہوئی ترجیحات کے مطابق فوری ردِعمل دینے پر گروپ کی مسلسل توجہ سے مزید تقویت ملتی ہے۔

Candyland

کینڈی لینڈ، اسماعیل انڈسٹریز لمیٹڈ کا نمایاں کنفیکشنری کاروبار ہے، جو جون 1988 میں اپنی سرگرمیوں کے آغاز سے پاکستان کی کنفیکشنری صنعت میں نمایاں کردار ادا کر رہا ہے۔ اپنے پہلے پیداواری پلانٹ سے آغاز کرتے ہوئے، یہ کاروبار ترقی کرتے ہوئے ملک کے نمایاں کنفیکشنری مصنوعات تیار کرنے والے اداروں میں شامل ہو گیا ہے، جس پیداواری ڈھانچہ 18 ایکڑ سے زائد رقبے پر مشتمل ہے، جبکہ جدید ترین پیداواری صلاحیتوں اور ٹیکنالوجی میں مسلسل سرمایہ کاری اس کی نمایاں خصوصیات ہیں۔ پاکستان میں جیلی کے شعبے کے بانی ادارے کی حیثیت سے کینڈی لینڈ نے بعد ازاں مارش میلو اور لالی پاپ جیسے تکنیکی طور پر پیچیدہ شعبوں میں بھی توسیع کی، اور ایک متنوع مصنوعات کا پورٹ فولیو تشکیل دیا، جس میں آج جیلیاں، چاکلیٹس، کینڈیز، ٹافیاں، چیونگم، دودھ سے بنی چاکلیٹس، چاکلیٹ اسپریڈز، چاکلیٹ بینز اور ٹرفلز شامل ہیں۔ معیار کے لیے اس عزم کو مصنوعات کی مکمل رینج کے لیے ISO22000 اور SANHA کی جانب سے حلال سرٹیفکیشن سے مزید تقویت ملتی ہے۔ جبکہ یہی معیار اور مصنوعات کی مضبوط بنیاد دنیا بھر کے 40 سے زائد ممالک کو برآمدات میں معاون ثابت ہوئی ہے۔

صارفین کی ضروریات کو مرکزِ نگاہ بناتے ہوئے اور جدت پر مبنی حکمتِ عملی کے تحت، کینڈی لینڈ نے سال کے دوران بامعنی مصنوعات کی جدت، پریمیم مصنوعات کے فروغ اور مختلف شعبوں میں توسیع کے ذریعے اپنے مصنوعات کے پورٹ فولیو کو مزید مضبوط کیا۔ اس سلسلے میں بسکا، اورنجی، سور بائٹس، جیلیز پریمیم رینج، بگی لالی پاپ اور سویٹ بیئرز جیسے نئے برانڈز متعارف کرائے گئے۔ ان اقدامات کو ملک بھر میں پھیلے ہوئے وسیع تر تقسیم کے نظام، دور دراز علاقوں میں صارفین تک رسائی، ماہر تکنیکی اور مارکیٹنگ ٹیموں، اور صارفین سے مؤثر رابطے اور مربوط تشہیری مہمات کے ذریعے مزید تقویت دی گئی۔ ان تمام اقدامات نے صارفین کو بہتر قدر فراہم کرنے اور کنفیکشنری کی مختلف مصنوعات کے شعبوں میں کاروباری قیادت کو برقرار رکھنے کے عزم کو مضبوط کیا۔

Role of the Chairman & Chief Executive officer

Chairman

The principal role of the Chairman of the Board is to manage and to provide leadership to the Board of Directors of the Company. The Chairman is responsible for providing leadership to the Board and ensuring that the Board plays an effective role in fulfilling its responsibilities.

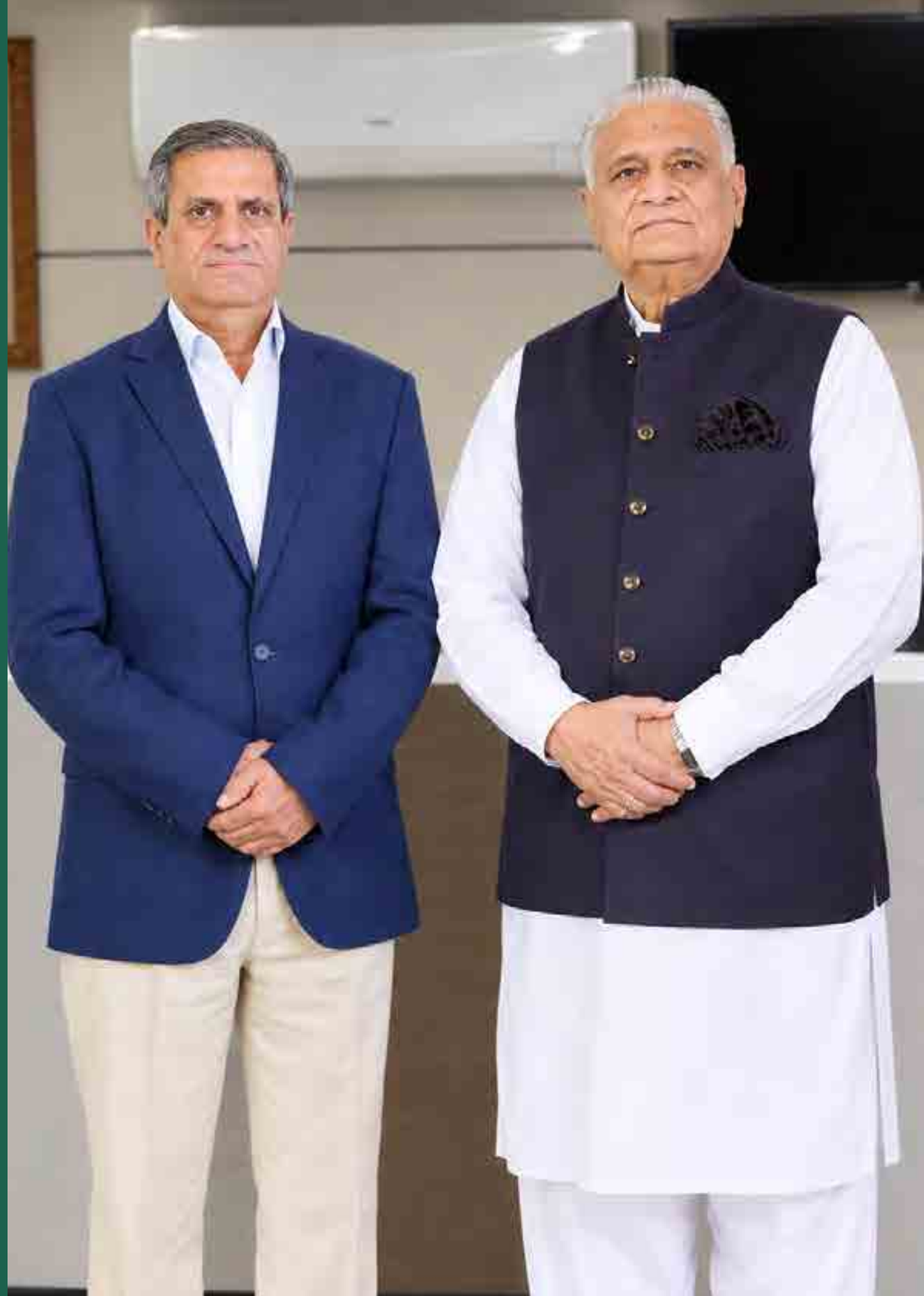
The Chairman's role involves (but is not limited to) the following:

- To act as a liaison between Company's senior management and the Board;
- To ensure that the Board plays an effective role in setting up the company's corporate strategy and business direction;
- To promote and oversee the highest standards of corporate governance within the Board and the Company;
- To ensure integrity, credibility, trustworthiness and active participation of Board members in key matters of the Company;
- To ensure that the Board only directs the Company and does not manage it;
- To ensure that relevant, accurate and up to date Company information is received from the management and shared with the board members to enable them to monitor performance, make sound decisions and give appropriate advice to promote the success of the Company;
- To review the Board performance and to take the lead in identifying and meeting the development needs of individual directors and to address the development needs of the Board as a whole with a view to enhancing its overall effectiveness as a team;
- To manage and solve conflict (if any) amongst the Board members and to also ensure freedom of opinion in the Board;
- To promote highest moral, ethical and professional values and good governance throughout the Company.

CEO

The CEO is responsible for putting the strategy defined by the Board into practice. The CEO's leadership role also entails being ultimately responsible for all day-to-day management decisions and for implementing the Company's long and short-term goals and plans. The main responsibilities of the CEO are as follows:

- To develop strategies involving the executive team, for the implementation of decisions established by the Board and its Committees;
- To maintain an effective communication with the Chairman and bring all important Company matters to the attention of the Board;
- Responsible for working in the best interest of the Company and directing its overall growth by achieving and surpassing the performance targets set by the Board;
- Oversee the implementation of the Company's financial and operational plans in accordance with its business strategy.
- Identify the potential avenues for diversification and investments and recommend plans/ proposals to the Board for its approval;
- To ensure that all strategic and operational risks are effectively managed to an acceptable level and that adequate system of internal controls is in place for all major operational and financial areas;
- To develop Key Performance Indicators (KPIs) of the Company for the approval of Board and ensure dissemination of the same throughout the organization as the standards of performance at both individual and collective levels;
- To communicate on behalf of the Company with shareholders, employees, government authorities, other stakeholders and the public; and
- To promote highest moral, ethical and professional values and good governance throughout the Company.



How the Board Operates and the Matters Delegated to the Management

Board's Functions

The function of the Board is governance of the Company. The Board performs its duties by giving guidelines to the management, setting performance targets and monitoring their achievements.
The primary role of the Board of Directors of the Company is to enhance shareholder value. The Board is concerned with Strategic matters and overseeing the business of the Company in light of emerging risks and opportunities on a regular basis.

The Board is also involved in establishing and reviewing the strategies, yearly targets and financial objectives of the Company.

Major functions of the Board include:

- Providing strategic direction to the Company keeping in view market growth, macro-economic factors and political factors arising from time to time;
- Reviewing business performance of the Company including key business indicators for sales, cost optimization, profitability and sustainability;
- Held periodic reviews of Key Judgement areas and provide guidance to the management wherever required;
- Oversight of regulatory and compliance risks;
- Performing detailed review and approval of CAPEX investments in each quarter; and Discuss Board's effectiveness and conduct Annual Performance Evaluation of the Board and its Committees.

Management's Functions

Management is primarily concerned with setting in motion the strategies approved by the Board of Directors. It is the responsibility of management to operate the day-to-day business affairs of the Company in an effective and ethical manner in conformity with the strategies and goals approved by the Board and to identify and manage the principal risks and opportunities, which could affect the Company in the course of carrying out its business.

Management is also concerned with keeping the Board members updated regarding any changes in the operating environment.

It is also the responsibility of the management, with the supervision of the Board and its Audit Committee, to prepare financial statements that fairly present the financial position of the Company in accordance with applicable financial reporting standards and legal requirements.

Disclosure of Director's Interest

The Company maintains transparency and compliance with applicable corporate governance requirements regarding Directors' interests in significant contracts and arrangements. Directors are required to **disclose any direct or indirect interest** in contracts, arrangements, or other entities, including common directorships.

Related party transactions arising from such interests are duly presented to the **Board of Directors** and, where applicable, submitted to shareholders for approval at the Annual General Meeting. Relevant disclosures are made in the **Notice of AGM and the notes to the financial statements,** while Directors' shareholding interests are disclosed in the **Pattern of Shareholding.**

Annual Appraisal of the Board's Performance

As per the criteria of Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board of Directors are required to carry out an annual evaluation of their performance and its committees' performance. This year, the evaluation was carried out by the Human Resources and Remuneration Committee of the Company, and the results were found to be excellent.

The following major criteria are used to measure the Board's own performance and its committees, including the CEO and the Chairman:

- The Board demonstrates integrity, credibility, trustworthiness, and active participation in its affairs, and has the ability to handle conflict constructively;
- The Board provides guidance and direction, rather than management to the Company;
- The Board reviews management succession planning as needed;
- The level of communication between the Board and relevant parties (i.e., committees, auditors, management and business heads, etc.) is appropriate;
- The Board reviews the adequacy of internal controls and risk management procedures;
- The Board has developed a strategy for the organization that is central to its vision and mission statement;
- The Board receives signals of potential issues that may adversely affect the Company's key targets or financial performance; and
- The Board ensures that professional standards and corporate values are put in place that promotes integrity for the Board, senior management, and employees in the form of the Company's Code of Conduct.

Directors' Training Program

All Directors of the Company have completed or are exempted from the requirements of the Directors' Training program except Mr. Muhammad Zain, newly elected director. In accordance with Regulation 19(2), newly appointed directors are allowed a period of one year from the date of their appointment to obtain certificate under the Directors' Training Program.

Directors' Orientation

The Company has made sufficient arrangements to carry out orientation sessions for their directors to acquaint them with company's operations, applicable laws and regulations and their duties and responsibilities in order to enable them to effectively govern the affairs of the company on behalf of shareholders. Non-executive directors are provided with exposure to operating management and major customers of the Company on a regular basis throughout the year. Moreover, non-executive directors may elect to contact any employee, customer, advisor or supplier of the Company.

External Search Consultancy

The Company plans to engage an independent external consultant to conduct an objective evaluation of the Board's performance, effectiveness, and governance practices. The recommendations arising from the evaluation will be considered by the Board to identify improvement areas and further strengthen its governance framework.

Security Clearance Foreign Directors

The Company does not have any foreign directors on the Board and therefore the need for security clearance is not required.

Details of any Board Meetings held Abroad

Since all the directors of the Company are based in Pakistan, no meeting of the Board of Directors of the Company was held abroad.

Delegation of Authority and Management's Role

At Ismail Industries Limited, the governance structure clearly defines the respective roles and responsibilities of the Board of Directors and the management. This distinction ensures effective oversight, accountability, and execution of corporate strategy in line with legal and regulatory requirements.

Role of the Board of Directors

The Board of Directors is vested with the overall authority to govern the Company's affairs in accordance with the Companies Act, applicable SECP regulations, and the Company's Articles of Association. While the Board retains ultimate responsibility for the stewardship of the Company, it delegates the execution of strategic and operational activities to the executive management. The Board's core responsibility lies in:

- Providing strategic direction and approving long-term business plans;
- Monitoring performance against agreed objectives;
- Ensuring that the Company is operating in a manner that protects and enhances shareholder value;
- Overseeing adherence to legal, regulatory, and governance standards;
- Ensuring that an appropriate internal control and risk management framework is in place.

Delegation to Management

The day-to-day management of the Company is entrusted to the executive team, led by the Chief Executive Officer. The Board, through formal delegation mechanisms, empowers management to take operational decisions within defined thresholds and subject to Board-approved policies.
Management's operational responsibilities include:

- Conducting routine business functions such as treasury operations, compliance, procurement, taxation, legal affairs, and contract management;
- Managing financial resources efficiently and ensuring compliance with applicable fiscal laws and internal policies;
- Leading organizational development and maintaining a culture of performance and integrity across all levels.

Key Management Responsibilities

In addition to operational execution, management is responsible for:

- Risk Identification and Mitigation: Continuously identifying risks and opportunities that could impact operations, strategy, or reputation, and proposing mitigation strategies for the Board's review.
- Board Communication: Providing timely, accurate, and relevant information to the Board regarding internal developments, external market conditions, regulatory changes, and other strategic considerations.
- Financial Reporting: Preparing financial statements in accordance with applicable International Financial Reporting Standards (IFRS), Companies Act 2017, and other SECP-prescribed accounting frameworks. The financials are prepared under the supervision of the Board and the Audit Committee to ensure accuracy, fairness, and transparency.

This governance model ensures a balance between strategic oversight and agile decision-making, aligning the Company's operations with its vision, values, and shareholder expectations.

Annual Evaluation of the Board, CEO, Committees, and Individual Directors

The Company has implemented robust evaluation mechanisms to assess the performance of the Board of Directors, its committees, the Chief Executive Officer (CEO), and individual directors. These assessments are designed to support the Board in providing strategic direction and effective oversight to the senior management.

Evaluation procedures, developed in line with international best practices, include comprehensive questionnaires covering key areas such as leadership, accountability, planning, strategy, and overall effectiveness. Each director is also required to complete a self-assessment to reflect on their personal contributions and engagement in Board matters.

A separate evaluation form is used to assess the performance of the CEO, which is completed by all directors. These assessments are conducted annually, with responses submitted anonymously to ensure objectivity. The Human Resources and Remuneration Committee compiles and reviews the feedback for further action.

The following major criteria are used to measure the Board's own performance and its committees, including the CEO and the Chairman:

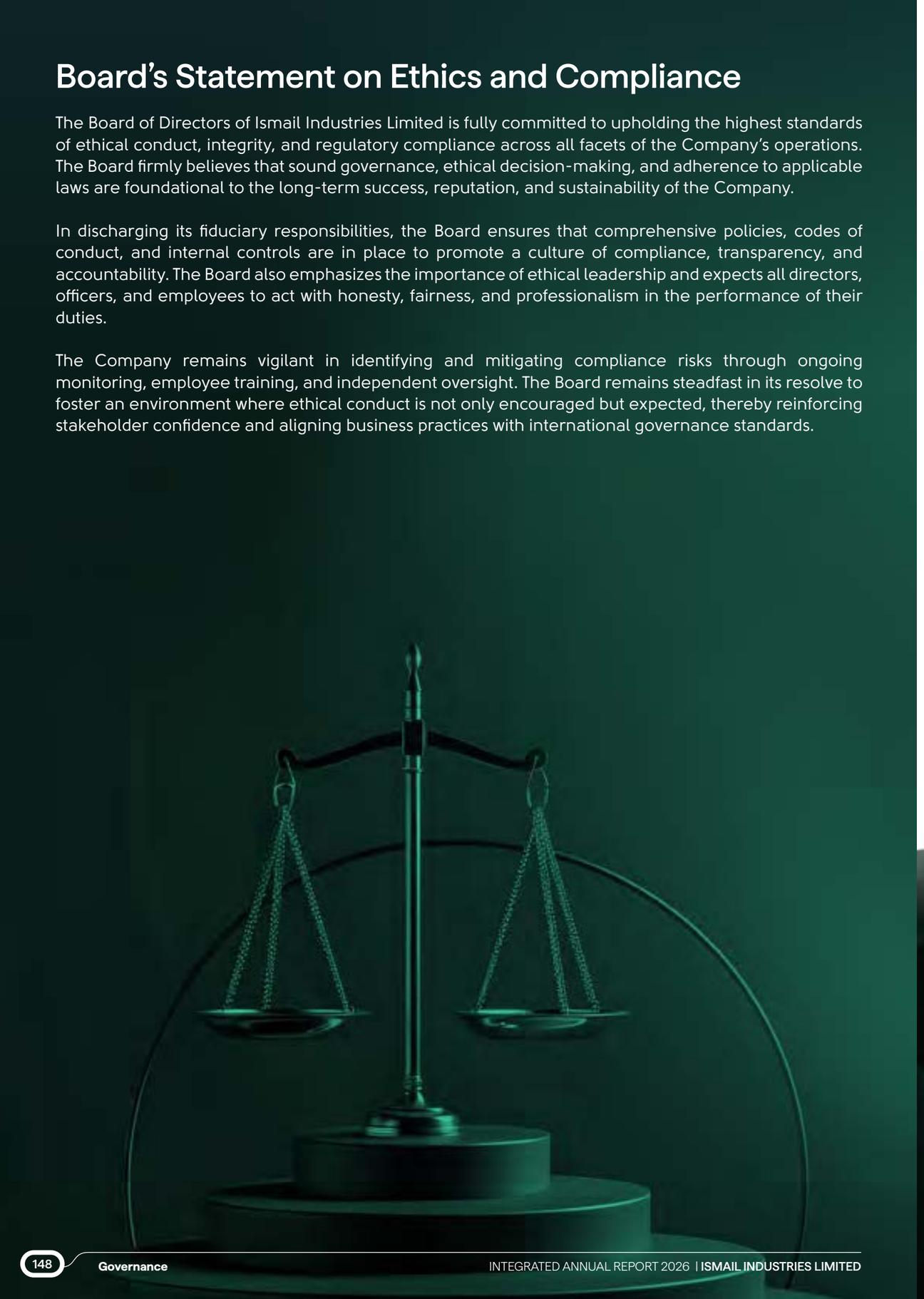
- The Board demonstrates integrity, credibility, trustworthiness, and active participation in its affairs, and has the ability to handle conflict constructively;
- The Board provides guidance and direction, rather than management to the Company;
- The Board reviews management succession planning as needed;
- The level of communication between the Board and relevant parties (i.e., committees, auditors, management and business heads, etc.) is appropriate;
- The Board reviews the adequacy of internal controls and risk management procedures;
- The Board has developed a strategy for the organization that is central to its vision and mission statement;
- The Board receives signals of potential issues that may adversely affect the Company's key targets or financial performance; and
- The Board ensures that professional standards and corporate values are put in place that promotes integrity for the Board, senior management, and employees in the form of the Company's Code of Conduct.

Board's Statement on Ethics and Compliance

The Board of Directors of Ismail Industries Limited is fully committed to upholding the highest standards of ethical conduct, integrity, and regulatory compliance across all facets of the Company's operations. The Board firmly believes that sound governance, ethical decision-making, and adherence to applicable laws are foundational to the long-term success, reputation, and sustainability of the Company.

In discharging its fiduciary responsibilities, the Board ensures that comprehensive policies, codes of conduct, and internal controls are in place to promote a culture of compliance, transparency, and accountability. The Board also emphasizes the importance of ethical leadership and expects all directors, officers, and employees to act with honesty, fairness, and professionalism in the performance of their duties.

The Company remains vigilant in identifying and mitigating compliance risks through ongoing monitoring, employee training, and independent oversight. The Board remains steadfast in its resolve to foster an environment where ethical conduct is not only encouraged but expected, thereby reinforcing stakeholder confidence and aligning business practices with international governance standards.



Related Party Transactions Policy

Ismail Industries Limited (the Company) is committed to ensuring that all transactions with related parties are conducted in a transparent, fair, and compliant manner. This Related Party Transactions (RPT) Policy is formulated in accordance with the requirements of all applicable laws.

Objective

The objective of this policy is to set out the principles and procedures governing the identification, review, approval, and disclosure of transactions with related parties. It aims to ensure that all such transactions are carried out in the best interest of the Company and its stakeholders and are in compliance with applicable laws and regulations.

Definition of Related Parties

Related parties are defined as per the provisions of the Companies Act, 2017 and applicable financial reporting standards. These include directors, key management personnel, substantial shareholders, and their close family members, as well as entities over which such persons exercise significant influence or control.

Identification and Review of Related Party Transactions

The Company's finance and legal departments shall identify potential related party transactions based on disclosures provided by directors and officers, and by examining the nature of the relationship involved. All identified RPTs shall be reviewed by the Audit Committee to ensure that they are entered into on arm's length terms and do not conflict with the interest of the Company or its shareholders.

Approval Process

All related party transactions must be approved by the Board of Directors upon the recommendation of the Audit Committee. In cases where required by law, approval from shareholders shall also be obtained. Interested directors shall abstain from voting on the agenda in which they are concerned or interested.

Disclosure and Reporting

All RPTs shall be disclosed in the Company's annual financial statements in accordance with the applicable financial reporting standards and the requirements of the Companies Act, 2017. Furthermore, details of RPTs shall be disclosed to shareholders through the Company's annual report and where applicable, at the time of seeking approval.

Compliance Statement

Ismail Industries Limited confirms that all related party transactions undertaken during the year were in full compliance with all applicable laws.





Policy on Non-Executive and Independent Directors' Remuneration

In accordance with the Articles of Association of Ismail Industries Limited ("the Company"), the Board of Directors is authorized to determine the remuneration of non-executive and independent directors from time to time.

The Company shall not pay any remuneration to its non-executive and independent directors. However, a director shall be entitled to be provided with or reimbursed for all reasonable expenses incurred in connection with attending meetings of the Board of Directors, its committees, and general meetings of the Company. These expenses may include travel, boarding, lodging, and other out-of-pocket expenses incurred solely for the purpose of discharging their responsibilities as a director.

This policy ensures that directors are fairly compensated for costs incurred in fulfilling their governance responsibilities, without compromising the principles of independence and accountability. The policy shall be reviewed by the Board as needed and amended as deemed necessary in line with applicable laws and corporate governance practices.

Conflict of Interest Policy

Purpose

This Conflict-of-Interest Policy is intended to ensure that the decisions and actions of the Board of Directors, management, and employees of Ismail Industries Limited ("the Company") are guided solely by the best interests of the Company and remain free from undue influence arising from personal interests or external relationships.

Scope

This policy applies to all members of the Board of Directors, key management personnel, all employees (including permanent, contractual, and third-party staff), as well as consultants and advisors engaged by the Company.

Definition of Conflict of Interest

A conflict of interest arises when an individual's personal interests whether financial, professional, or relational interfere, or appear to interfere, with the interests of the Company. This may include having a direct or indirect financial stake in a competitor, supplier, or customer; using Company resources or influence for personal benefit; participating in decision-making processes in which the individual has a vested interest; engaging in outside employment or consultancy arrangements that may compete with the Company's business; or showing favoritism in hiring or promotion decisions based on family or personal relationships.

Duties and Responsibilities

Directors and key management personnel are required to disclose any actual or potential conflicts of interest at the time of their appointment and on a continuous basis thereafter, by submitting a written declaration. They must refrain from voting on or participating in any matter in which they have a conflict. In doing so, they must comply with Sections 208 and 209 of the Companies Act, 2017 concerning related party transactions and disclosure obligations. Similarly, employees are expected to avoid situations where their personal interests may conflict with their duties to the Company. If an employee identifies an actual or potential conflict of interest, they must disclose it immediately to their immediate supervisor or the Compliance Department. Employees are also prohibited from accepting gifts, entertainment, or favors that could influence or appear to influence their business decisions.

Disclosure and Reporting Mechanism

All disclosures relating to actual or potential conflicts of interest must be made in writing using the prescribed Conflict of Interest Disclosure Form. These disclosures shall be submitted to the Company Secretary, who will maintain a formal register. Any material conflict of interest shall be escalated to the Board Audit Committee for review and may be disclosed in the Company's Annual Report in accordance with applicable laws and standards.

Board Oversight and Review

The Board of Directors, acting through the Audit Committee, shall review all material disclosures relating to conflicts of interest and determine the appropriate course of action or mitigation. The Board will ensure that individuals with declared conflicts do not influence or participate in any related decisions or transactions.

Consequences of Non-Compliance

Failure to disclose a conflict of interest, or a breach of this policy, shall be treated as a serious violation of Company rules. It may result in disciplinary action, including termination of employment or removal from office, and may also give rise to legal consequences under applicable laws and SECP regulations.

Review and Amendment

This policy shall be reviewed on an annual basis by the Board of Directors and revised, if necessary, to ensure continued compliance with legal requirements and alignment with corporate governance best practices.



Risk Management and Internal Controls Policy

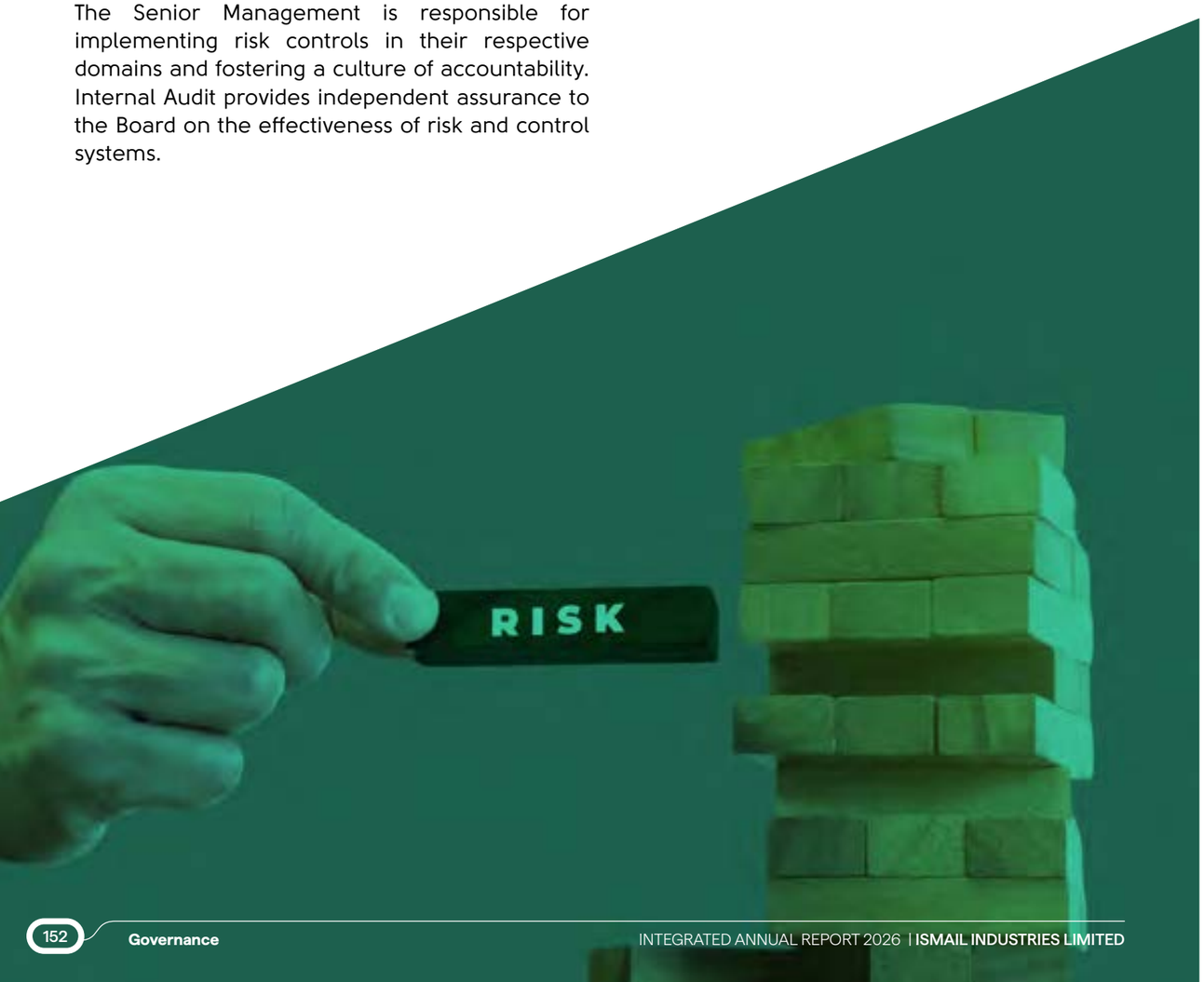
Ismail Industries Limited ("the Company") is committed to effective governance of risk management and internal controls to ensure sustainable growth, regulatory compliance, and protection of stakeholder interests. This policy outlines the Company's approach to identifying, managing, and mitigating risks and maintaining robust internal controls across all functions and subsidiaries.

The policy applies to all departments and covers operational, financial, strategic, legal, and reputational risks. It establishes a framework where the Board of Directors holds overall responsibility for risk oversight, sets risk tolerance levels, and ensures control mechanisms are aligned with the Company's strategic objectives.

The Audit Committee monitors the adequacy of internal controls and addresses audit findings. The Senior Management is responsible for implementing risk controls in their respective domains and fostering a culture of accountability. Internal Audit provides independent assurance to the Board on the effectiveness of risk and control systems.

The Company maintains a centralized risk register and follows a structured process of risk identification, assessment, and mitigation. Internal controls support ethical conduct, accurate reporting, fraud prevention, and compliance. These are periodically reviewed and improved based on feedback, internal reviews, and business needs.

Employees are expected to be aware of and support the Company's risk and control practices. This policy shall be reviewed as needed by the Board and updated as needed to reflect evolving risks, organizational changes, and regulatory requirements.



External Oversight and Enhancement of Internal Controls

Ismail Industries Limited is committed to upholding the highest standards of corporate governance, operational integrity, and risk management. To achieve this, the Company has implemented a comprehensive system of oversight and internal control enhancement that integrates both internal and external mechanisms. The following measures form the foundation of this framework:

Internal Audit and Process Review

The Internal Audit function serves as an independent assurance mechanism, conducting regular and risk-based reviews across all departments and business functions. These reviews are aimed at:

- Evaluating the design and effectiveness of existing controls;
- Identifying potential process inefficiencies and compliance gaps;
- Recommending improvements to mitigate risks and enhance accountability.

Audit findings are reported to the Audit Committee of the Board, ensuring transparency and timely resolution of control issues.

Performance Monitoring and Benchmarking

To ensure continuous improvement, the Company routinely benchmarks its operational and financial performance against industry peers, global best practices, and internal historical data. This involves:

- Setting key performance indicators (KPIs) across departments;
- Conducting variance analysis and identifying root causes of deviations;
- Integrating lessons learned from peer companies and international standards.

This practice not only fosters a culture of excellence but also supports strategic decision-making.

Dynamic Risk Assessment and Control Improvement

The Company views internal controls as a dynamic system that must evolve with changing business conditions. Therefore, it conducts regular:

- Risk assessments to identify emerging threats and vulnerabilities;
- Gap analyses to evaluate control coverage and resilience;
- Policy and procedure updates to reflect new regulatory, operational, and technological developments.

This approach ensures the internal control framework remains robust, adaptive, and aligned with stakeholder expectations.

Governance Oversight

Oversight of the internal control environment is exercised by the Board of Directors through the Audit Committee. This includes:

- Reviewing internal audit reports and management responses;
- Monitoring the implementation of control enhancements;
- Ensuring that all control processes align with the Company's strategic goals and compliance obligations.

This multi-tiered governance structure ensures integrity, accountability, and continuous improvement across the organization.

Manufacturing and Operational Standards Review

Manufacturing operations are regularly evaluated against local regulatory requirements, environmental standards, and international norms such as ISO standards and food safety protocols. These assessments focus on:

- Ensuring process compliance with statutory and safety standards;
- Enhancing product quality, hygiene, and efficiency;
- Identifying opportunities for automation, energy efficiency, and waste reduction.

Such evaluations are instrumental in maintaining the Company's reputation for high-quality products and sustainable practices.

Human Resource Management and Succession Planning Policy

Policy Objective

Ismail Industries Limited ("the Company") recognizes that its people are its most valuable asset and is committed to implementing sound human resource practices that support the attraction, development, and retention of talent. This policy sets out the principles and framework for managing the Company's human capital effectively and ensuring leadership continuity.

Preparation of Succession Plan

Succession planning is a proactive process through which key roles are identified, and potential internal successors are developed to fill those roles over time. The process includes talent assessments, gap analysis, and targeted development plans aimed at preparing high-potential employees for greater responsibilities. The Company shall maintain updated succession plans and development pipelines for critical positions.

Merit-Based Recruitment

The Company promotes a culture of performance, fairness, inclusivity, and continuous learning. Recruitment and selection shall be merit-based and aligned with the Company's values and business needs.

Performance-Based Appraisal System

Performance appraisals shall be conducted periodically to assess achievements and identify areas for development. Appraisals shall be based on transparent criteria, linking individual objectives with business goals.

Promotion, Reward, and Motivation

Promotion and rewards shall be determined through a structured system that recognizes consistent performance, leadership potential, and adherence to the Company's core values. An engaged and high-performing workforce will also be maintained through the use of non-financial motivators such as challenging assignments, leadership roles, and professional development opportunities.

Training and Development

Ismail Industries Limited is committed to the continuous growth and development of its employees. Training programs are designed to enhance technical, functional, and leadership skills in alignment with business goals. The Company encourages learning through workshops, seminars, on-the-job training, e-learning platforms, and mentoring initiatives. Special focus is given to developing high-potential talent and nurturing future leaders through structured development plans.

Diversity, Equity & Inclusion (DE&I)

The Company values diversity and believes in creating an inclusive environment that respects and embraces individuals of all backgrounds. Ismail Industries Limited promotes equity in recruitment, development, and retention by ensuring equal opportunities for all, irrespective of gender, race, age, religion, disability, or any other characteristic. The DE&I policy aims to foster a sense of belonging, support innovation through diverse perspectives, and build a respectful workplace culture. The Company has a separate policy which is available in the policies section.

Employee Engagement and Feedback

Employee engagement is central to the Company's human resource strategy. Ismail Industries Limited seeks to cultivate a work environment where employees feel valued, heard, and motivated. Regular feedback is collected through surveys, focus groups, and direct communication channels. The insights gathered are used to improve policies, enhance work satisfaction, and address employee concerns proactively. Engagement activities, team-building events, and open forums are conducted to strengthen employee connection with the Company's mission and values.

Oversight and Implementation

The Board of Directors oversees the strategic direction of human resource and succession planning initiatives, while Management is responsible for implementation and monitoring. The Human Resource Department shall be responsible for operational execution, maintaining documentation, and reporting to the Board or relevant committees.

Review and Updates

This policy shall be reviewed periodically and updated as required to reflect evolving business strategies, workforce trends, and regulatory requirements.



Diversity, Equality & Inclusion Policy

Introduction

Ismail Industries Limited is committed to fostering, cultivating, and sustaining a workplace culture that embraces diversity, equality, and inclusion (DE & I). We recognize that our employees are our most valuable asset, and we value the collective sum of their unique backgrounds, experiences, knowledge, creativity, and talents. These differences not only enrich our organizational culture but also contribute to our reputation and overall success.

Scope

This policy applies to all employees, officers, and directors of Ismail Industries Limited. It governs all aspects of employment, including recruitment, promotions, training, compensation, and daily workplace interactions, ensuring a diverse, equitable, and inclusive work environment.

By embracing diversity, equality, and inclusion, we strengthen our workforce, enhance our innovation, and contribute to a more dynamic and forward-thinking organization.

Purpose

This policy outlines our commitment to ensuring a diverse, equitable, and inclusive workplace, where all employees feel respected, valued, and empowered to contribute their unique perspectives.

Key Definitions

- **Diversity:** Recognizing, respecting, and valuing the differences in backgrounds, experiences, and perspectives of our employees. We believe that diversity fosters creativity, innovation, and informed decision-making.
- **Equality:** Providing fair and equal opportunities to all employees in recruitment, career development, and advancement. We are committed to eliminating barriers and biases that may hinder full participation.
- **Inclusion:** Creating an inclusive and supportive work environment where every individual feels a sense of belonging and is encouraged to contribute meaningfully. We promote open dialogue, collaboration, and recognition of diverse viewpoints.

Policy Statement

Ismail Industries Limited is dedicated to ensuring a workplace free from discrimination and fostering an environment where individuals are respected regardless of their age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical or mental ability, political affiliation, race, religion, socio-economic status, veteran status, or any other characteristic that makes them unique. We firmly believe that an inclusive environment allows every employee to thrive, contribute, and reach their full potential. Employees are expected to uphold a culture of mutual respect and dignity in all professional interactions. Any act of discrimination, harassment, or inappropriate behavior will not be tolerated and may result in disciplinary action.

Implementation & Responsibilities

At Ismail Industries Limited, our diversity, equality, and inclusion initiatives are embedded in all aspects of employment, including recruitment, compensation, promotions, training, and workplace policies. We are committed to implement fair hiring practices, ensuring that all individuals receive equal opportunities for career development and advancement based on merit. We offer equitable pay structures and benefits while fostering an inclusive workplace where employees can participate in professional development programs, social and recreational activities, and community engagement initiatives. Additionally, we support work-life balance through flexible work arrangements that accommodate diverse employee needs. By embedding these principles into our daily operations, we strive to build a workplace that promotes collaboration, innovation, and mutual respect.

Disclosure of Gender Pay Gap Statement

We remain steadfast in our commitment to cultivating a workplace that flourishes on the principles of Diversity, Equity, and Inclusion (DEI). We offer equal opportunities for all employees, irrespective of gender, race or religion, and ensure that all employees are treated with fairness, dignity, and equity throughout every stage of their professional journey.

Under SECP's Circular 10 of 2026

Following is Gender Pay Gap calculated for the year ended June 30, 2026

Mean Gender Pay Gap:	-290%
Median Gender Pay Gap:	-488%

The above percentages reflect the gender pay gap of relevant male versus female employees across the organization.

64
Head Count

3,090
Head Count



Social and Environmental Responsibility including Managing and Reporting Policies like Procurement, Waste, and Emissions

Ismail Industries Limited ("the Company") is committed to operating its business in a socially responsible and environmentally sustainable manner. This policy outlines the Company's approach to integrating social and environmental considerations into its operations, including procurement, waste management, emissions control, and reporting.

The Company strives to minimize its environmental impact by promoting energy efficiency, reducing greenhouse gas emissions, managing waste responsibly, and conserving natural resources. Waste segregation, recycling, and safe disposal practices has been implemented across all operational sites. Emissions and effluent discharges is being monitored and controlled to comply with applicable environmental laws and standards.

In procurement, the Company prioritizes suppliers who demonstrate environmentally and socially responsible practices. Sustainable sourcing, use of eco-friendly materials, and preference for local suppliers, where feasible, are being encouraged to reduce the environmental footprint and support community development.

The Company is engaged with local communities and contributes to initiatives that promote health, education, livelihood, and environmental awareness. Employee involvement in community outreach and volunteering programs are also encouraged as part of our corporate citizenship.
Environmental and social performance are regularly monitored, and material indicators are reported internally and externally where applicable. The Company tracks compliance with its policies and seek opportunities for continuous improvement. Relevant data on emissions, waste, and resource used are disclosed through sustainability reports or regulatory filings.

The Board of Directors provides strategic oversight of the Company's social and environmental initiatives, while Senior Management is responsible for implementation and reporting. This policy is regularly reviewed as required to ensure alignment with regulatory requirements, stakeholder expectations, and evolving sustainability practices.



Communication with Stakeholders Policy

Ismail Industries Limited ("the Company") is committed to maintaining transparent, timely, and effective communication with all its stakeholders, including shareholders, employees, customers, suppliers, regulators, and the broader community. This Policy on Communication with Stakeholders sets out the principles that guide the Company's interactions and disclosure practices.

The Company aims to build trust and foster long-term relationships by providing accurate and relevant information on its business performance, strategic direction, and key developments. Communications are conducted in a manner that is accessible, clear, and aligned with legal and regulatory requirements, including those of the Pakistan Stock Exchange and the Securities and Exchange Commission of Pakistan.

The Board of Directors oversees the Company's stakeholder communication strategy, while senior management is responsible for its execution. The Company Secretary ensures that disclosures are made in a timely and appropriate manner through official channels such as press releases, annual reports, the Company's website, and notices to the stock exchange.

Engagement with stakeholders may include general meetings, investor briefings, customer surveys, employee town halls, supplier interactions, and participation in industry forums. Feedback from stakeholders are reviewed and considered as part of the Company's ongoing efforts to improve its practices and responsiveness.

The policy is updated as needed to reflect changes in stakeholder expectations, regulatory requirements, or communication technologies.



Dividend Policy

Ismail Industries Limited ("the Company") aims to follow a balanced approach to dividend distribution that aligns with its financial performance, investment needs, and long-term value creation for shareholders. This Dividend Policy provides a general framework for determining the recommendation and declaration of dividends while maintaining flexibility based on the Company's evolving circumstances.

The Company's decision to declare dividends, including interim and final dividends, is subject to the availability of distributable profits, financial health, future investment and capital expenditure requirements, cash flow considerations, and other factors deemed relevant by the Board of Directors.
The Board of Directors, while recommending any dividend, considers the need to retain earnings to support future growth, fund business operations, meet financial obligations, and preserve financial stability. All dividend decisions are at the discretion of the Board of Directors and shall be guided by the best interests of the Company and its shareholders.

The policy is reviewed as necessary to reflect changes in the Company's strategy, financial position, or regulatory environment.



Investor Relations and Grievance Policy

Ismail Industries Limited ("the Company") is committed to maintaining a transparent, responsive, and constructive relationship with its shareholders and investors. This Investor Relations and Grievance Policy outlines the framework for engaging with investors and addressing their concerns in a timely and effective manner.

The Company aims to foster confidence among investors by ensuring consistent and accurate communication of financial performance, strategic initiatives, and governance practices. Investor relations activities are guided by principles of fairness, accessibility, and compliance with applicable legal and regulatory requirements.

The Company Secretary, under the supervision of the Board of Directors, serves as the primary point of contact for investors and is responsible for coordinating responses to queries, clarifying disclosures, and managing communication channels including annual general meetings, corporate briefings, financial statements, and the Company website.

To address investor grievances, the Company has established a structured grievance redressal mechanism. Shareholders and investors may submit complaints or concerns through email, written correspondence, or online forms made available on the Company's official website. All grievances are acknowledged promptly, recorded systematically, and resolved within a reasonable timeframe. Matters, requiring escalation, are reviewed by the Board or its relevant committee.

This policy is updated as required to reflect changes in regulatory frameworks, stakeholder expectations, or communication practices.



Employee Health, Safety, and Protection Policy

Ismail Industries Limited ("the Company") is committed to providing a safe, healthy, and respectful working environment for all employees. This Employee Health, Safety, and Protection Policy outlines the Company's commitment to ensuring the well-being of its workforce and preventing occupational injuries, illnesses, and incidents.

The Company complies with all applicable health and safety laws, regulations, and standards. It implements preventive measures and safety protocols across its facilities to protect employees from physical, chemical, biological, and ergonomic hazards. Safety drills, risk assessments, and regular inspections are conducted to identify potential hazards and implement corrective actions promptly.

The Company provides employees with appropriate training, personal protective equipment, and clear instructions to perform their duties safely. The Company encourages the reporting of unsafe conditions or practices and ensures that such reports are treated seriously and without retaliation.

The Board of Directors oversees the implementation of health and safety initiatives, while Management is responsible for ensuring day-to-day compliance and enforcement. This policy is updated on a need basis to reflect changes in legal requirements, operational practices, or workplace conditions.



Anti-Harassment Policy

Ismail Industries Limited ("the Company") is committed to providing a safe, respectful, and inclusive workplace for all employees. This Anti-Harassment Policy aims to safeguard the dignity, rights, and well-being of every individual by prohibiting all forms of harassment, including sexual, verbal, physical, and psychological abuse.

The Company maintains a zero-tolerance stance against harassment in any form and at all levels of the organization. Harassment includes unwelcome conduct, behavior, or communication that creates an intimidating, hostile, or offensive work environment or interferes with an individual's performance and well-being.

Employees are encouraged to report any incidents of harassment without fear of retaliation. The Company has established a formal complaint mechanism to ensure that all complaints are investigated promptly, fairly, and confidentially. A designated Inquiry Committee, in accordance with applicable laws, is responsible for conducting inquiries and recommending appropriate actions.

The Company conducts awareness programs and mandatory training sessions to promote mutual respect, gender sensitivity, and understanding of employees' rights. All employees, including management and contractual staff, uphold this policy and demonstrate respectful behavior at all times.

The Board of Directors oversees the implementation of this policy, while the Human Resource Department is responsible for day-to-day compliance and support. This policy shall be updated to ensure alignment with legal requirements and best practices.



Whistle Blowing Policy

Ismail Industries Limited ("the Company") is committed to maintaining the highest standards of integrity, transparency, accountability, and ethical conduct in all its operations. This Whistle Blowing Policy provides a structured mechanism for employees, contractors, vendors, and stakeholders to report, in good faith, any concerns related to unethical behavior, misconduct, financial irregularities, fraud, or any violation of laws, regulations, or Company policies.

Objectives

- To promote a culture of openness and accountability.
- To encourage the reporting of suspected wrongdoing without fear of retaliation.
- To ensure that concerns are properly investigated and addressed in a timely and confidential manner.

Scope

This policy applies to all employees of the Company (permanent, contractual, or temporary), as well as third parties including suppliers, service providers, and consultants who become aware of improper conduct in the Company.

Reporting Mechanism

Reports are entertained by the Company Secretary or Head of Internal Audit upon the submission of a written complaint to the email address: **secretarialcompliance@ismailindustries.com**

The report should contain sufficient information to allow a proper investigation, including the nature of the concern, names of individuals involved, dates, locations, and any supporting evidence.

Confidentiality and Protection

The Company assures whistleblowers of complete confidentiality and undertakes that they shall not face any retaliation, harassment, or adverse employment consequences as a result of raising a concern in good faith. Any retaliation against a whistleblower will be treated as a serious disciplinary offence.

Investigation

All complaints are acknowledged and investigated promptly, objectively, and independently. The Head of Internal Audit will oversee the investigation process in coordination with the Audit Committee. Where necessary, external experts may be engaged. Based on the findings, appropriate corrective and disciplinary actions are recommended.

False Allegations

While this policy encourages the reporting of genuine concerns, it is important that it is not misused. Malicious, false, or frivolous complaints made with the intent to harm others will be subject to disciplinary action.

Awareness and Review:

The policy has been communicated across the Company through orientation programs, training sessions, and internal communications. It is reviewed periodically to ensure its continued effectiveness and alignment with best practices and legal requirements.

By fostering a safe and transparent environment, Ismail Industries Limited seeks to uphold its values and protect the interests of all stakeholders.



IT Security Policy

Ismail Industries Limited ("the Company") is committed to protecting the confidentiality, integrity, and availability of its information assets and IT infrastructure. This IT Security Policy establishes the principles and practices to safeguard the Company's digital environment against unauthorized access, data breaches, cyber threats, and operational disruptions.

The Company implements security controls across all systems, networks, and digital assets, ensuring that access to sensitive information is granted only to authorized personnel. Strong authentication, password protocols, firewalls, antivirus software, and encryption methods are used to protect data at rest and in transit.

Employees must adhere to acceptable use policies and are responsible for using IT resources responsibly and securely.

All third-party vendors and service providers with access to the Company's systems must comply with the same security standards as internal users. Contracts shall include appropriate clauses to protect the Company's information assets.

The Board of Directors oversees IT governance and security risk management, while the IT Department is responsible for implementing and maintaining security measures. The policy is updated to align with evolving technologies, regulatory changes, and industry best practices.



Business Continuity and Disaster Recovery Policy

Purpose

The purpose of this policy is to establish a comprehensive framework for business continuity and disaster recovery (BC/DR) that ensures the uninterrupted operation of critical business functions in the event of a disruption. As a responsible and publicly listed company, Ismail Industries Limited ("the Company") is committed to safeguarding the interests of its shareholders, employees, customers, suppliers, regulators, and other stakeholders. This policy reflects the Company's dedication to implementing industry-leading standards to ensure organizational resilience, operational integrity, and the rapid restoration of services following any crisis.

Scope

This policy applies to all business units, departments, personnel, and third-party service providers of the Company. It covers both natural and man-made disasters, including but not limited to fire, flood, cyberattack, data breach, equipment failure, power outage, pandemic, or any other emergency or unforeseen event that may adversely affect the Company's operations.

Policy Statement

Ismail Industries Limited ensures the development, implementation, and maintenance of a Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) that are aligned with international best practices. These defines roles, responsibilities, processes, and technologies necessary to prepare for, respond to, and recover from business disruptions. The Company adopts a risk-based approach to identify critical business functions, assess potential threats, and establish preventive and recovery mechanisms to minimize downtime, financial loss, reputational harm, and regulatory non-compliance.

Key Objectives

The key objectives of this policy are to:

- Ensure the safety and well-being of employees and stakeholders
- Maintain continuity of critical business operations during a crisis
- Minimize the impact of disruptions on shareholder value and customer trust
- Protect and recover vital business data and IT infrastructure
- Comply with regulatory requirements and listing standards
- Establish clear communication protocols during emergencies
- Promote a culture of preparedness and resilience across the organization

Governance and Responsibilities

The Board of Directors provides overall oversight of the Company's business continuity and disaster recovery strategy. Senior Management is responsible for the development, testing, and execution of the BCP and DRP, in coordination with the IT, Operations, Legal, HR, and Compliance departments.

Plan Activation and Escalation

In the event of a disruption, authorized personnel promptly assesses the severity and determine whether to activate the BCP or DRP. The escalation procedure follows a defined chain of command to ensure rapid decision-making, internal coordination, and external communication. In cases of IT system failure or cyber incidents, the Disaster Recovery Plan is initiated under the direction of the IT Department.

Testing, Training, and Awareness

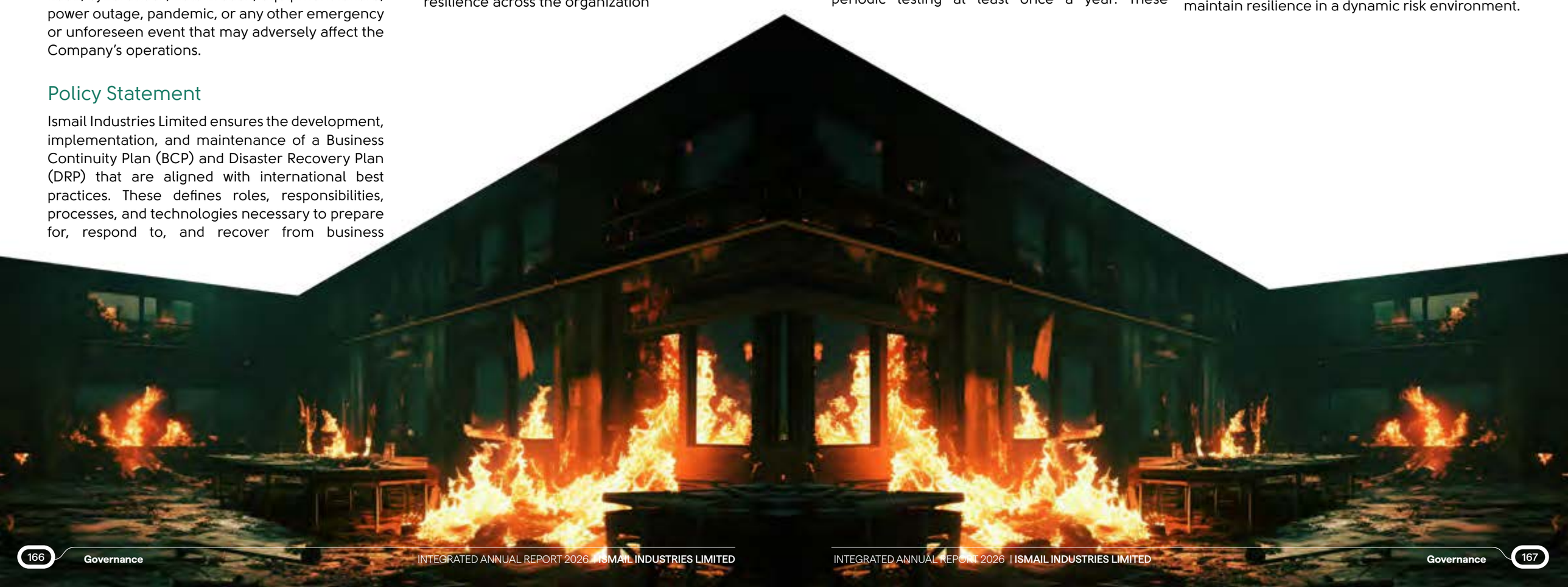
To ensure operational readiness, business continuity and disaster recovery plans undergo periodic testing at least once a year. These evaluations can range from tabletop exercises and simulations to full-scale recovery drills. Additionally, all employees receive role-specific training alongside corporate awareness campaigns designed to build a proactive culture of resilience.

Monitoring and Review

This policy and its associated plans are reviewed as necessary or following any major incident, organizational change, or technological advancement. Updates are made to reflect evolving threats, stakeholder expectations, and regulatory obligations. The Board & Audit Committee are briefed on the results of tests, incidents, and policy updates.

Continuous Improvement

Ismail Industries Limited remains committed to continuous improvement in business continuity and disaster recovery practices. Lessons from testing and actual disruptions directly improve response strategies and procedures. The Company also benchmarks against peer institutions and adopts evolving technologies and methodologies to maintain resilience in a dynamic risk environment.



Safety of Records Policy

Introduction and Purpose

Ismail Industries Limited ("the Company") recognizes the importance of preserving and protecting its corporate records to ensure operational integrity, legal compliance, and stakeholder trust. This Safety of Records Policy establishes a structured approach for the secure creation, storage, retention, and disposal of both physical and electronic records. The policy aims to prevent unauthorized access, alteration, destruction, or loss of records, and ensures that such records are managed in accordance with applicable laws, SECP guidelines, and internal governance standards.

Scope

This policy is applicable to all departments, employees, contractors, and third-party service providers involved in the creation, handling, archiving, or disposal of Company records. It encompasses a wide range of record types, including but not limited to financial statements, board and committee minutes, legal agreements, employee files, contracts, regulatory filings, and email communications.

Record Protection and Management

The Company is committed to maintaining all records in a secure, organized, and accessible manner, while also ensuring their confidentiality and integrity throughout their lifecycle. Electronic records must be protected by appropriate cybersecurity protocols and regularly backed up. All records, whether physical or digital, shall be retained for the period prescribed under applicable regulations or as deemed necessary by the Board or Compliance function. Once the retention period has expired, such records are securely and irreversibly destroyed, using methods such as supervised shredding for physical documents and certified deletion tools for electronic data.

Breach Reporting

Any instance of unauthorized access, loss, or compromise of Company records must be reported immediately to the Audit Committee. Following such a report, an internal investigation shall be initiated and appropriate remedial action taken.

Training and Awareness

The Company places strong emphasis on employee awareness and accountability. Regular training programs are conducted to educate employees on their responsibilities under this policy, and guidance are incorporated into induction sessions and compliance manuals to promote a culture of secure recordkeeping and ethical data management.

Review and Amendment

This policy is reviewed annually by the Board of Directors and updated as required to reflect regulatory changes, technological advancements, and evolving business needs.



Board Disclosure on the Company's Use of ERP Software

Integration of Core Business Processes

Ismail Industries Limited operates a robust ERP (Enterprise Resource Planning) platform utilizing SAP (Systems, Applications, and Products in Data Processing) to seamlessly integrate and manage its core business operations. This centralized system unifies critical modules including finance, human resources, supply chain, production, and inventory management, enabling seamless information flow across departments. This integration enhances operational efficiency, minimizes duplication of efforts, and supports informed decision-making by providing real-time visibility into business processes.

Management Support and Continuous Updation

The senior management of Ismail Industries Limited provides full support for the implementation of core SAP modules, including Financial Accounting and Controlling (FICO), Human Resource Management (HRM), Treasury and Risk Management (TRM), and Warehouse Management (WM), ensuring strategic alignment with business goals. Management is actively involved in the periodic review and continuous improvement of the ERP system to ensure it remains relevant, effective, and responsive to emerging business needs. Upgrades and patches are regularly deployed to maintain system performance, security, and compliance with evolving industry standards.

User Training

Comprehensive training programs are conducted for all relevant employees to ensure optimal use of all SAP modules. These programs include onboarding sessions for new users, refresher courses, and function-specific training to enhance user proficiency. A dedicated support team is available to assist with technical issues and to guide users through system updates and new feature rollouts.

Risk Management in ERP Projects

The Company adopts a structured approach to manage risks associated with all SAP modules implementation and maintenance. Risk identification and mitigation strategies are incorporated into project planning and execution phases. Key risk control measures include thorough user acceptance testing (UAT), data backup procedures, change management protocols, and continuous monitoring of system performance to ensure reliability and minimal disruption.

System Security and Access Controls

Security of all data is a top priority for Ismail Industries Limited. Access controls are implemented through role-based permissions to ensure that only authorized personnel can view or edit sensitive information. Regular audits of user access logs, segregation of duties, and multi-factor authentication protocols are enforced to prevent unauthorized access and ensure data integrity. System vulnerabilities are routinely assessed, and necessary safeguards are deployed to protect against internal and external threats.

Committees of the Board with Brief Terms of Reference

Terms of reference of the Human Resources Committee

The terms of reference of Human Resource and Remuneration committee shall be determined by the Board which may include the following:

i. Recommendation to the Board for consideration and approval a policy framework for determining remuneration of directors (both executive and non-executive directors and members of senior management). The definition of senior management will be determined by the Board which shall normally include the first layer of management below the chief executive officer level;

ii. Undertaking, annually, a formal process of evaluation of performance of the Board as a whole and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing therein name and qualifications of such consultant and major terms of his / its appointment;

iii. Recommending human resource management policies to the Board;

iv. Recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of chief operating officer, chief financial officer, company secretary and head of internal audit;

v. Consideration and approval on recommendations of chief executive officer on such matters for key management positions who report directly to chief executive officer or chief operating officer; and

vi. Where human resource and remuneration consultants are appointed, they shall disclose to the committee their credentials and as to whether they have any other connection with the company.

Terms of reference of the Audit Committee

The terms of reference of the Audit Committee shall also include the following:

i. Determination of appropriate measures to safeguard the company's assets;

ii. Review of annual and interim financial statements of the company, prior to their approval by the Board, focusing on,

   a. Major judgmental areas;
   b. Significant adjustments resulting from the audit;
   c. Going concern assumption;
   d. Any changes in accounting policies and practices;
   e. Compliance with applicable accounting standards;
   f. Compliance with these Regulations and other statutory and regulatory Requirements; and
   g. All related party transactions;

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

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

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

vi. Ensuring coordination between the internal and external auditors of the company;

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

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

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

x. Review of the company's statement on internal control systems prior to endorsement by the Board and internal audit reports;

xi. Instituting special projects, value for money studies or other investigations on any matter specified by the Board, in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body;

xii. Determination of compliance with relevant statutory requirements;

xiii. Monitoring compliance with these Regulations and identification of significant violations thereof;

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

xv. Recommend to the Board the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations. The Board shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof;

xvi. Responsible for overseeing and ensuring that the Company complies with all sustainability reporting obligations and Environmental, Social and Governance (ESG) requirements, including those prescribed by the Securities and Exchange Commission of Pakistan (SECP) from time to time. In this regard, the Committee reviews the adequacy and accuracy of sustainability-related disclosures, monitors compliance with applicable regulatory frameworks and reporting standards, and provides oversight to management to ensure that the Company's sustainability practices, policies, and reporting processes are aligned with evolving SECP requirements and other applicable laws and regulations.

xvii. Consideration of any other issue or matter as may be assigned by the Board;

Report of the Audit Committee

Audit Committee

Designation	Name
Chairperson	Ms. Tasneem Yusuf
Member	Mr. Muhammad M. Ismail
Member	Mr. Maqsood Ismail Ahmed

The Audit Committee ("Committee") is comprised of two Non-Executive Directors and one Independent Director who acts as the Chairman. The Head of Internal Audit is a permanent invitee to the Committee's meetings, while the Chief Executive Officer and Chief Financial Officer attend as needed. At least once annually, the Committee meets separately with the external auditors in the absence of management to ensure independent discussions.

Meetings of the Audit Committee are conducted on a quarterly basis, with four meetings held during the financial year 2025–2026. Based on its evaluations and deliberations, the Audit Committee submits the following report:

Key Responsibilities and Oversight

1. The company has issued a Statement of Compliance with the Code of Corporate Governance, which has been reviewed and verified by the external auditors.
2. The Committee reviewed and endorsed the quarterly, half-yearly, and annual financial statements, recommending their approval to the Board. These financials are in line with the requirements of the Companies Act, 2017, and conform to the applicable International Accounting Standards and Financial Reporting Standards as prescribed by the regulatory authorities. The Chairperson of the Committee is present in the Annual General Meeting for any queries raised by the shareholders with respect to its responsibilities.
3. All related party transactions were reviewed and recommended for approval by the Committee.
4. The Committee seeks feedback from the Board and incorporates it into its recommendations for further improvement.

Internal Audit and Risk Governance

1. The company has established a dedicated Internal Audit function to evaluate internal controls and ensure compliance. The Audit Committee assessed the department's resources and performance to validate its capability to deliver on the defined audit plan. The Head of Internal Audit reports directly to the Audit Committee.
2. An annual risk assessment is presented to the Committee, forming the basis for the internal audit plan. Audit findings are submitted for review, and the Committee evaluates control weaknesses and compliance issues, engaging with management on corrective measures. Follow-ups are carried out to confirm implementation. Meeting minutes are regularly shared with the Board.
3. The Committee also held discussions with external auditors on internal control matters and the management letter to promote continual improvement.
4. Members of the Committee are also asked to fill out a self-evaluation questionnaire that focuses on their participation and satisfaction with the different proceedings of the Committee and their individual role as a member. The results of the evaluation are in line with best practices.

Whistle Blowing Instances

No whistle blowing instances were reported to the Committee.

Annual Report

It was in the committee's opinion that the contents of the Annual Report available were fair, balanced and understandable and the same provided necessary information to shareholders to assess the company's position and performance, business strategy.

External Audit Engagement

1. External auditors, M/s. Grant Thornton Anjum Rehman, Chartered Accountants, had access to the Audit Committee. Effective coordination between internal and external auditors was maintained, and significant issues were addressed in detail.
2. The Committee deliberated on all Key Audit Matters raised during the audit and engaged in discussions with both auditors and management on their resolution.

By Order of the Audit Committee

August 27, 2026

Tasneem Yusuf
Chairperson

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

Ismail Industries Limited

Year Ended June 30, 2026

Ismail Industries Limited (hereinafter referred to as "the Company") has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019, ("the Regulations") in the following manner:

1. The total number of directors are seven as per the following:
   a. Male: Six*
   b. Female: One

* Male directors include CEO.

2. The composition of the Board is as follows:

Category	Name
Independent Directors*	Mr. Muhammad Zain
	Ms. Tasneem Yusuf
Non-Executive Directors	Mr. Muhammad M. Ismail
	Mr. Maqsood Ismail Ahmed
	Mr. Hamid Maqsood Ismail
Executive Directors	Mr. Munsarim Saifullah
	Mr. Ahmed Muhammad
Female Director	Ms. Tasneem Yusuf

*Regulation 6(1) of the Regulations stipulates the mandatory requirement for each listed company to have at least two or one-third members of the Board, whichever is higher, as independent directors. The current Board of Directors of the Company comprises seven members, which constitutes 2.33 as one-third of total number of directors. As the fractional value falls below 0.5, rounding up to one is not warranted. This is particularly so due to the fact that the present independent directors possess the requisite skills, knowledge, and diversified work experience, essential for rendering independent decisions in the best interests of the Company.

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

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

5. The Board has developed a vision and 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 dates 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 Board/shareholders as empowered by the relevant provisions of the Companies Act, 2017, (the Act) and these Regulations.

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

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

9. All Directors of the Company have completed or are exempted from the requirements of the Directors' Training program except Mr. Muhammad Zain, newly elected director. In accordance with Regulation 19(2), newly appointed directors are allowed a period of one year from the date of their appointment to obtain certificate under the Directors' Training Program.

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

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

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

Audit Committee	Designation
Ms. Tasneem Yusuf	Chairperson
Mr. Muhammad M. Ismail	Member
Mr. Maqsood Ismail Ahmed	Member
Human Resource and Remuneration Committee	**Designation**
Mr. Muhammad Zain	Chairman
Mr. Maqsood Ismail Ahmed	Member
Mr. Hamid Maqsood Ismail	Member

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

14. The frequency of meetings of the committees were as per following:
   a. Audit Committee – Quarterly
   b. Human Resource and Remuneration Committee – twice a year

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

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan, and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firms 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 person associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. To address sustainability risk and opportunities, the board has assigned the responsibilities to an existing board committee (i.e Audit Committee). The committee shall provide governance and oversight in relation to company's initiatives on environmental, social and governance matters and ensure the compliance of relevant laws pertaining to it.

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



Mr. Muhammad M. Ismail
Chairman

Karachi: August 28, 2026

Grant Thornton

Independent Auditor's Review Report

To the members of Ismail 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 Ismail 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.



Chartered Accountants

Karachi
Dated: September 11, 2026
UDIN: CR202610093XODZQdgpq

Presence of Audit Committee Chairperson at the AGM

The Chairperson of the Audit Committee attends the Annual General Meeting and is available to address shareholders' questions relating to the activities and matters falling within the Audit Committee's responsibilities, thereby supporting transparency, accountability, and effective shareholder engagement

Government's Policy and its Impact On The Business

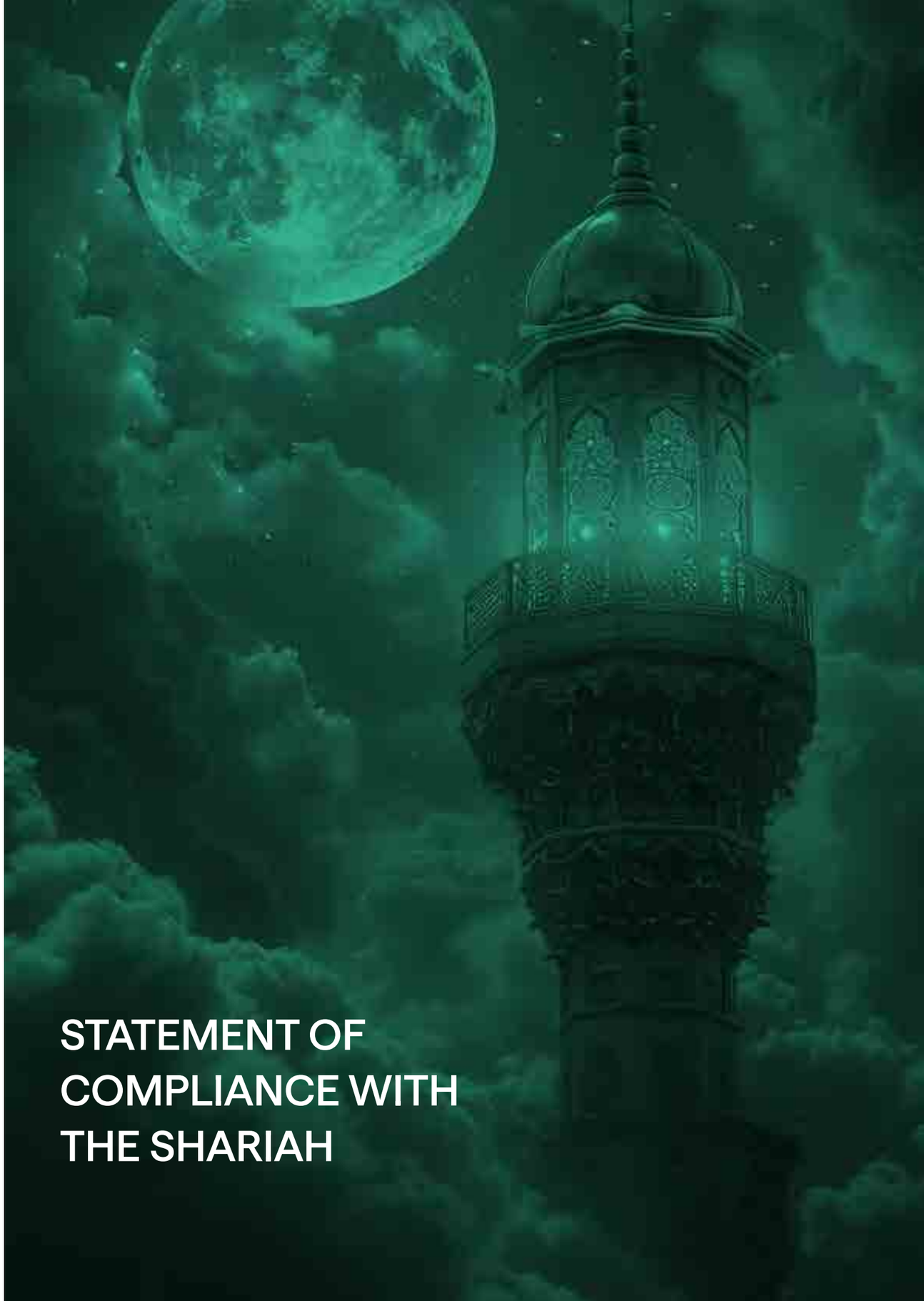
The impact of overall economic environment and the policies of the Government of Pakistan on the Company's businesses are disclosed in the Directors' Report, included in this annual report.

Details of Shares Held By Sponsors / Directors / Executives And Distribution of Shareholders

Details of shares held by sponsors and distribution of shareholders are given in the Shareholders' category and Pattern of Shareholding sections of this report.

Retention of Board Fee by the Executive Director Against Services Rendered As Non- Executive Director in Other Companies

The executive directors are authorized to retain board fee earned by them against provision of their services as non-executive directors in other companies.



STATEMENT OF COMPLIANCE WITH THE SHARIAH

Statement of Compliance with the Shariah Governance Regulations, 2023 & Sukuk (Privately Placed) Regulations 2017.

For The Year Ended June 30, 2026.

This Statement of Compliance (the statement) for the Year ended June 30, 2026, is being presented to comply with the requirements under the Shariah Governance Regulations, 2023 and Sukuk (Privately Placed) Regulations, 2017 (the Regulations) issued by the Securities and Exchange Commission of Pakistan (SECP).

The financial arrangements, contracts and transactions, entered into by Ismail Industries Limited (the Company) in respect of Sukuk-5 amounting to Rs. 8 billion and Sukuk-6 amounting to Rs. 8 billion (collectively referred to as "the Sukuk") for the Year ended June 30, 2026, are in compliance with the Sukuk features and Shariah requirements in accordance with the Regulations.

We also confirm that:

- The Company has established procedures and processes for all Sukuk related transactions to comply with Sukuk features and applicable Shariah governance law requirements.
- The Company has implemented and maintained such internal control and risk management system, that the management determines necessary to mitigate the risk of non-compliances of the Sukuk features and applicable Shariah governance law requirements, whether due to fraud or error.
- The Company has a process to ensure that the management and, where appropriate authorized personnel responsible to ensure the Company's compliance with the Sukuk related features and applicable Shariah governance law requirements, are properly trained and systems are properly updated.

We also confirm that the Company in respect of the Sukuk is in compliance with:

a. Rules, regulations and directives issued by the SECP;
b. Pronouncements of Shariah Supervisory Board;
c. Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP, if any; and
d. Approvals and rulings given by the Shariah Advisor of the Sukuk which are in line with the Regulations and in accordance with rulings of Shariah Advisory Committee.

Munsarim Saifullah
Chief Executive Officer

بسم الله الرحمن الرحيم

September 15, 2026

Ref#: IBSA/ESA/26/60

Mr. Ahmed Raza Parekh
Group CFO
Ismail Industries Limited
17, Bangalore Town, Main Shahrah-e-Faisal, Karachi
Pakistan

Dear Mr. Ahmed Raza

Subject: **Shariah Compliance Review Report for Ismail Industries Limited STS 6**

Based on the information and documents provided by Ismail Industries Limited (the "ISIL"), the Shariah compliance status of the Ismail Industries Limited's Short Term Sukuk (the "STS") 6 transaction, structured by Meezan Bank Limited ("the MBL") for ISIL, has been reviewed.

STS 6, having an issue amount of PKR 8,000 Million, inclusive of a Green Shoe Option of PKR 3,000 Million, was issued on 04 February 2026 with a maturity date of 05 August 2026. As at 30 June 2026, the Sukuk remained outstanding.

The execution versions of legal agreements and transaction documents were reviewed in my capacity as the Shariah Advisor of STS 6. Based on the review of the documents and information provided, the transaction was found to be consistent with the Shariah principles and rules and in accordance with the Shariah structure approved for the transaction.

Mufti Jumshaid Aslam
SECP Registered Shariah Advisor
Registration #:(SECP/IFD/SA069)

Independent Assurance Report

To the Board of Directors on the Statement of Compliance with the Shariah Governance Regulations 2023 and Sukuk (Privately Placed) Regulations 2017

Scope of our work

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 and Sukuk (Privately Placed) Regulations, 2017 (the Regulations)-External Shariah Audit of the Ismail Industries Limited (the Company) for assessing compliance of the Company's financial arrangements, contracts, and transactions in relation to the issue of Sukuk-V amounting to Rs. 8,000 million Sukuk-VI amounting to Rs. 8,000 million collectively referred to as "the Sukuk" having Shariah implications with Shariah principles for the year ended June 30, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholars.

Applicable Criteria

The criteria for the assurance engagement, against which the Statement of Compliance with the Shariah Governance Regulations, 2023 and Sukuk (Privately Placed) for the year ended June 30, 2026 (the Statement) (underlying subject matter information) is assessed, comprises of Shariah principles and rules, as defined in the Regulations and reproduced as under:

a. Legal and regulatory framework administered by the Commission;
b. Shariah Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
c. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
d. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
e. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (a) to (d) above.

The above criteria were evaluated for their implication on the financial statements of the Company for the year ended June 30, 2026, which are annexed.

Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts and transactions, in relation to the Sukuk, having Shariah implications, entered into by the Company with its Sukuk holders, other financial institutions and stakeholders and related policies and procedures are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for design, implementation and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1 "Quality Management for firms that perform Audits or Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility and summary of the work performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Company's financial arrangements, contracts, and transactions in relation to the Sukuk having Shariah implication with Shariah principles, in all material respects, for the year ended June 30, 2026 based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial information issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about the compliance of the Company's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement in relation to the Sukuk.

The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the (the company's) compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the (the company's) internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts and transactions in relation Sukuk having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles.

We believe that the evidences we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, the Company's financial arrangements, contracts and transactions in relation to Sukuk for the year ended June 30, 2026 in relation to Sukuk are in compliance with the Shariah principles, in all material respects

Chartered Accountants

Name of Engagement Partner: **Khurram Jameel**
Date: September 11, 2026
Karachi.

بسم الله الرحمن الرحيم

Closure Report -lsmall Industries Limited Short Term Sukuk IV of Up to PKR 8,000 Million (Inclusive of a Green shoe Option of PKR 3,000 Million)

The purpose of this Oosure Report is to provide an opinion on the Shariah compliance status of the Rated, Privately Placed, Unsecured Short Term Sukuk IV for PKR 8,000 Million (Inclusive of a Green shoe Optlon of PKR 3,000 Mliiion) (Pak Rupees Eight Bliiion) issued by Ismail Industries Limited (the "Company").

It is the core responsibility of the Company to manage the Sukuk In such a manner which Is In compliance with the Sharlah principles as laid out In the Sharlah Structure of Sukuk. In the capacity of Shariah Advisor, my responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the Sukuk. I express my opinion based on the review of the information provided by the Issuer, to an extent where compliance with the Shariah guidelines can be objectively verified

Keeping In vle-w the above, I certify that:

To the best of my knowledge, I have reviewed the transaction, documents, and procedures adopted by the Issuer with regards to the Sukuk, which included the review of transactions and Musharaka Profit generated by the Company from the Musharaka business. I have found them to be In compliance with the Sharlah guidelines.

On the basis of lnformatlon provided by the Company, all operations and affairs seem to have been carried out in accordance with the principles and rules of the Shariah for the Sukuk Issue ended on August 18, 2025. The Sukuk Is in compliance with the provided Sharlah guidelines and there is no need to provide for any charity to purify the income.

Therefore, lt Is resolved that the Investments In Sukuk Issued by the Company a re In accordance with Shariah principles as per the Shariah guidelines provided by Securities and Exchange Commission of Pakistan.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

And Allah knows the best.

Mufti Hafiz Mohammad Shoaib
Shariah Advisor
SECP/IFD/SA/146

Mufti Hafiz Muhammad Shoaib
SECP Registered Shariah Advisor
Registration #: SECP/IFD/SA/069
Date: October 22, 2025

بسم الله الرحمن الرحيم

Closure Report – Ismail Industries Limited Short Term Sukuk V of Up to PKR 8,000 Million

The purpose of this Closure Report is to provide an opinion on the Shariah compliance status of the Rated, Privately Placed, Unsecured Short Term Sukuk V for PKR 8,000 Million (Pak Rupees Eight Billion) issued by Ismail Industries Limited (the "Company ").

It is the core responsibility of the Company to manage the Sukuk in such a manner which is in compliance with the Shariah principles as laid out in the Shariah Structure of Sukuk. In the capacity of Shariah Advisor, I express my opinion based on the review of the information provided by the Issuer and AL Meezan team, to an extent where compliance with the Shariah guidelines can be objectively verified.

Therefore, it is resolved that the investments in Sukuk issued by the Company are in accordance with Shariah principles as per the Shariah guidelines provided by Securities and Exchange Commission of Pakistan.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

Mufti Hafiz Mohammad Shoaib
Shariah Advisor
SECP/IFD/SA/146

Hafiz Muhammad Shoaib
Shariah Advisor
Registration #: SECP/IFD/SA/146

05

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CEO Message

Dear Shareholders,

This year's report comes at a time of renewed purpose and strategic clarity for Ismail Industries Limited. Operating in a challenging macroeconomic landscape, 2026 tested our agility, yet through the unwavering resilience and commitment of our teams, we did not merely navigate these pressures—we emerged stronger, setting a robust foundation for sustainable long-term growth.

We are operating in an era where driving consistent shareholder value must go hand in hand with responsible corporate stewardship. For us, sustainability is not a parallel effort or a compliance exercise; it is an integral part of how we create long-term value. Through **I-Sustain,** our sustainability framework, with four pillars – GROW (govern, reduce, origin & wellbeing), we are bringing together our efforts across environmental responsibility, circularity, people, integrity and responsible products, embedding sustainability into the way we operate and grow.

This conviction is reflected in our operational evolution. By accelerating our transition to renewable energy sources, we are taking decisive actions to reduce our carbon footprint while simultaneously driving cost optimization and efficiency across our manufacturing operations. Our circularity efforts are also gaining momentum, including initiatives focused on responsible plastic management and recycling. Through I-sustain, we are working to move beyond individual initiatives towards a more structured and measurable approach to sustainability across our businesses. Yet, true sustainable transformation begins with our people. We continue to invest in learning and development, employee engagement, health and safety, and initiatives that foster a culture of responsibility. From grassroots training to companywide climate action workshops on World Environment Day, we are cultivating greater awareness and ownership, empowering our people to understand how everyday decisions can contribute to our larger sustainability goals.

As we scale in an increasingly quality-conscious global marketplace, the trust of our consumers remains our most valued asset. We have deepened our commitment to operational excellence by embedding Good Manufacturing Practices (GMP), rigorous food safety protocols, and emergency preparedness into our core workflows. Safety and quality are not static targets for us—they are non-negotiable standards owed to every consumer who places their confidence in Ismail Industries Limited. On the strategic front, our investments in digital transformation, research and talent development are actively driving our growth engine. The full integration of enterprise-wide ERP systems has streamlined our operations, fostering faster, data-driven decision-making. Further, our expanded global export footprint continues to demonstrate the strength and competitiveness of Pakistani manufacturing on the international stage. Underpinning this entire growth trajectory is a strengthened Enterprise Risk Management framework, ensuring we remain resilient in an ever-evolving operating environment.

I-Sustain reflects our commitment to making sustainability a continuous journey one that connects our environmental footprint with circularity, our people with progress, and responsible practices with long-term value creation. As we move forward, we will continue to strengthen our data, governance and accountability, while translating our sustainability ambitions into measurable action across the organization.

While there is still much to achieve, our direction is clear and our ambition remains resolute. Guided by transparency, operational excellence, and shared purpose, we are working to set new benchmarks—not only for our industry, but for the communities we proudly serve.

Thank you for walking this path with us towards sustainable growth, long-term impact, and a future we can all be proud of.



Munsarim Saifullah
Chief Executive Officer

Driving Sustainable Growth

Our sustainability journey is guided by I-sustain, a sustainability framework, bringing together our commitments, initiatives and actions to build a more responsible and resilient business. It provides a common direction for embedding sustainability across our businesses and turning our ambitions into measurable progress.

I-Sustain is built around four pillars - **GROW: Govern, Reduce, Origin and Wellbeing.** Together, these pillars define our focus on strong governance, reducing our environmental footprint, responsible sourcing, and the wellbeing of our people and communities across Food, Pharma, Packaging, Resin and Nutrition.

I- Sustain Pillars

Governance

Building strong governance, accountability and transparency to embed sustainability into decision-making and business practices across the Group.

Reduce

Reducing our environmental footprint through action on energy, emissions, water, waste, plastics and resource efficiency, while progressing towards more sustainable operations.

G R O W

Origin

Strengthening responsible sourcing and understanding the environmental and social impact of the materials and resources that go into our products

Wellbeing

Creating a safe, inclusive and supportive environment for our employees and contributing positively to the communities connected to our business.

Sustainability Values

Sustainability is about how we choose to grow.

At Ismail Industries, we see long-term growth and responsible business as closely connected. The choices we make today — how we use resources, work with our people and partners, develop our products, and engage with our communities — shape the value we create for the future.

Our approach is grounded in responsibility, integrity, collaboration and continuous improvement. These values encourage us to understand the impact of our decisions, take ownership of our commitments and work with our stakeholders to find better ways of doing things.

Through I-Sustain, we are turning these principles into action. We are strengthening how we govern sustainability, reducing our environmental footprint, promoting responsible sourcing and investing in the wellbeing of our people and communities.

Our ambition is simple: to grow our business while creating value that lasts — for our people, our communities, our environment and the generations ahead.

Sustainability and Our Business Strategy

I-sustain is integrated with our broader business strategy, supporting our focus on responsible growth, operational resilience, resource efficiency, innovation and stakeholder value. By addressing environmental and social considerations alongside business priorities, we aim to strengthen the resilience of our operations and create sustainable value across our businesses.

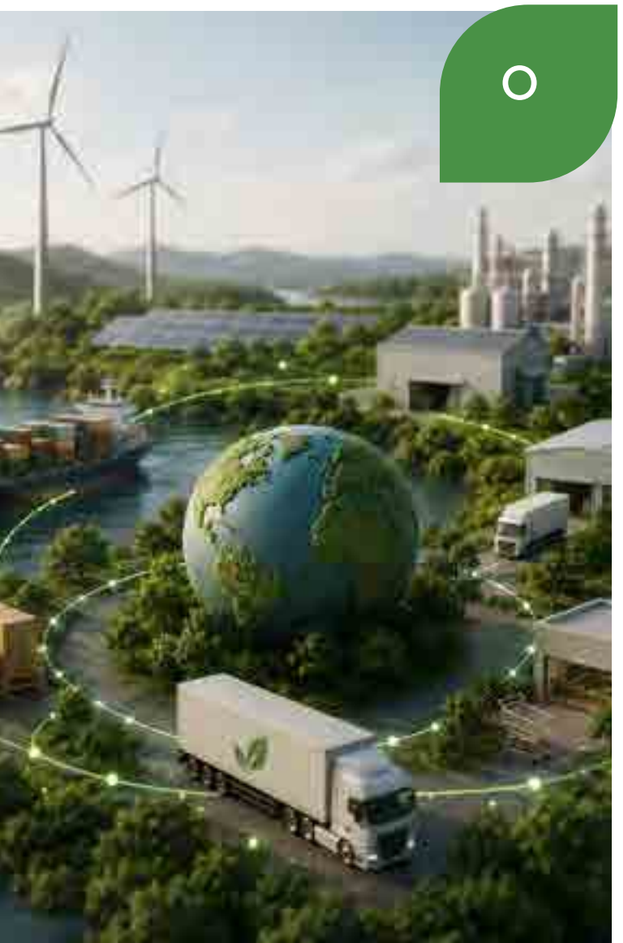
Contributing to the UN Sustainable Development Goals

Our sustainability priorities also contribute to the United Nations Sustainable Development Goals (UN SDGs), providing a globally recognized framework for addressing shared environmental, social and economic challenges.





G R O W





Basis of Sustainability Disclosures

The sustainability disclosures in this Annual Report have been developed with reference to the Best Corporate Report (BCR) Guidelines, IFRS S1 & S2, and aligned with relevant ESG reporting guideline published by Securities and Exchange Commission of Pakistan (SECP). The disclosures also consider the United Nations Sustainable Development Goals (UNSDGs) to highlight the areas where our sustainability priorities contribute to broader global goals.

Our approach is intended to provide stakeholders with a clear view of our sustainability priorities, progress and key areas of impact, while strengthening transparency and consistency in our sustainability disclosures.

Reporting Timeline

This Sustainability disclosure covers the reporting period from 1 July 2025 to 30 June 2026, aligned with the Company's financial year 2026.



Alignment with Global Goals

At Ismail Industries Limited, we recognize that long-term value creation rests on three interconnected pillars, Economic, Environmental, and Social. Together, they ensure that our growth as a business does not come at the expense of the resources and society. We map our sustainability priorities against the UN Sustainable Development Goals (SDGs) that fall under each pillar, reflecting where our operations can make the most meaningful contribution.



01 02 03 08 09

The economic pillar centers on stable, inclusive growth. We support livelihoods through consistent employment and fair wages (No Poverty), and as a food manufacturer, we help ensure safe, accessible nutrition reaches communities (Zero Hunger). We prioritize employee health, safety, and access to quality healthcare (Good Health and Well-Being), and we create decent jobs while supporting inclusive economic growth across our workforce (Decent Work and Economic Growth). We also invest in resilient infrastructure, including our R-PET facilities, to strengthen industry and drive innovation (Industry, Innovation and Infrastructure).

15 14 13 12 07 06

The environmental pillar ocuses on responsible resource use and climate resilience. We manage water withdrawal, reuse, and treatment responsibly across our facilities (Clean Water and Sanitation), and we scale renewable energy through solar investment across our manufacturing hubs (Affordable and Clean Energy). We advance circular economy practices through our investments (Responsible Consumption and Production), and we identify climate risks while building mitigation strategies into our operations (Climate Action). We also work to reduce plastic waste to protect marine ecosystems (Life Below Water) and manage waste and emissions responsibly to safeguard terrestrial ecosystems (Life on Land).

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The social pillar enters on the people and communities connected to our business. We support education through our Ismail Academy programs and promote diversity, including female representation on our Board of Directors. We foster inclusive practices that reduce disparities across our workforce and communities and invest in responsible community infrastructure and urban-adjacent operations. We uphold governance integrity through our whistleblowing policy and ethical standards, and we collaborate with industry bodies such as the Pakistan Business Council to advance shared sustainability goals, strengthening trust with our employees, partners, and the wider communities we serve.

Policies and Guidelines

To operationalize its commitment to sustainable operations, Ismail Industries Limited maintains a comprehensive suite of sustainability policies aligned with the national & international regulations and standards. These policies establish clear operational boundaries and accountability across all business units.

Key framework components include our:

Sustainability Policy

While creating long-term value for our stakeholders, we are committed to promoting environmental resilience, collective well-being, societal development, and economic prosperity. Key areas of our sustainability policy are:

Environmental Stewardship: Minimizing ecological footprint by adopting the 5Rs (Refuse, Reduce, Reuse, Repurpose, Recycle), embracing circular economy practices, reducing emissions, and protecting local biodiversity.

Workplace Equity & Safety: Upholding zero tolerance for corruption through robust governance, regulatory compliance, transparent stakeholder communication, and the integration of sustainability into core business planning.

Ethical Governance & Strategy: IUpholding zero tolerance for corruption through robust governance, regulatory compliance, transparent stakeholder communication, and the integration of sustainability into core business planning.

Sustainable Value Chains: Building resilient supply networks by ensuring all partners and suppliers align with the organization's high standards for ethics, labor rights, and environmental care.

Community Empowerment: Actively investing in societal development by supporting targeted social causes and uplifting local communities.

Digital Innovation: Leveraging AI route optimization, digital tools, and performance scorecards to drive transparent, data-backed decisions that accelerate sustainability goals.

Energy Policy

We are dedicated to managing energy responsibly as a part of our broader sustainability commitments and environmental stewardship to mitigate climate change. We believe that responsible energy management is essential in the reduction of environmental impact and operational costs, while contributing to the long-term success of our organization.

Compliance & Governance: Adhering to all energy legislation, establishing frameworks for setting and reviewing targets, and maintaining transparent performance reporting to leadership.

Renewables & Decarbonization: Accelerating the adoption of renewable energy sources to minimize the overall carbon footprint and seamlessly align with corporate emission reduction targets.

Environmental Policy

Established to integrate environmental considerations across all operational and non-operational tiers. Guided by these principles, we pledge to focus on the following environmental responsibilities and strategies:

Resource & Waste Management: Maximizing resource efficiency through the 4Rs (reduce, reuse, recycle, repurpose), conserving freshwater, treating wastewater, and ensuring certified disposal of unavoidable waste.

Climate Action & Energy Efficiency: Reducing greenhouse gas emissions and adopting energy-efficient practices, alongside the use of eco-friendly refrigerants and innovative digital monitoring technologies.

Compliance & Continuous Improvement: Adhering to all environmental laws and protocols, identifying risks, preparing emergency responses, and regularly reviewing goals to advance the Environmental Management System.

Biodiversity Protection: Minimizing ecological disruption and actively safeguarding natural habitats and biodiversity within and around operational premises.

Sustainable Value Chains: Prioritizing sustainable sourcing and strictly partnering with suppliers who uphold responsible environmental practices.

Culture & Transparency: Driving a culture of environmental stewardship through employee capacity-building and awareness programs, while maintaining transparent performance reporting for all stakeholders.

Operational Efficiency & Innovation: Embedding energy efficiency into facility design, product development, and daily operations through innovative technologies and process optimization to eliminate waste.

Sustainable Procurement: Prioritizing the acquisition of energy-efficient products and services while partnering with suppliers who share a strict commitment to sustainability.

Performance Tracking & Security: Continuously monitoring Energy Performance Indicators and leveraging energy forecasting alongside emergency preparedness to optimize resources and mitigate risks.

Culture & Stakeholder Engagement: Equipping employees with the necessary training, data, and resources while fostering active collaboration among staff, suppliers, and customers to drive energy goals.

Sustainability Management Cycle

Our sustainability management approach is an ongoing cycle through which we identify relevant areas of impact, assess our current performance, set priorities, implement initiatives and review progress.

We begin by understanding the environmental and social impacts associated with our operations, together with relevant risks, opportunities and stakeholder considerations. We assess our current performance against established baselines and identify areas where further action or improvement is required.

These assessments inform our sustainability priorities, targets and action plans under I-sustain. Initiatives are then implemented across our businesses, with progress tracked through ongoing monitoring and review. The results of this process help us identify areas for further improvement and refine our priorities over time.

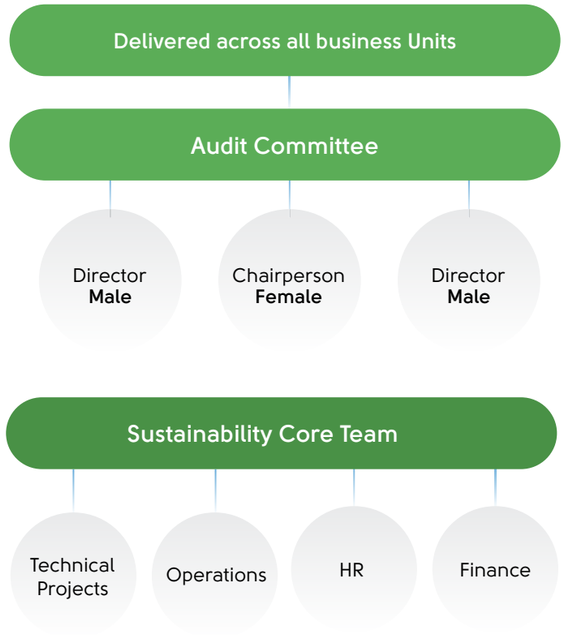


G – GOVERN (Strengthening Accountability, Transparency & Trust)

Sustainability Governance And Board Oversight

During FY2025–26, Ismail Industries Limited strengthened its sustainability governance framework by enhancing Board-level oversight of environmental, social and governance matters. Sustainability-related responsibilities were incorporated into the Terms of Reference of the Board Audit Committee and approved by the Board of Directors at its meeting held on April 22, 2026. To further support effective oversight, the Company will continue to enhance Board awareness of evolving sustainability standards, climate-related risks and opportunities, and changing stakeholder expectations through appropriate briefings and awareness sessions.

The Audit Committee will report to the Board on sustainability-related matters in accordance with applicable regulatory requirements and the Committee's Terms of Reference.





This governance framework is supported by a cross-functional Sustainability Core Team comprising representatives from Technical Projects, Operations, Human Resources and Finance. The team provides a coordinated platform for identifying and assessing material ESG risks and opportunities, monitoring sustainability performance and strengthening accountability across business units. During the year, the Company also continued its alignment with applicable SECP ESG disclosure requirements and progressed the first-time adoption of IFRS S1 and IFRS S2. These initiatives are further supported by established policies and controls covering ethical conduct, anti-bribery, supplier standards, product safety and quality, and whistleblowing, reinforcing the Company's commitment to responsible business practices, transparency and long-term value creation.

Defined Sustainability Roles and Responsibilities:

To keep sustainability initiatives moving effectively, the Company has defined clear roles and responsibilities across three levels. The Middle Management provides strategic direction for sustainability initiatives, aligning projects with business objectives and ESG commitments, overseeing targets, approving action plans, and reporting progress to Senior management. The Supervisor translates this strategy into action by coordinating departments, monitoring implementation, and tracking KPIs and data quality, while escalating risks or gaps to the Manager. The Operational Team implements sustainability actions at the site and process level, collecting and validating data, following defined SOPs, and supporting audits and reporting.

Sustainability Risk and Opportunities:

The Board of Directors (the "Board") is responsible for overseeing the Company's sustainability-related risks and opportunities. As part of its governance responsibilities, the Board has identified the following key sustainability risks, their potential impacts, and the corresponding opportunities to strengthen the Company's resilience and long-term sustainability.

Types of Risks	Potential impact	Description	Related Opportunity
Severe rainfall and flooding.	Damage to inventory and other assets resulting from flooding within factory premises.	Intense rainfall and flooding may lead to water ingress into the Company's manufacturing facilities and warehouses, causing damage to inventory, equipment, and other physical assets.	Strengthening flood resilience through enhanced drainage infrastructure and installation of flood barriers and flood gates at warehouses and other critical facilities.
Extreme Heat Conditions	Damage to inventory and adverse effects on employees' health, safety, and productivity.	Pakistan continues to experience increasingly frequent and intense heatwaves as a result of climate change. Prolonged periods of extreme temperatures may adversely affect inventory quality while also posing health and safety risks to employees.	Maintaining temperature-controlled environments across warehouses, manufacturing facilities, and office premises to safeguard product quality and enhance employee wellbeing.
Water Scarcity	Increased manufacturing costs, operational constraints, and potential production disruptions.	The growing scarcity of freshwater resources in Pakistan may affect the continuity of manufacturing operations, resulting in higher production costs, operational inefficiencies, and delays in production schedules.	Investing in advanced water recycling and reuse systems, improving water-use efficiency across operations, and adopting technologies that reduce overall water consumption.
Tightening Regulations on Plastic Usage	Potential disruption to Astro Films operations, increased packaging costs, and pressure on profitability.	Evolving regulatory requirements and restrictions on plastic usage may affect the Company's plastic and flexible packaging operations, increase packaging costs, and consequently impact profit margins.	Developing higher-quality and more sustainable film products, investing in innovative recycling technologies, collaborating with waste management partners on collection and recycling initiatives, and promoting reusable and refillable packaging solutions.

Stakeholder Engagement

Furthermore, effective corporate governance requires continuous dialogue with internal and external stakeholders. Ismail Industries Limited integrates stakeholder feedback into its strategic decision-making process to manage ESG risks, maintain operational integrity, and create long-term shared value.

Employees

Primary ESG Themes Addressed	Engagement Mechanism & ESG Focus	Strategic ESG Impact & Value Creation
• Occupational Health & Safety • Talent Development & Retention • Human Capital & Well-being	• Conducting regular health, safety awareness, medical screening, and vaccination drives. • Executing independent safety audits to ensure a secure work environment. • Driving structured competency frameworks, leadership development, and cross-functional knowledge sharing. • Utilizing collaborative goal-setting and performance reviews alongside competitive, equitable remuneration.	Enhances workforce productivity, minimizes operational risk, and fosters an inclusive, growth-oriented corporate culture.

Customer & Suppliers

Primary ESG Themes Addressed	Engagement Mechanism & ESG Focus	Strategic ESG Impact & Value Creation
• Sustainable Supply Chain • Responsible Sourcing • Product Quality & Safety	• Gathering continuous stakeholder feedback through targeted surveys to drive service and product improvements. • Leveraging market and consumer insights to align with evolving sustainability expectations. • Hosting facility visits for customers and distributors to showcase high manufacturing standards and operational transparency.	Builds supply chain resilience, strengthens customer trust, and drives sustainable revenue growth.

Local Community

Primary ESG Themes Addressed	Engagement Mechanism & ESG Focus	Strategic ESG Impact & Value Creation
• Social Impact & Inclusion • Community Empowerment • Community Relations	• Collaborating with local institutions and vocational training centers to support inclusive development and social empowerment. • Partnering on community-driven sustainability and innovation projects.	Strengthens our Social License to Operate, enriches community development, and builds long-term shared value.

Investors & Shareholders

Primary ESG Themes Addressed	Engagement Mechanism & ESG Focus	Strategic ESG Impact & Value Creation
• Corporate Governance • Financial & ESG Transparency • Climate Risk Reporting	• Hosting Annual General Meetings and Corporate Briefing Sessions for open dialogue with investors and analysts. • Disclosing quarterly financial, operational, and material ESG performance metrics transparently.	Builds investor confidence, lowers capital risk, and demonstrates strong ESG integration into core strategy.

Regulators (e.g., SECP, PSX, FBR)

Primary ESG Themes Addressed	Engagement Mechanism & ESG Focus	Strategic ESG Impact & Value Creation
• Legal & Regulatory Compliance • Business Ethics • Corporate Governance	Maintaining continuous dialogue with key regulatory bodies to ensure full adherence to applicable laws, SECP ESG guidelines, and governance standards.	Mitigates regulatory exposure, safeguards organizational integrity, and ensures seamless compliance.

Lenders & Financial Partners

Primary ESG Themes Addressed	Engagement Mechanism & ESG Focus	Strategic ESG Impact & Value Creation
• Financial Sustainability • ESG Risk Management	Engaging proactively on material financial matters, ESG risks, and capital structures to maintain full operational transparency.	Secures sustainable financing options, optimizes cost of capital, and ensures long-term financial flexibility.

R- REDUCE (Reducing Our Footprint, Conserving Resources)

Our approach to REDUCE focuses on understanding and managing the environmental footprint of our operations. During FY2025–26, we continued implementing initiatives across our business while also strengthening the systems required to measure and report our environmental performance.

As this is our first year of formal reporting on key environmental indicators, FY2025–26 has been established as our baseline year. The data presented in this report provides an initial view of our energy consumption, greenhouse gas emissions and water use across the reporting boundary. This baseline will allow us to track performance consistently and identify opportunities for improvement in future reporting cycles.

Sustainable Action Across our Businesses

Water Stewardship

Wastewater Reuse
At our Candyland factory at Hub, cooling tower blowdown is treated through ultra filtration and reverse osmosis (RO), allowing the treated water to be reused in boilers, economizers and cooling systems. The initiative, reducing reliance on water tankers by around 10 trips per day and lowering potable water consumption and associated emissions.


Candyland


rPET

Wastewater Treatment
Ismail Resin treats wastewater through a multi-stage process involving pH adjustment, coagulation and flocculation, biological treatment, filtration and disinfection before reuse or discharge. The system supports responsible water management while minimizing the environmental impact of operations.

Closed-Loop Water & Energy Recovery
Ismail Resin operates a closed-loop system that recycles process water through stripping, effluent treatment and demineralization. The system also recovers waste heat through a lithium-bromide absorption chiller, while ethylene glycol is recovered and reused within the process.

Plastic Recycling Project

Building a circular system for post-consumer plastic
Ismail Resin's r-PET facility supports the recovery and recycling of post-consumer plastic waste across Sindh. With a recycling capacity of approximately 25,000 MT per year, the facility converts collected plastic into recycled material, helping reduce plastic waste and increase the use of recycled resources.

The project also focuses on strengthening the collection network that supplies the facility. This includes working with collection partners to improve material traceability, collection practices, documentation and health and safety conditions at collection sites. By bringing greater structure to the collection process, we aim to build a more reliable and responsible supply chain for recycled plastic.



Biomass Project

The biomass-fired thermal oil heater provides 10 million kcal/ hour of thermal capacity for PET resin processing. This helps substitute conventional fossil-based fuels with a renewable biomass energy source.





Renewable Energy Expansion

The Company continues to expand its renewable energy portfolio through solar power generation across its operational sites, with a combined installed capacity of approximately 10.89 MW/h. The solar installations generated, reducing reliance on conventional grid electricity and contributing to the Company's transition toward cleaner and lower-carbon energy sources. The approximate energy generated from solar for this reporting cycle is 9.4 GWh.

Water & Waste Mapping

Ismail Industries is strengthening its water and waste management practices through systematic mapping across its operations. The exercise captures water sources and consumption, wastewater generation and discharge, waste types and quantities, treatment processes, disposal routes, and opportunities for reuse, recycling and recovery across facilities.

The mapping involves documenting key water and waste flows from source to final destination, including major consumption points, wastewater treatment systems, waste storage areas, collection arrangements and disposal or recovery pathways. This helps identify where resources are being consumed, where waste is generated and where improvements can be made.

The information generated through the mapping will support resource efficiency, waste reduction, circularity and improved traceability, while strengthening the quality and consistency of data used for sustainability and ESG reporting. It also provides a baseline for identifying future reduction and recovery targets across the Group.

Environmental Performance

Defining Reporting Boundary

To ensure transparent and accurate greenhouse gas (GHG) accounting across Ismail Industries Limited's diversified portfolio, organizational boundaries are established in accordance with the GHG Protocol Corporate Standard. Defining these boundaries determines how emissions are consolidated and attributed across our FMCG, confectionery, biscuit, packaging, and subsidiary operations with differing ownership structures. By adopting a consolidated approach, Ismail Industries Limited establishes a rigorous baseline to measure its climate impact, drive sustainable manufacturing, and streamline corporate reporting.

The three consolidation approaches available under the Standard are equity share, operational control, and financial control, of which we apply the Operational Control Approach.

Under this approach, we account for 100% of GHG emissions from facilities where we exercise full operational authority to implement policies, regardless of equity ownership; non-operated equity investments are excluded. This is the most relevant basis for our manufacturing operations, as it focuses environmental accountability directly on day-to-day operational management.

Energy Management

Energy consumption is an important component of our operational footprint. During FY2025–26, we established a baseline for energy use across our reporting boundary and strengthened the collection and consolidation of energy-related data.

Our energy data covers relevant sources of energy used across our operations, including purchased electricity and fuel consumption. We are also tracking renewable energy generation and its contribution to our overall energy profile.

The baseline established this year provides a reference point for future monitoring and will help us better understand energy-use patterns across our business units. Going forward, we will continue to strengthen energy data management and identify opportunities to improve efficiency and increase the contribution of renewable energy.

Greenhouse Gas Emissions

We have established a baseline emissions inventory to better understand the greenhouse gas footprint associated with our operations.

Our emissions inventory covers Scope 1 and Scope 2 emissions within the defined reporting boundary. The calculation process is based on relevant activity data and applicable emissions factors, with the aim of establishing a consistent methodology that can be applied in future reporting periods.

Water Management

Water is an important resource across our operations, and responsible water management forms part of our broader environmental approach.

During FY2025–26, we established our baseline for water consumption and began consolidating water-use data across relevant operations. This provides greater visibility of our current consumption and creates a foundation for monitoring water performance in future reporting periods.

Our focus is on improving the consistency of water data collection, strengthening monitoring practices and identifying opportunities to use water more efficiently across our operations.

Looking Ahead

In the coming reporting cycles, we will continue to improve the coverage, consistency and quality of environmental data across our operations. Our focus will be on moving from measurement and baseline establishment toward performance tracking, target setting and continuous improvement.

O - ORIGIN (Responsible Sourcing, Transparent Value Chains)

Responsible Sourcing, Transparent Value Chains

Our sustainability journey extends beyond our own operations. We are working to strengthen visibility across our value chain, with a particular focus on understanding the origin, movement and management of materials throughout their lifecycle. Across multiple business units, we are progressively strengthening supply chain practices, documentation and data collection to support more responsible sourcing and improved traceability.

Strengthening Sustainable Procurement

A Sustainability Procurement Policy is in place to provide a framework for integrating sustainability considerations into procurement practices. The policy supports a more structured approach to engaging with suppliers and strengthening sustainability considerations across our supply chain.

Our work is focused on building greater visibility of upstream activities and establishing consistent processes for recording relevant information. This enables us to better understand our supply base, material flows and key stages within the value chain, while creating a stronger foundation for future sustainability assessments and reporting.

Building Traceability

A key area of our work is improving the traceability of materials from their point of origin through processing and into their subsequent applications. Rather than looking only at our immediate operations, we are working to capture information across upstream & downstream activities and strengthen documentation at different stages of the material journey.

This approach is particularly relevant to our circular economy initiatives, where understanding the origin and movement of recovered and recycled materials is essential to demonstrating the integrity of the value chain.
Our R-PET operations are an important example of this approach. We are strengthening upstream & downstream traceability and tracking the movement of raw materials through the value chain—from sourcing and collection through processing and ultimately to the end product.

This work provides greater visibility into the material journey and helps us maintain a more structured record of activities taking place. We have a robust system in place for documentation and traceability through which we build a clearer connection between the source of the material and its eventual application.

Building the Foundation for Better Value-Chain Reporting

Our current focus is on establishing visibility and recording relevant traceability information, creating a reliable foundation for future analysis and reporting. While emissions reporting is not yet part of this work, the data and documentation being developed will help strengthen our understanding of the value chain over time.

Looking ahead, we aim to continue expanding this approach across our business units and value chains, while strengthening our ability to connect responsible sourcing, traceability, certification and lifecycle thinking.



W - WELLBEING (Empowering People, Strengthening Communities)

People, Wellbeing & Social Impact

At Ismail Industries Limited, we believe that our people are central to our long-term success. We are committed to creating a safe, inclusive and supportive workplace where employees have opportunities to learn, grow and contribute. Our approach extends beyond the workplace to include respect for human and labour rights, responsible employment practices, community engagement, youth development and responsible products.

Our people-related practices are supported by relevant policies, management systems and employee programmes, with a focus on workplace safety, employee wellbeing, professional development and meaningful engagement.

Occupational Health & Safety

The health and safety of our employees, contractors and visitors is a fundamental priority. Ismail Industries has an HSE Policy in place that establishes our commitment to maintaining safe and healthy working environments and promoting a culture of safety across our operations.

Our approach includes workplace safety procedures, hazard identification and risk management, safety awareness, emergency preparedness, personal protective equipment, workplace inspections and employee training. We continue to strengthen awareness and participation so that health and safety remain an integral part of our day-to-day operations.

Employee Health & Wellbeing

We recognize that employee wellbeing extends beyond occupational safety and includes physical, mental and social wellbeing. We seek to support employees through workplace health initiatives, awareness activities and programs that promote a healthy and supportive working environment.

Health and wellbeing activities during the year included awareness sessions, sports and recreational activities. These initiatives provide employees with opportunities to focus on their health while strengthening connections across the organization.

Learning & Development

We support continuous learning and development by providing employees with opportunities to strengthen their technical, functional, leadership and professional capabilities. Learning programs are designed around business requirements as well as individual development needs.

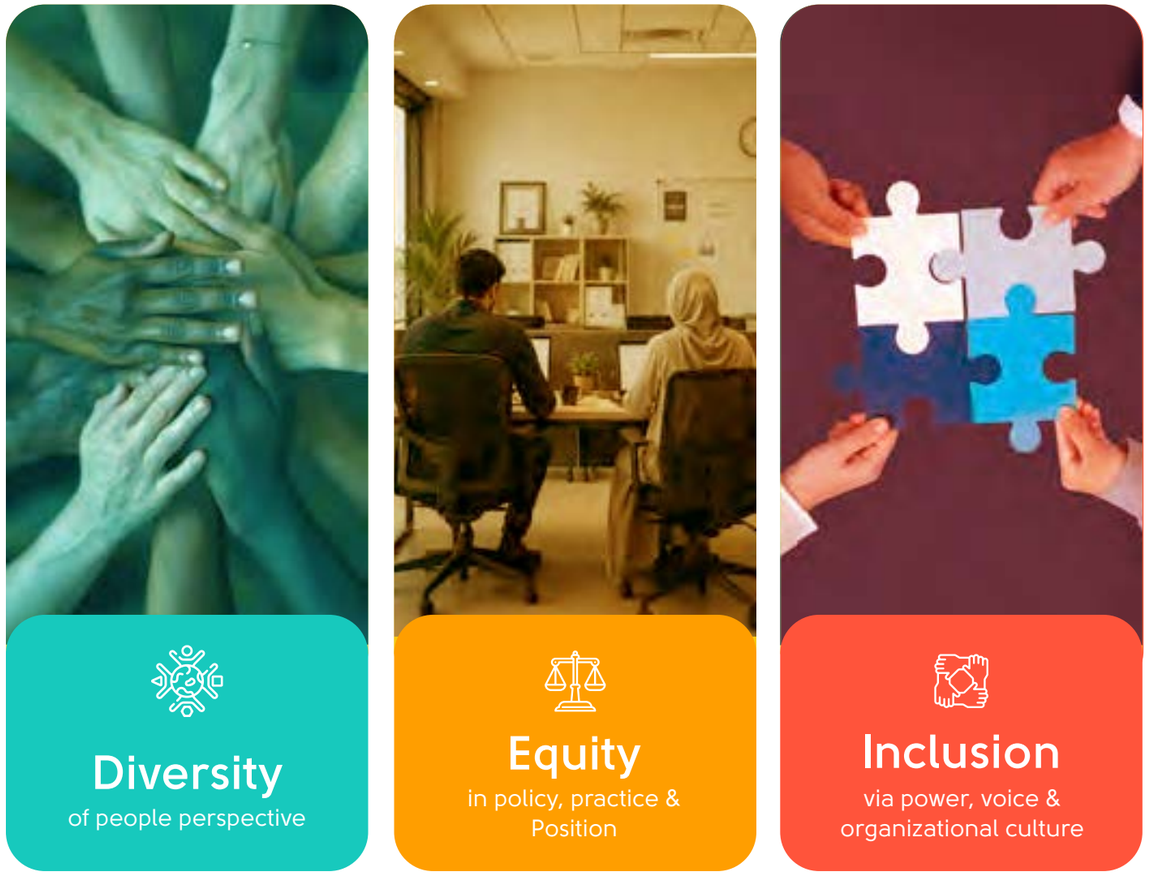
We also provide opportunities for early-career talent through internships and graduate trainee programs.

We aim to build a culture in which employees are encouraged to continuously develop their capabilities and take ownership of their professional growth.



Diversity, Equity and Inclusion (DE&I):

The Company believes that a diverse, equitable, and inclusive workplace is fundamental to sustainable business success. We are committed to fostering a work environment that values diversity, promotes equal opportunities, and enables every employee to realize their full potential.



Specific Initiatives

- Investing in employee learning, training, and career development to strengthen talent and build future leadership capabilities.
- Creating meaningful employment opportunities that contribute to the socio-economic uplift of individuals from lower-income communities.
- Promoting employee wellbeing by encouraging participation in sports and recreational activities.
- Supporting access to quality education for underprivileged individuals through the Ismail Academy initiative.
- Providing a safe, healthy, and inclusive workplace while maintaining open and effective channels of communication with employees.

Labour & Human Rights

We support continuous learning and development by providing employees with opportunities to strengthen their technical, functional, leadership and professional capabilities. Learning programs are designed around business requirements as well as individual development needs.

We also provide opportunities for early-career talent through internships and graduate trainee programs.

We aim to build a culture in which employees are encouraged to continuously develop their capabilities and take ownership of their professional growth.

Fair Employment & Labour Practices

We seek to maintain fair and transparent employment practices across our workforce. Employees are provided with terms and conditions of employment in accordance with applicable requirements, including provisions relating to working hours, leave, compensation and other employment benefits.

Our employment practices are supported by established HR processes covering recruitment, onboarding, performance management, employee development and separation.

Employee Benefits & Social Protection

We provide employees with benefits and social protection in accordance with applicable legal requirements and organizational policies. Depending on eligibility and employment terms, these include EOBI, gratuity, medical coverage, insurance, leave benefits, maternity benefits and other applicable benefits.

These provisions are intended to support employees and their families and provide financial and social protection throughout their employment.

Workplace Grievance & Employee Relations

We provide channels through which employees can raise workplace concerns, seek clarification and report grievances. Employee concerns are handled through established HR processes, with appropriate confidentiality and investigation mechanisms.

We aim to maintain an environment in which employees can raise concerns without fear of retaliation and where workplace issues are addressed fairly and responsibly.

Community Investment & Social Impact

Our responsibility extends beyond our own operations to the communities in which we operate. Through our community investment and social impact initiatives, we support areas including education, health, environmental awareness, community welfare and skills development.

Youth & Skills Development

We recognize the importance of equipping young people with knowledge, practical skills and exposure to professional environments. Through internships, trainee programs, learning opportunities and other youth-focused initiatives, we provide young people with opportunities to gain practical experience and develop workplace skills.

Employee Volunteering

Our employees contribute to social and environmental initiatives through volunteering and participation in community activities. Employee volunteering provides an opportunity for our people to contribute their skills, time and efforts towards causes that align with our sustainability and social impact priorities.

Product Quality, Safety & Consumer Wellbeing

As a diversified organization serving consumers across food, pharmaceutical, nutrition and other product categories, product quality and safety are integral to our responsibility towards our customers.

We maintain quality assurance and control processes across relevant operations to ensure that products meet applicable quality, safety and regulatory requirements. These processes include product testing, quality monitoring, compliance controls, product specifications and other measures relevant to individual product categories.

We also recognize the importance of providing consumers with appropriate product information and maintaining mechanisms for receiving and addressing consumer feedback and complaints.

Highlights of Company's Sustainability performances and initiatives

Social

The Company is committed to creating long-term value for its stakeholders by fostering a safe, diverse, equitable, and inclusive workplace while contributing positively to the communities in which it operates. We believe that sustainable growth is underpinned by meaningful stakeholder engagement, employee development, and responsible business practices.

Through transparent communication and constructive partnerships, the Company seeks to understand stakeholder expectations, address concerns proactively, and develop collaborative solutions that generate lasting social value.

Specific Initiatives

- Promoting female representation across various levels of management and encouraging a diverse and inclusive workforce.
- Maintaining a Whistleblower Policy to facilitate the confidential reporting of concerns and employee grievances while reinforcing ethical conduct and accountability.
- Strengthening occupational health and safety practices with the objective of minimizing workplace injuries across all operating locations.
- Ensuring timely settlement of obligations to employees, suppliers, financial institutions, shareholders, and other stakeholders.

Unlocking Creative Potential



Building meaningful connections through artistic expression, Ismail Industries Limited organized an inspiring collaborative art workshop with the Karachi Vocational Training Centre (KVTC). The uplifting session paired our dedicated volunteers directly with KVTC students in an encouraging environment designed to foster authentic mentorship and mutual skill-sharing. By exploring creative techniques together, participants gained self-confidence, developed practical artistic abilities, and reinforced the transformative power of inclusive corporate community engagement.

Children's Day

We celebrated Children's Day with an engaging and educational experience for employees and their children at the TDF Magnifiscience Centre. It was a memorable experience for both parents and children as they explored interactive science exhibits and participated in fun, hands-on learning activities. This initiative was aimed at strengthening bonds within the organization and fostering a sense of pride and belonging.



First Aid Training



Recognizing that preparedness is critical in emergencies, IIL's first cohort of Graduate Trainee Engineers, along with colleagues from across the business, participated in a First Aid Training session at Port Qasim, conducted by Grow Safe. The hands-on session equipped participants with practical skills and the presence of mind required to respond effectively in critical situations. This initiative forms part of IIL's broader commitment to employee wellbeing and workplace safety.

Empowering Creative Community

Demonstrating our unwavering commitment to community integration, volunteers from IIL recently participated in an engaging ceramic painting session alongside talented students at the Karachi Vocational Training Centre (KVTC). This uplifting initiative fostered genuine connections and shared creativity as our team actively encouraged and supported students in decorating handcrafted pottery. Through hands-on creative collaboration, the



Crafting Creative Skills



Fostering hands-on vocational development, Ismail Industries Limited team members joined students at the Karachi Vocational Training Centre (KVTC) for an engaging traditional block printing workshop. Working side-by-side in a dynamic classroom setting, volunteers assisted participants with fabric stamping and custom pattern creation. This interactive session nurtured practical skill-building, artistic confidence, and authentic social inclusion, showcasing how collaborative creative projects can effectively empower individuals across our local community.

Employee Development – Food Safety & Quality Training

IIL's GTEs participated in a Food Safety & Quality training led by Mr. Zafarullah Khan, Deputy General Manager Quality, at the Astro Films Plant, Port Qasim. The session covered Good Manufacturing Practices (GMP), HACCP, hygiene standards, and quality systems. Beyond compliance, it emphasized the role of quality and food safety in sustaining consumer trust, reflecting IIL's commitment to developing future leaders equipped to uphold high standards across operations.



Environmental:

Out of the three pillars under Environmental (E), Social (S) and Governance (G), The environmental pillar focuses on the Company's impact on the natural environment, the responsible stewardship of natural resources, and the management of environmental risks and opportunities that are material to the business. The Company remains committed to minimizing its environmental footprint by adopting sustainable practices that promote resource efficiency, reduce emissions, and support environmental conservation.

Specific Initiatives

- Advancing the reduction of greenhouse gas (GHG) emissions through the development of a biomass fuel plant at one of the Company's subsidiaries, with plans to evaluate the implementation of similar initiatives across other business units, where feasible.
- Progressing towards the adoption of alternative energy solutions to reduce carbon emissions while improving energy efficiency and optimizing power costs.
- Conducting plantation drives and afforestation initiatives on a periodic basis to support environmental sustainability and enhance green cover.

Climate Action Workshop



IIL colleagues participated in "From Signals to Solutions: Climate Action Through Circular Living," a workshop hosted with TrashIt to mark World Environment Day 2026. Anchored in the theme "Inspired by Nature. For Climate. For Our Future," participants explored how nature's principles of efficiency and resilience can shape more sustainable consumption and waste management choices. The workshop reinforced that meaningful climate action begins with everyday decisions, not just large-scale interventions.

Sustainability Training:

IIL's Graduate Trainee Engineers (GTEs) attended a sustainability training session led by Ms. Sundus Sohail, Deputy Manager Sustainability, at the Astro Films Plant, Port Qasim. The session covered environmental responsibility, resource optimization, energy efficiency, and waste reduction, alongside Groupwide sustainability initiatives and the role of engineering teams in driving sustainable manufacturing. This training strengthens internal capacity for more efficient and environmentally responsible operations across IIL's plants.



Plantation Drive – World Environment Day

On World Environment Day, a plantation drive was organized to promote environmental awareness and encourage employees to contribute towards a greener and more sustainable workplace. The initiative reflected IIL's commitment to sustainability, environmental stewardship, and employee participation in meaningful social and environmental causes.





International Clean Energy Day

International Clean Energy Day was highlighted through an internal communication celebrating Ismail Industries' progress in renewable energy.

The **5.62 MW Solar Park** Project was announced as a key milestone in the company's clean energy transition.

Planned solar expansion is expected to increase renewable generation to **~15.17 GWh/year**, resulting in **9,000+ tCO_2/year** in avoided emissions.

The communication also highlighted the company's **I-REC solar credit trading initiative** and its contribution to the company's long-term climate goals

World Water Day

Indoor self-watering plants were presented to all HODs as a symbolic gesture to encourage mindful water usage and promote sustainability in daily routines, highlighted by the message:

"Save Water, Grow Life."



World Environmental Day

Sustainability Awareness Session

Conducted a World Environment Day awareness session in collaboration with TrashIt, aligned with the theme "Inspired by Nature. For Climate. For Our Future."

Engaged participants through interactive discussions on nature-inspired approaches to resource efficiency, waste management and sustainability.

Highlighted how efficiency, regeneration and resilience in natural systems can guide more sustainable choices and responsible resource consumption.







World Earth Day

A World Earth Day awareness post was shared on LinkedIn highlighting the Plastic Bottle Recycling Plant at Port Qasim.

The communication focused on the facility's contribution to circular economy practices and plastic waste recycling.

It helped reinforce the company's sustainability commitments, including reduced reliance on virgin plastic and lower CO_2 emissions through recycling operations.





International Day of Biodiversity

International Day for Biological Diversity communication highlighted the company's biomass recovery and pyrolysis initiative.

Utilize **23,000+ tons of agricultural biomass in 2027,** producing **~4,000 tons of biochar.** Retained and prevented the release of **~1,100+ tons of carbon,** while reducing agricultural waste burning and air pollution. Biochar supports **soil health and moisture retention,** promoting more sustainable agricultural practices. These Initiative advances **circular economy, climate action and biodiversity conservation** through waste-to-resource solutions.



Technological Innovation

Innovation and technology remain integral to the Company's strategy for operational excellence, product quality, and sustainable growth. The Company continues to invest in advanced manufacturing technologies, digital transformation, and quality assurance systems to enhance operational efficiency and strengthen its competitive position.

Specific Initiatives

- Adoption of advanced manufacturing technologies across food and flexible packaging businesses.
- Implementation of SAP S/4HANA to enhance enterprise-wide integration, operational efficiency, and data-driven decision-making.
- Deployment of cloud-based data management systems to enable real-time information availability and improved business analytics.
- Dedicated Quality Assurance departments established at each manufacturing facility to uphold product quality and food safety standards.
- Ongoing investment in research, innovation, and continuous product development to meet evolving customer preferences and market requirements.





Governance

Our commitment to sustainability is underpinned by a culture of continuous innovation and improvement. We invest in research and development, technological advancement, and process innovation to enhance operational efficiency, strengthen resilience, and support responsible, sustainable growth in an evolving business environment.

Specific Initiatives

- Promoting diversity at the Board level, with women representing **14.29%** of the Board and men representing **85.71%.**
- Maintaining a comprehensive Code of Conduct applicable across the Group to reinforce ethical business practices, integrity, and compliance.

Board's Statement on the Adoption of Corporate Social Responsibility (CSR)

The Board of Directors recognizes Corporate Social Responsibility (CSR) as an integral element of the Company's long-term sustainability strategy and responsible business practices. The Board remains committed to creating sustainable value by conducting business ethically, contributing positively to society, and minimizing the Company's environmental impact.

The Company believes that long-term business success is closely linked with the wellbeing of its stakeholders and the communities in which it operates. Accordingly, the Board endorses the implementation of CSR initiatives that are aligned with the Company's values and strategic objectives, while ensuring responsible stewardship of economic, social, and environmental resources.

The Company's CSR framework is guided by the following principles:

- Ethical governance and responsible business conduct.
- Meaningful stakeholder engagement.
- Community development and social investment.
- Environmental stewardship and resource conservation.
- Employee wellbeing, development, and empowerment.
- Transparency, accountability, and effective reporting.



Sustained Support for Ismail Academy and Khadijah Girls College

Ismail Industries continues its support for Ismail Academy and Khadijah Girls College, reaffirming its commitment to expanding access to quality education for underprivileged students. The Company's continued sponsorship has benefited approximately 1,000 students through access to modern learning resources and extracurricular activities, supporting their academic, personal and social development.















Vocational Training Centre:

As part of its commitment to inclusive community development and women's empowerment, Ismail Industries inaugurated a Vocational Training Centre in Hub to provide young women with practical stitching and tailoring skills. The initiative is aimed at enhancing employability, promoting economic self-reliance and enabling beneficiaries to contribute more effectively to their families and communities.





Corporate Social Responsibilities (CSR) Activities

Social Causes and Educational Institutions supported by Ismail Industries Limited

SUSTAINABILITY AT THE HEART OF EVERYTHING WE DO!

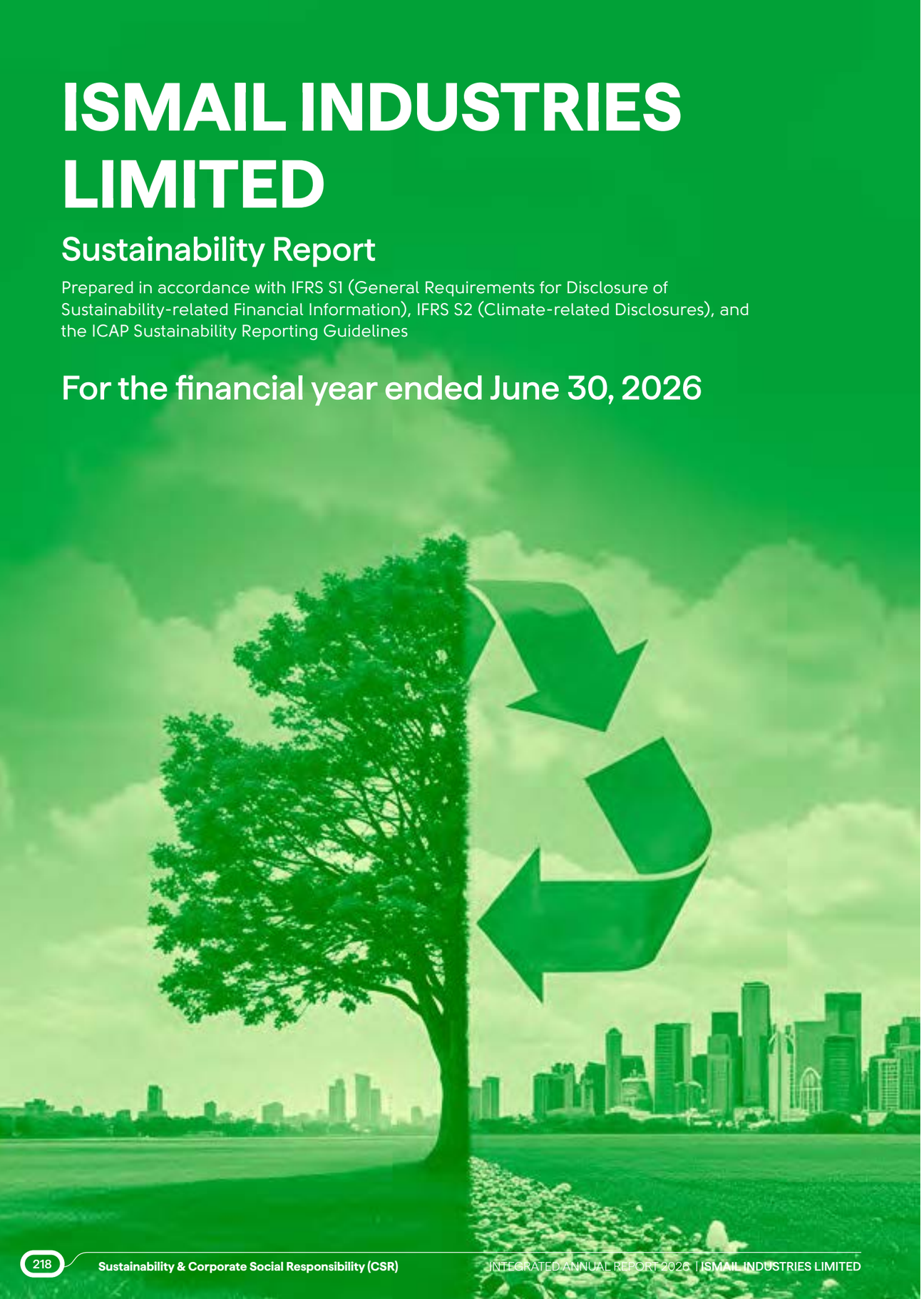


ISMAIL INDUSTRIES LIMITED

Sustainability Report

Prepared in accordance with IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information), IFRS S2 (Climate-related Disclosures), and the ICAP Sustainability Reporting Guidelines

For the financial year ended June 30, 2026



Climate-Related and Sustainability Disclosures under IFRS Sustainability Disclosure Standards (S1 & S2)

1. Introduction

Ismail Industries Limited is progressing towards enhanced sustainability-related and climate-related disclosures in alignment with the IFRS Sustainability Disclosure Standards, including IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 – Climate-related Disclosures.

The purpose of this section is to provide information on sustainability-related and climate-related risks and opportunities that may reasonably be expected to affect the Company's prospects, including their relevance to our business, strategy, risk management and performance.

Our disclosures are structured around the four core areas established under the IFRS Sustainability Disclosure Standards: Governance, Strategy, Risk Management, and Metrics & Targets.

The disclosures presented in this section complement the broader sustainability information provided under I-Sustain, our sustainability framework, and are intended to progressively strengthen the connection between sustainability performance, business strategy, risk management and long-term value creation.

1.1. Group Description

The Sustainability-related Financial Disclosures of Ismail Industries Limited (the "Company") and its subsidiaries (collectively, the "Group") have been prepared for the year ended June 30, 2026, and form part of the Company's Integrated Annual Report 2026.

The Company will continue to enhance the scope, depth and quality of the Group's sustainability-related financial disclosures in line with applicable regulatory requirements, evolving reporting standards and stakeholder expectations.

The disclosures should be read in conjunction with the Group's Unconsolidated and Consolidated Financial Statements for the year ended June 30, 2026, included in the Integrated Annual Report 2026.

Ismail Industries Limited

Ismail Industries Limited (the Holding Company) was incorporated in Karachi, Pakistan as a private limited company on June 21, 1988. On November 01, 1989 the Company was converted into a public limited company. The registered office / head office of the Company is situated at 17 - Bangalore Town, Shahrah-e-Faisal, Karachi, Pakistan. The shares of the Company are quoted on Pakistan Stock Exchange Limited. Principal activities of the Company are manufacturing and trading of sugar confectionery items, biscuits, snacks, nutritional products, flour, cast polypropylene (CPP) and biaxially-oriented polyethylene terephthalate (BOPET) film under the brands of 'CandyLand', 'Bisconni', 'Snack city', 'Ismail Nutrition', Ghiza', 'Super Cereal' and 'Astro Films' respectively.

Hudson Pharma (Private) Limited

Hudson Pharma (Private) Limited (the Subsidiary Company) was incorporated in Pakistan as a private limited company on May 5, 2010. The registered office of the Subsidiary Company is located at 17, Bangalore Town, Main Shahrah-e-Faisal, Karachi. Principal activities of the Company are manufacturing, processing, compounding, formulating, importing, exporting, packaging, marketing, wholesale and retail trading and selling of all kinds of pharmaceutical, animal health, allied consumer products, drugs, dermatology products, medicines, food products and supplements.

Ismail Resin (Private) Limited

Ismail Resin (Private) Limited (the Subsidiary Company) was incorporated in Karachi, Pakistan on January 13, 2021. The registered office of the Subsidiary Company is situated at 17 - Bangalore Town, Shahrah-e-Faisal, Karachi, Pakistan. Principal activities of the Company are manufacturing and selling of Polyester Resin.

Bisconni Middle East

Bisconni Middle East Manufacturing – L.L.C – S.P.C (the Subsidiary Company) was formed and registered with the Department of Economic Development as a - L.L.C - S.P.C on 6 November 2024 in the Emirate of Abu Dhabi, U.A.E. under Industrial License Number: IN-2007110. The registered office address is 85B, KHIA8-82A, KIZAD A (Non-Free Zone), Al Taweelah, Abu Dhabi, U.A.E. The Licensed activity of the Subsidiary Company is manufacturing of chocolate and chocolate confectionery, sugar confectionery and dry bakery product. However, the Subsidiary Company did not engage in any licensed activity during the year.

1.2. Business Model & Operations

The Group operates a diversified business model spanning food products, packaging materials, pharmaceuticals, resins and related businesses, with operations supported by a range of critical resources and relationships. Key dependencies include energy, water, wheat and other raw materials, skilled employees, suppliers, logistics providers, customers and access to financial resources. The availability, quality and cost of these resources and relationships may be affected by climate-related risks and opportunities and could reasonably be expected to influence the Group's cash flows, access to finance or cost of capital over the short, medium and long term.

The Group's value chain extends from the sourcing of raw materials, energy and other production inputs through manufacturing, processing, storage, distribution and delivery to customers, as well as supporting activities across its operating businesses and markets. Key dependencies across the value chain include reliable and affordable energy and water supplies, availability and responsible sourcing of raw materials, resilient supplier networks, efficient manufacturing processes, logistics and distribution infrastructure, and continued access to domestic and international markets. The significance of these dependencies varies across businesses based on their respective operating models, geographic footprint, resource requirements and exposure to climate-related factors.

Climate-related risks and opportunities may affect the Group through changes in the availability and cost of key inputs, production and operating conditions, supply-chain resilience, logistics, market demand and financing considerations. The Group therefore considers the resilience of its business model and value chain, together with its key dependencies and relationships, as relevant considerations in assessing sustainability-related risks and opportunities and their potential implications for the Group's financial position, performance and prospects.

1.3. Climate-related Commitment

The Group is committed to identifying, assessing, managing and monitoring climate-related risks and opportunities that could reasonably be expected to affect its prospects. In line with its business priorities and operational footprint, the Group's climate priorities include reducing greenhouse gas emissions, increasing the use of renewable energy, improving energy and resource efficiency, strengthening water stewardship, enhancing climate resilience across operations and supply chains, and promoting responsible resource utilization. The Group seeks to reduce exposure to climate-related disruption while improving operational resilience and responding to evolving expectations of customers, investors, lenders and other stakeholders.

These disclosures focus specifically on climate-related financial information relevant to the Group's prospects and are not intended to constitute a broader corporate social responsibility report. Accordingly, matters relating to community programs, employee initiatives and general environmental activities are included only where they are relevant to understanding the Group's climate-related risks and opportunities and their potential effects on cash flows, access to finance or cost of capital over the short, medium or long term.

As this is the Group's first year of reporting under the IFRS Sustainability Disclosure Standards, management has prioritized establishing the foundations for climate-related reporting, including the identification and assessment of material climate-related risks and opportunities, the governance and risk management processes used to oversee them, and the development of relevant metrics and targets to monitor performance and progress. The Group recognizes that climate-related data, methodologies and internal processes will continue to mature and expects the scope, quality and granularity of its disclosures to develop progressively as data availability, internal capabilities and reporting practices are strengthened.

2. Basis of preparation

2.1. Reporting Basis and Transition Relief

This sustainability report has been prepared by Ismail Industries Limited (the "Company") and its subsidiaries based in Pakistan (collectively, the "Group") for the 12-month period ended June 30, 2026, which is consistent with the reporting period of the Group's related financial statements. The disclosures have been prepared with reference to the IFRS Sustainability Disclosure Standards, comprising IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 – Climate-related Disclosures, as applicable in Pakistan, together with relevant SECP directives and ICAP's Sustainability Reporting Guidelines.

The disclosures are intended to fairly present the sustainability-related and climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects, including its cash flows, access to finance or cost of capital over the short, medium and long term.

As this is the Group's first year of sustainability-related reporting, the Group has availed the applicable transition reliefs under IFRS S1 and IFRS S2 and the relevant transition provisions applicable in Pakistan, pursuant to the SECP adoption Order dated December 31, 2024. These include reliefs relating to comparative information, climate-only reporting and the timing of reporting, as applicable. In accordance with the transition relief available under IFRS S2, the Group has also elected not to disclose Scope 3 greenhouse gas emissions for the first reporting period.

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

The Group has applied, where practicable, consistent assumptions, units of measurement and data boundaries across its sustainability-related financial disclosures and related financial statements. Where material differences arise between sustainability-related information and information presented in the related financial statements, these will be explained where relevant.

The Group updates its disclosures for information received after the reporting date but before authorization for issue where such information relates to conditions existing at the reporting date. Material events occurring after the reporting date are disclosed where their omission could reasonably be expected to influence decisions made by the primary users of the disclosures.

2.2. Time Horizons

In assessing sustainability-related and climate-related risks and opportunities, the Group considers the period over which such risks and opportunities could reasonably be expected to occur and influence its operations, strategy, financial planning and prospects. The time horizons are aligned with the Group's strategic and operational planning cycles and are applied consistently in the identification, assessment and disclosure of sustainability-related and climate-related matters.

Short term – up to 3 years

The short-term horizon is aligned with the Group's operational planning cycles and reflects the period over which near-term developments may affect business performance. Relevant considerations may include changes in environmental and climate-related regulations, climate-related disruptions, energy and resource efficiency initiatives, operating cost pressures and near-term adaptation measures across the Group's operations.

Medium term – 3 to 10 years

The medium-term horizon reflects the period over which strategic investments, operational optimization, technology upgrades and changes in the operating environment are expected to materialize. During this period, the Group may be affected by evolving climate and environmental policies, changes in energy markets, technological developments, increasing expectations relating to emissions and resource management, and the need to enhance the resilience of its operations and value chain.

Long term – beyond 10 years

The long-term horizon reflects the extended operating lives of the Group's manufacturing assets and the potential structural changes in energy systems, technologies, markets and industrial processes associated with the broader transition towards a lower-carbon economy. Developments over this horizon may include significant technological shifts, changes in energy infrastructure, potential carbon-pricing mechanisms and evolving policy requirements, which may influence long-term investment decisions, competitiveness, asset utilization and business strategy.

These time horizons are used consistently across the Group's assessment of climate-related risks and opportunities, including scenario analysis, evaluation of potential financial effects, resilience assessment, and the development and monitoring of relevant metrics and targets. The time horizons may be refined as the Group's sustainability-related risk management processes, data availability and strategic planning practices continue to evolve.

2.3. GHG Reporting Boundary

The Group's GHG emissions reporting boundary is established using the Operational Control Approach, consistent with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004). The boundary covers operations over which Ismail Industries Limited and its subsidiaries have operational control. The Group's foreign subsidiary, Bisconni LLC, has been excluded from the reporting boundary for the year ended June 30, 2026, as it remains in the construction and development phase and has not commenced commercial operations. Consequently, no operational GHG emissions are currently attributable to the entity, and the relevant local regulatory and reporting requirements are not presently applicable. The entity will be considered for inclusion in future reporting periods following commencement of its operations and applicability of the relevant reporting requirements.

The Group's organizational boundary includes its manufacturing facilities under operational control. Within this boundary, GHG emissions are classified in accordance with the GHG Protocol as follows:

- Scope 1 – Direct GHG Emissions: Emissions from sources owned or controlled by the Group, including fuel combustion, on-site power generation, process emissions and fugitive emissions, where applicable.
- Scope 2 – Indirect GHG Emissions: Emissions arising from the generation of purchased electricity consumed by the Group's operations, calculated using applicable electricity grid emission factors.
- Scope 3 – Value-chain Emissions: Other indirect emissions arising from relevant upstream and downstream activities across the Group's value chain.

For the year ended June 30, 2026, the Group has reported Scope 1 and Scope 2 GHG emissions within the defined boundary. Scope 3 emissions have not been reported for the first reporting period in accordance with the IFRS S2 first-year transition relief. The Group will progressively strengthen its Scope 3 measurement and reporting capabilities as appropriate methodologies, data availability and internal reporting processes develop.

2.4. Judgements and Measurement Uncertainty

The preparation of the Group's sustainability-related financial disclosures requires management to apply judgement, estimates and assumptions, particularly in areas where information is subject to data limitations, uncertainty or forward-looking considerations. Significant judgement has been applied in determining the scope of disclosures, material sustainability-related and climate-related risks and opportunities, applicable industry-based guidance, relevant disclosure topics, time horizons, appropriate metrics and the extent to which quantitative financial effects can be presented without undue measurement uncertainty.

Key assumptions and estimates underlying these disclosures include the use of available emission factors, supplier declarations, water-stress classification methodologies, climate scenario assumptions, raw material quantities and management estimates of potential financial effects. The most significant sources of measurement uncertainty relate to GHG emissions and emission factors, water-stress exposure, supplier information, raw material and the qualitative or estimated assessment of financial effects.

These judgements, estimates and assumptions reflect management's assessment of the relevance and potential financial implications of sustainability-related factors for the Group's strategy, business model, cash flows, access to finance and cost of capital over the short, medium and long term. They may change as methodologies, data quality, internal capabilities and external climate-related information develop. The Group expects to progressively strengthen the underlying data, methodologies and internal controls supporting its sustainability-related disclosures.

2.5. Forward-looking Information

These disclosures contain forward-looking information relating to anticipated climate-related risks and opportunities, strategic initiatives, potential financial effects, resource allocation and future performance. Such information reflects management's current expectations, assumptions and judgements, based on information considered reasonable and reliable as at the reporting date.

Forward-looking information is 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. Accordingly, actual outcomes, financial effects and performance may differ from those expressed or implied in such information. The Group will continue to review its assessments as relevant information, methodologies and internal capabilities evolve.

2.6. Presentation Currency

The presentation currency of the Group's sustainability-related financial disclosures is Pakistani Rupees (PKR), consistent with the presentation currency used in the Group's financial statements.

3. Materiality Assessment

The Group assesses sustainability-related and climate-related matters in accordance with the materiality requirements of IFRS S1 and IFRS S2. The assessment focuses on identifying information about risks and opportunities that could reasonably be expected to affect the Group's cash flows, access to finance or cost of capital over the short, medium or long term. Information is considered material where omitting, misstating or obscuring it could reasonably be expected to influence decisions made by the primary users of the Group's general-purpose financial reports.

In identifying relevant risks and opportunities, the Group also considers its dependencies on resources, relationships and the natural environment, as well as the effects of its activities on these resources and relationships, where such matters may give rise to sustainability-related or climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects.

3.1. Financial Materiality – Effects on the Group

The Group's assessment considers both physical and transition-related climate risks and opportunities across its diversified business portfolio and value chain. Matters identified include physical risks such as water scarcity, extreme heat and flooding, and transition risks such as energy price volatility, evolving climate-related regulation, changing market expectations and increasing disclosure requirements. The Group also considers opportunities associated with renewable energy, energy efficiency and circular-economy solutions in packaging, where these could reasonably be expected to affect its operations, strategy, financial performance or prospects.

The assessment considers the nature and magnitude of each risk or opportunity, together with its potential timing and location, dependencies across the value chain, and potential implications for cash flows, access to finance and cost of capital over the relevant time horizons.

3.2. Environmental Dependencies and Impacts Considered in Risk Identification

In identifying sustainability-related and climate-related risks and opportunities, the Group considers its significant dependencies on and effects on natural resources, including energy, water and raw materials, as well as waste generation and packaging-related resource use. These considerations inform the assessment where they may give rise to risks or opportunities that could reasonably be expected to affect the Group's prospects.

3.3. Materiality Assessment Process

The Group applies a structured process to identify, assess, prioritise and review sustainability-related and climate-related risks and opportunities:

Stage	Approach
Identify climate-related risks and opportunities	We identify climate-related matters relevant to our operations and value chain, including physical risks such as acute and chronic climate-related hazards, and transition risks and opportunities arising from changes in policy, regulation, technology, markets and stakeholder expectations.
Assess relevance and potential impact	Identified matters are considered based on their potential relevance to our business, operations, value chain and financial prospects over the short, medium and long term.
Determine material information	Information is considered material where omitting, misstating or obscuring it could reasonably be expected to influence decisions of the Company's primary users of general purpose financial reports, including existing and potential investors, lenders and other creditors.
Consider information sources	Our assessment draws, as relevant, on internal risk management processes, operational data, business and value-chain information, regulatory developments, industry guidance and relevant external climate information.
Prioritize and monitor	Relevant risks and opportunities are prioritized for further assessment and monitoring, with consideration of their potential significance to the Company's strategy, operations and financial prospects.
Review and update	Climate-related risks, opportunities and material information are reviewed periodically and updated when significant changes in the Company's business, operations, value chain, external environment or circumstances occur.

4. Governance and Oversight

4.1. Oversight by the Board of Directors

The Board of Directors of Ismail Industries Limited ("the Board") has overall responsibility for the Group's strategic direction, governance and long-term performance, including oversight of material sustainability-related and climate-related risks and opportunities. During FY2025–26, sustainability-related responsibilities were incorporated into the Terms of Reference of the Board Audit Committee, approved by the Board in its meeting held on April 22, 2026.

The Board considers sustainability-related and climate-related matters, as appropriate, in the context of the Group's strategy, risk management and long-term business objectives. Board awareness is supported through relevant reporting, briefings and updates on evolving sustainability standards, climate-related developments and stakeholder expectations.

4.2. Role of the Board Audit Committee

The Board Audit Committee assists the Board in overseeing sustainability-related and climate-related matters in accordance with its Terms of Reference and applicable regulatory requirements. Its responsibilities include reviewing material risks and opportunities, considering their potential financial and operational implications, and recommending appropriate strategies, priorities and targets to the Board.

The Committee also oversees the processes used by management to identify, assess and monitor material sustainability-related and climate-related matters and reports to the Board on such matters in accordance with its Terms of Reference.

4.3. Management Oversight

Management is responsible for implementing the Group's sustainability and climate-related framework and for the identification, assessment, monitoring and management of relevant risks and opportunities. This is supported by a cross-functional Sustainability Core Team comprising representatives from Technical Projects, ESG, Finance, Human Resources and Operations.

The Sustainability Core Team coordinates sustainability initiatives, facilitates the collection of relevant operational information and monitors environmental performance through the Environmental Performance Management (EPM) database. Management oversight is further supported through quarterly internal reporting and coordination among manufacturing, technical and corporate functions.

During FY2025–26, the Group continued its alignment with applicable SECP sustainability and ESG disclosure requirements and progressed the first-time application of IFRS S1 and IFRS S2. The governance framework is supported by established policies and controls covering ethical conduct, anti-bribery, supplier standards, product safety and quality, and whistleblowing.

The Group will continue to strengthen its governance arrangements, data systems, internal controls and reporting capabilities as its sustainability-related and climate-related processes mature.

4.4. Climate-Related Skills and Competencies

We recognize the importance of disclosing how our Board determines whether it has the appropriate skills and competencies to oversee climate-related risks and opportunities, and whether climate considerations are factored into executive remuneration.

Management Skill Area	Skills Needed
Strategy and business leadership	Corporate strategy formulation, understanding of the industry and competitive landscape, and experience overseeing long-term value creation.
Financial reporting and risk management	Financial acumen, understanding of enterprise risk management frameworks, and experience overseeing internal controls and audit processes.
Operations and supply chain	Manufacturing and supply chain expertise, understanding of production planning, and experience managing operational and quality risk across a diversified value chain.

Management Skill Area	Skills Needed
Sustainability and climate reporting	Working knowledge of climate-related risk, IFRS S1/S2 and other sustainability reporting standards, and experience overseeing ESG disclosure and assurance processes.

The Board's collective experience includes financial oversight, manufacturing and business operations, risk management and strategic planning. Sustainability and climate-specific technical matters are supported through management expertise and external technical resources where required.

5. Strategy

The Group incorporates material climate-related risks and opportunities into its broader strategy, business planning and risk management framework. Within the Group's Six-Capital Risk Framework, climate-related dependencies and impacts on natural resources are considered under Natural Capital, while climate-related opportunities are considered in areas such as renewable energy, energy and resource efficiency and circular-economy practices.

The Group's assessment has identified physical risks, transition risks and climate-related opportunities that could reasonably be expected to affect its prospects. These matters may influence the Group's business model and value chain, including the availability and cost of energy, water and raw materials, manufacturing and logistics, supply-chain resilience, operating costs and access to markets. The nature and significance of these effects vary across the Group's businesses and locations.

5.1. Climate-related risks and opportunities

Pakistan's exposure to climate change presents a range of physical risks that may affect businesses, infrastructure, supply chains and access to critical resources. For the Group, these include extreme heat, flooding, water scarcity, changing rainfall patterns and climate-related disruption to supply chains and logistics. The potential implications vary across the Group's diversified businesses, including food manufacturing, nutrition, pharmaceuticals, packaging films and other industrial operations.

Management's responses include improving energy and resource efficiency, increasing the use of renewable energy, strengthening operational and supply-chain resilience, and evaluating opportunities arising from lower-carbon technologies and circular-economy practices. These responses are considered in the context of the Group's operating requirements, investment priorities and long-term business objectives.

5.2. Assessment approach and strategic response

The assessment was conducted across the Group's operations and relevant value-chain relationships, taking into account the nature and location of exposures, potential financial and operational effects, likelihood, and the relevant short, medium and long-term time horizons. The time horizons applied are short term (up to 3 years), medium term (3 to 10 years) and long term (beyond 10 years), consistent with the Group's strategic and operational planning framework.

Climate-related matters were prioritized based on their potential relevance to business continuity, financial performance, resource availability and the resilience of the Group's business model and value chain. For significant risks, management considers appropriate measures relating to operational resilience, energy and resource efficiency, supply-chain resilience and risk mitigation. Opportunities are evaluated based on their potential contribution to operational efficiency, cost management, resource security and long-term resilience.

The Group recognizes that the resilience of its business model and strategy may be influenced by the pace and severity of physical climate impacts and the transition towards a lower-carbon economy. Accordingly, the Group is progressively strengthening its adaptation and mitigation measures, including renewable energy deployment, resource efficiency and operational resilience initiatives. The assessment of climate resilience will continue to evolve as the Group develops its climate-related data, scenario analysis capabilities and understanding of longer-term climate-related uncertainties. IFRS S2 requires entities to assess and disclose the resilience of strategy and business models to climate-related changes and uncertainties using climate-related scenario analysis, with an approach commensurate with the entity's circumstances.

Below are the Company's assessment of climate-related risks and opportunities across its operations and value chain, together with the relevant time horizon and risk mitigation strategies.

Climate-Related Risk / Opportunity	Type	Time Horizon	Potential Impact	Mitigation / Management Actions
Water Scarcity and Drought Conditions	Physical (Chronic)	Medium to Long Term	Reduced water availability for manufacturing operations, increased water costs, potential production disruptions and reputational risks in water-stressed regions.	Implement water efficiency projects, monitor water consumption across facilities, invest in wastewater treatment and reuse systems, assess water-stressed locations and establish water reduction targets.
Extreme Heat and Rising Temperatures	Physical (Chronic)	Short to Long Term	Increased cooling costs, reduced employee productivity, occupational health and safety risks, and potential impacts on product quality and storage conditions.	Maintain temperature-controlled manufacturing and warehouse facilities, strengthen employee heat stress management programs, improve insulation and cooling efficiency, implement heat-related emergency procedures and monitor workplace conditions.

Climate-Related Risk / Opportunity	Type	Time Horizon	Potential Impact	Mitigation / Management Actions
Extreme Rainfall and Flooding	Physical (Acute)	Short to Medium Term	Damage to facilities, warehouses and inventory; disruption to logistics networks and temporary operational shutdowns.	Upgrade drainage infrastructure, conduct facility flood-risk assessments, maintain adequate insurance coverage, develop business continuity plans, establish emergency response procedures and incorporate climate resilience into future facility designs.
Agricultural Commodity Price Volatility	Physical (Chronic)	Medium to Long Term	Increased raw material costs, supply shortages, margin pressure and disruptions to production planning.	Diversify supplier base, establish long-term supplier relationships, monitor commodity markets, improve procurement planning, evaluate alternative sourcing regions and strengthen supplier engagement on climate resilience.
Energy Price Volatility and Grid Reliability Challenges	Transition Risk	Short to Medium Term	Increased operating costs, production interruptions and higher dependence on backup energy systems.	Implement energy efficiency initiatives, invest in energy monitoring systems, explore renewable energy opportunities, install backup power systems and conduct regular energy performance reviews.
Climate-Related Supply Chain Disruptions	Physical (Acute and Chronic)	Medium to Long Term	Delays in sourcing raw materials, transportation disruptions and increased procurement costs due to climate impacts on suppliers.	Conduct supplier risk assessments, diversify sourcing locations, maintain strategic inventories for critical materials, integrate climate considerations into supplier evaluations and strengthen supply chain monitoring.
Increasing Sustainability Reporting and Climate Disclosure Requirements	Transition Risk	Medium Term	Higher compliance costs and increased stakeholder scrutiny regarding climate performance and transparency.	Develop ESG governance structures, establish GHG accounting systems, strengthen sustainability data collection processes and align reporting with IFRS Sustainability Disclosure Standards.
Renewable Energy Adoption	Opportunity	Medium to Long Term	Reduced energy costs, lower emissions and increased resilience against energy price fluctuations.	Assess feasibility of on-site solar projects, evaluate renewable energy procurement options, establish emissions reduction targets and integrate renewable energy into long-term business planning.

Climate-Related Risk / Opportunity	Type	Time Horizon	Potential Impact	Mitigation / Management Actions
Carbon Markets and Carbon Credit Generation	Opportunity	Medium to Long Term	Potential revenue generation through emissions reduction projects and enhanced reputation with customers and investors.	Assess feasibility of renewable energy projects, energy efficiency initiatives and other emissions reduction projects that may qualify under recognized carbon crediting mechanisms.

5.3. Current and Anticipated Financial Effects

The Group has considered the current and anticipated financial effects of material climate-related risks and opportunities on its financial position, financial performance and cash flows. Based on the assessment performed for the year ended June 30, 2026, the Group has not identified any material quantified current financial effects that can be separately attributed to climate-related risks and opportunities. The anticipated financial effects are therefore presented qualitatively where reliable quantification is not currently practicable due to measurement uncertainty, data limitations or the difficulty of separately identifying climate-related effects. The assessment is based on information considered reasonable and reliable at the reporting date and will be refined as relevant data, methodologies and internal capabilities develop.

The principal anticipated financial effects identified through the Group's assessment are set out below:

Risk / Opportunity	Anticipated Financial Effect	Likely Affected Area
Water scarcity and drought conditions	Potential increase in water-related costs and risk of production disruption at water-stressed locations, particularly over the medium to long term.	Operating costs, working capital, cash flows
Extreme heat and rising temperatures	Potential increase in cooling and energy costs, reduced workforce productivity and increased health and safety considerations, with possible effects on product quality over varying time horizons.	Operating costs, capital expenditure, cash flows
Extreme rainfall and flooding	Potential damage to production facilities, warehouses and inventory, together with disruption to logistics and distribution activities	Capital expenditure, inventory, insurance, cash flows
Agricultural commodity price volatility	Potential increase and volatility in the cost of key agricultural raw materials, including wheat and sugar, resulting in pressure on margins over the medium to long term.	Cost of sales, gross margin, working capital, cash flows
Energy price volatility and grid reliability challenges	Potential increase in energy and operating costs and greater reliance on backup power arrangements, particularly over the short to medium term.	Operating costs, capital expenditure, cash flows
Climate-related supply chain disruptions	Potential sourcing delays, supply constraints and increased procurement and inventory management costs over the medium to long term.	Inventory, cost of sales, working capital, cash flows
Increasing sustainability reporting and disclosure requirements	Potential increase in compliance, data collection, systems and assurance costs as reporting requirements continue to evolve.	Operating / G&A expenses

The Group recognizes that the timing, magnitude and nature of these financial effects are subject to uncertainty and may change as climate conditions, regulatory requirements, market dynamics, technology and the Group's operating environment evolve. Accordingly, the above assessments are qualitative and represent management's current assessment of the potential financial implications of the identified climate-related risks. The Group will progressively enhance the quantification of financial effects where sufficient reliable information becomes available.

This approach is particularly appropriate for IIL's first year of IFRS S1/S2 reporting, as the Standards are designed to provide both qualitative and quantitative information, while recognizing proportionality where quantitative information is not useful or cannot be reliably estimated without undue cost or effort.

5.4. Cumulative Financial Effects of Climate-related Risks and Opportunities

During the reporting period, the Group 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 subject to a material reduction in useful lives as a result of climate-related factors. No material climate-related effects requiring adjustment to asset values, provisions, liabilities, operating expenditure, capital expenditure, revenue or cash flows were identified during the year.

The Group has assessed the anticipated financial effects of identified climate-related risks and opportunities primarily on a qualitative basis. At this stage, reliable quantification of such effects is constrained by the availability of relevant data and the developing nature of financial modelling methodologies. Accordingly, no specific monetary amounts or ranges have been disclosed. The assessment will be revisited as relevant circumstances and information change.

5.5. Climate Resilience and Scenario Analysis

During the reporting period, the Group did not undertake formal climate-related scenario analysis or quantitative climate resilience testing. As part of its first-year assessment under IFRS S2, management instead performed a qualitative review of the potential effects of climate-related risks and opportunities on the Group's business model and operations. Relevant considerations have been incorporated into the Enterprise Risk Management framework, including applicable time horizons and value-chain exposures.

The assessment considered the Group's operational dependencies, including the availability of key raw materials such as sugar, wheat, cocoa powder, plastic resins and others, as well as the resilience of manufacturing, warehousing, logistics and supporting infrastructure. Existing energy and water management practices, preventive maintenance, operational monitoring and renewable energy initiatives provide measures that support continuity and operational resilience.

Based on this qualitative assessment and the existing measures in place, management considers that the Group has established capabilities to manage the climate-related risks identified over the short and medium term. The Group will progressively enhance its resilience assessment through more structured scenario analysis as its climate-related data, methodologies and internal capabilities developed.

6. Risk Management

6.1. Enterprise Risk Management Approach

Ismail Industries Limited ("IIL") and its subsidiaries (collectively, the "Group") manage sustainability-related and climate-related risks and opportunities through the existing Enterprise Risk Management (ERM) framework. These matters are incorporated into the Group's established risk management processes and considered alongside other principal strategic, operational, financial and external risks.

The Group's Six-Capital Risk Framework, covering Financial, Human, Manufactured, Intellectual, Social and Relationship, and Natural Capital, provides the overarching structure for considering relevant risks and dependencies. Climate-related considerations are incorporated into the principal risk register, with responsibility assigned to the relevant functions and businesses through established governance and escalation mechanisms.

6.2. Climate-related Risk Management Process

Management applies a structured process to identify, assess, prioritize, respond to and monitor climate-related risks and opportunities relevant to the Group's operations and value chain.

Process	Approach
Identify	Relevant physical and transition-related climate risks and opportunities are identified through existing risk management processes, operational information and relevant external information.
Assess	Identified matters are assessed based on their potential significance to the Group, including likelihood, magnitude and relevant business exposures.
Prioritize	Matters requiring management attention are prioritized through the Group's established risk assessment and escalation processes.
Respond	Appropriate mitigation, adaptation or opportunity-related actions are incorporated into relevant business and operational plans, with responsibility assigned to the relevant functions.
Monitor	Risk responses and significant developments are monitored through established management reporting and reviewed through the applicable governance channels.

6.3. Integration into Overall Risk Management

The Group's climate-related risk management processes form part of its overall ERM framework and principal risk management processes. Climate-related factors may act as drivers of existing strategic, operational, financial or external risks; accordingly, they are evaluated in conjunction with the underlying risks they may influence rather than being considered solely as an independent risk class.

Risk ownership is assigned within the relevant functions and businesses, with mitigation and monitoring activities incorporated into applicable policies, operating procedures, delegated authorities and business planning processes. The Board Audit Committee supports oversight of these matters in accordance with its Terms of Reference, with material developments escalated to the Board through established governance channels.

The Group's internal control environment supports the reliability and integrity of sustainability-related and climate-related information, as well as compliance with applicable laws, regulations and internal policies. Relevant controls and processes are periodically reviewed to identify deficiencies, strengthen control effectiveness and address emerging risks.

As FY2025–26 represents the Group's first reporting period under IFRS S1 and IFRS S2, there are no prior-period changes to these climate-related risk management processes to report. The Group will continue to refine its identification, assessment, prioritization and monitoring processes as its climate-related information, methodologies, internal capabilities and reporting systems mature.
This formulation is deliberately limited to risk management; the detailed discussion of climate risks, opportunities, time horizons, financial effects and resilience remains in the respective Strategy and other sections, avoiding duplication while meeting the IFRS S1/S2 core-content requirements.

7. Climate Related Metrics

The Group discloses the climate-related metrics considered relevant to its business model, operations and identified climate-related risks and opportunities. The metrics comprise the cross-industry metrics prescribed by IFRS S2 and relevant industry-based metrics applicable to the Group's principal activities. The Group is progressively strengthening its data collection, measurement methodologies and internal controls to improve the completeness, consistency and comparability of these disclosures.

7.1. Greenhouse Gas Emissions

Gross GHG Emissions	Unit of Measurement	FY 2025 - 26
Scope 1	Metric Tons CO_2e	110,867.42 MT CO_2e
Scope 2 – Location Based	Metric Tons CO_2e	1,207.31 MT CO_2e
Scope 2 – Market Based	Metric Tons CO_2e	4,335.51 MT CO_2e
Total Scope 1 & 2 - Location Based	Metric Tons CO_2e	112,074.74 MT CO_2e
Total Scope 1 & 2 - Market Based	Metric Tons CO_2e	115,202.93MT CO_2e

Measurement Approach

The Group measures its greenhouse gas ("GHG") emissions in accordance with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004) and applies the Operational Control Approach for determining the organizational boundary. Under this approach, the Group accounts for emissions from operations over which Ismail Industries Limited or its subsidiaries have operational control and the authority to implement operating policies, irrespective of legal ownership.

The GHG reporting boundary covers the Group's operations within the established organisational and operational boundary. Bisconni LLC, the Group's foreign subsidiary, is excluded from the FY2025–26 GHG reporting boundary as it remains in the construction and development phase and has not commenced commercial operations.

For the year ended June 30, 2026, the Group has reported Scope 1 and Scope 2 GHG emissions within the defined boundary. In accordance with the first-year transition relief available under IFRS S2, Scope 3 GHG emissions have not been reported for the current reporting period. The Group intends to progressively develop its Scope 3 measurement capabilities as appropriate data, methodologies and internal processes become available.

Emission sources:

Scope 1 emissions primarily arise from the combustion of fuels used in boilers, generators, engines and other directly controlled equipment, together with relevant process and fugitive emissions, where applicable. Scope 2 emissions arise from purchased electricity consumed in the Group's operations.

Calculation methodology and assumptions:

Greenhouse gas (GHG) emissions were calculated using the available activity data in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. The calculations used relevant emission factors from the 2025 UK Government GHG Conversion Factors for Company Reporting, published by the Department for Energy Security and Net Zero (DESNZ), in collaboration with the Department for Environment, Food & Rural Affairs (Defra), as applicable to the respective emission sources. Where direct measurement is not available, reasonable estimates and assumptions are applied. The Group continues to strengthen its data collection processes and measurement controls, including the identification and quantification of relevant fugitive emissions and other sources.

Emission factors and global warming potentials:

The Group applies emission factors from UK Government GHG Conversion Factors for Company Reporting 2025 (Defra/DESNZ) and global warming potentials from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) appropriate to the relevant emission sources and reporting period.

Estimates and assumptions, and uncertainties:

The measurement of GHG emissions involves certain estimates and assumptions where direct measurement or complete activity data is not available. The Group applies the best available activity data, relevant emission factors and recognized methodologies in determining its GHG emissions. Certain emission sources, including selected mobile and fugitive emission sources, may involve estimation or limitations in activity data. The Group continues to strengthen its data collection and monitoring processes to improve the completeness, accuracy and reliability of its GHG inventory.

Offsets and carbon credits:

The Group reports its GHG emissions on an absolute gross basis, without deducting carbon offsets or carbon credits from its reported emissions. Scope 2 emissions are presented using both the location-based and market-based methods, where applicable.

Internal carbon price:

The Group does not currently use an internal carbon price in its investment, operational or strategic decision-making.

7.2. Industry-Based Metrics

The Group has considered the industry-based Guidance on Implementing IFRS S2 relevant to its principal business activities in identifying and assessing applicable climate-related metrics. Given the Group's diversified operations, the assessment has focused on metrics relevant to its food manufacturing, packaging, flour milling, pharmaceutical, resin and other industrial activities. The Group is progressively developing the underlying data systems and reporting processes required to capture additional relevant industry-based metrics and intends to enhance the scope of such disclosures in future reporting periods.

7.3. Energy Management

Metric description	Unit of Measurement	FY 2025 - 26
Total energy consumed	MWH	94,739
Renewable energy % of total energy consumed	Percentage	9.92%
Non-renewable energy % of total of total energy consumed	Percentage	90.08%
Energy intensity per ton of production	MWH / Tons	0.29

7.4. Water Management

Metric description	Unit of Measurement	FY 2025 - 26
Total water withdrawn	Meter Cubed	993,437.52 m^3
Total water recycled	Meter Cubed	20,015.00 m^3
Recycled rate % of total water withdrawn	Percentage	1.98%
Water intensity per ton of production	Meter Cubed / Tons	3.07

8. Targets & Commitments

The Group has established an Environmental Performance Management (EPM) database to support the collection, monitoring and reporting of environmental and climate-related performance information.

For FY2025–26, the Group had not established specific quantitative climate-related targets against which progress could be measured. Accordingly, no quantitative target performance or progress is reported for the year. The Group is currently strengthening its climate data, establishing appropriate baselines and assessing relevant metrics and targets to support the development of a structured climate performance framework.

The Group's current management remuneration arrangements do not link executive remuneration to sustainability or climate-related performance. The Group will continue to assess the integration of relevant sustainability and climate considerations into its performance management and remuneration frameworks as its climate strategy and performance measurement approach evolve.

In the interim, the Company is pursuing the following strategic priorities:

Focus Area	Strategic Commitment	Current Status
Greenhouse Gas Emissions	Strengthen emissions measurement and identify opportunities to reduce operational greenhouse gas emissions.	Emissions measurement undertaken; data validation and development of reduction targets are ongoing.
Renewable Energy	Continue exploring and implementing renewable energy opportunities across operations.	Renewable energy installations are in place, with further opportunities being pursued.

Focus Area	Strategic Commitment	Current Status
Energy Efficiency	Improve energy monitoring and identify opportunities to optimize energy consumption across manufacturing operations.	Energy consumption is being monitored; efficiency priorities and quantitative targets are under development.
Water Stewardship	Strengthen water monitoring, promote efficient use and identify opportunities for reuse and consumption reduction.	Water data collection and efficiency initiatives are ongoing; targets are under development.
Circularity and Plastic Management	Support resource recovery, recycling and responsible management of plastic and other relevant materials.	Recycling and circularity initiatives are in place; further performance indicators and targets are being developed.
Waste Management	Improve waste segregation, recovery and diversion from disposal wherever feasible.	Relevant data and improvement opportunities are being assessed.
People, Health and Safety	Continue strengthening occupational health and safety, employee learning, wellbeing and engagement.	Existing policies and programs provide a foundation for further performance monitoring and KPI development.
Sustainability Governance and Data	Strengthen accountability, data quality, internal controls and sustainability reporting across the organization.	Progressive implementation through I-Sustain and the Company's reporting processes.

8.1. Target-Setting Roadmap

The Company intends to progressively advance its target-setting approach through the following stages:

Baseline and Assessment:

Consolidate and validate relevant sustainability data, establish appropriate baselines, assess operational priorities and identify opportunities for improvement.

Target Development:

Evaluate feasible performance improvements and develop appropriate quantitative and time-bound targets, taking into account operational requirements, investment considerations and business priorities.

Implementation and Monitoring:

Following management approval, integrate established targets into relevant business processes, monitor progress against defined baselines and report performance through the Company's sustainability governance and reporting arrangements.

This phased approach is intended to support the development of credible, measurable and business-relevant targets, with progress communicated as the framework matures.

8.2. Looking Ahead

Ismail Industries will continue to strengthen its sustainability measurement and management practices, with a focus on improving data reliability, enhancing climate-related risk assessment and developing appropriate performance targets. As the Company's target-setting framework evolves, future reporting will seek to provide greater clarity on target baselines, timeframes, measurement methodologies and progress achieved.

Through this approach, the Company aims to progressively connect sustainability commitments with operational planning, performance monitoring and long-term value creation.

9. General Disclosures

9.1. Events After the Reporting Period

No material transactions, events or conditions have occurred between June 30, 2026 and the date these disclosures were authorized for issue that require adjustment to, or additional disclosure in, the sustainability-related financial disclosures.

9.2. Approval of the Disclosures

These sustainability-related financial disclosures have been approved by the Board of Directors of Ismail Industries Limited in accordance with the Company's governance and approval processes and applicable requirements of the Companies Act, 2017 and SECP regulations and directives.



Munsarim Saifullah
Chief Executive Officer



Maqsood Ismail Ahmed
Director



Ahmed Raza Parekh
Chief Financial Officer

06

VALUE IN EVERY LINK

ANALYSIS OF THE FINANCIAL INFORMATION

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Six years at a Glance

Financial Position	UOM	2026	2025	2024	2023	2022	2021
Assets Employed							
Property, plant and equipment	Rs. Million	32,102	32,217	32,639	28,838	25,101	20,797
Intangible Assets	Rs. Million	-	-	-	2	33	116
Long term investments	Rs. Million	14,403	14,245	9,556	8,751	7,146	5,278
Long term deposits	Rs. Million	32	24	27	26	24	27
Current assets	Rs. Million	59,678	55,619	48,695	35,438	19,040	14,772
Total assets		**106,215**	**102,105**	**90,917**	**73,055**	**51,344**	**40,990**
Financed By							
Shareholders' Equity	Rs. Million	32,725	29,424	24,209	17,716	12,580	11,275
Long-term liabilities							
Long term finance	Rs. Million	20,640	24,805	20,026	23,192	19,691	12,910
Current portion of long term finance	Rs. Million	8,608	6,173	6,315	4,096	3,386	3,715
	Rs. Million	29,248	30,978	26,341	27,288	23,078	16,625
Long term deposits and deferred liabilities	Rs. Million	3,749	3,465	3,169	2,474	2,359	2,291
Current liabilities	Rs. Million	49,101	44,411	43,513	29,673	16,714	14,514
Current portion of long term finance	Rs. Million	(8,608)	(6,173)	(6,315)	(4,096)	(3,386)	(3,715)
	Rs. Million	40,493	38,238	37,198	25,577	13,328	10,799
Total Funds Invested		**106,215**	**102,105**	**90,917**	**73,055**	**51,344**	**40,990**
Turnover & Profit							
Turnover - Net	Rs. Million	104,304	105,193	108,887	88,906	55,261	37,308
Gross Profit	Rs. Million	21,210	21,834	24,022	18,432	9,845	7,194
Operating Profit	Rs. Million	9,339	10,823	13,980	10,330	4,244	2,306
Profit before taxation and levy	Rs. Million	6,408	7,755	7,676	7,531	3,387	2,213
Profit after taxation	Rs. Million	3,954	5,749	6,132	6,382	2,551	1,777
Earning per share	Rupees	59.59	86.64	92.41	96.17	38.44	26.77
Cash Flow Summary							
Net Cash generated from Operating Activities	Rs. Million	13,568	5,639	5,270	3,336	1,506	2,416
Net Cash used in Investing Activities	Rs. Million	(3,405)	(6,024)	(6,692)	(7,769)	(8,621)	(2,579)
Net Cash generated from Financing Activities	Rs. Million	(11,015)	210	2,690	1,439	7,265	761
(Decrease) / Increase in Cash and Bank Balance	Rs. Million	(852)	(175)	1,268	(2,994)	151	598
Cash and cash equivalent at the beginning of the Year	Rs. Million	(2,817)	(2,642)	(3,910)	(916)	(1,066)	(1,664)
Cash and cash equivalent at the end of the Year	Rs. Million	(3,669)	(2,817)	(2,642)	(3,910)	(916)	(1,066)

Vertical and Horizontal Analysis Statement of Financial Position

Balance Sheet	UOM	2026	2025	2024	2023	2022	2021
Shareholders' Equity	Rs. Million	32,725	29,424	24,209	17,716	12,580	11,275
Long-term liabilities	Rs. Million	24,389	28,270	23,195	25,666	22,050	15,201
Current liabilities	Rs. Million	49,101	44,411	43,513	29,673	16,714	14,514
Total Equity & Liabilities		**106,215**	**102,105**	**90,917**	**73,055**	**51,344**	**40,990**
Non Current Assets	Rs. Million	46,537	46,486	42,222	37,617	32,302	26,218
Current Assets	Rs. Million	59,678	55,619	48,695	35,438	19,042	14,772
Total Assets		**106,215**	**102,105**	**90,917**	**73,055**	**51,344**	**40,990**
Vertical Analysis							
Shareholders' Equity	Percentage	30.81%	28.82%	26.63%	24.25%	24.50%	27.51%
Long-term liabilities	Percentage	22.96%	27.69%	25.51%	35.13%	42.95%	37.08%
Current liabilities	Percentage	46.23%	43.50%	47.86%	40.62%	32.55%	35.41%
Total Equity & Liabilities		**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**
Non Current Assets	Percentage	43.81%	45.53%	46.44%	51.49%	62.91%	63.96%
Current Assets	Percentage	56.19%	54.47%	53.56%	48.51%	37.09%	36.04%
Total Assets		**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Horizontal Analysis	UOM	2026 vs 2025	2025 vs 2024	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020
Year on Year							
Shareholders' Equity	Percentage	11.22%	21.54%	36.65%	40.83%	11.57%	13.89%
Long-term liabilities	Percentage	-13.73%	21.88%	-9.63%	16.40%	45.06%	-3.02%
Current liabilities	Percentage	10.56%	2.06%	46.64%	77.53%	15.16%	21.62%
Total Equity & Liabilities		**4.03%**	**12.31%**	**24.45%**	**42.28%**	**25.26%**	**9.28%**
Non Current Assets	Percentage	0.11%	10.10%	12.24%	16.45%	23.21%	5.12%
Current Assets	Percentage	7.30%	14.22%	37.41%	86.10%	28.91%	17.56%
Total Assets		**4.03%**	**12.31%**	**24.45%**	**42.28%**	**25.26%**	**9.28%**

Statement of Profit or Loss

Profil & Loss	UOM	2026	2025	2024	2023	2022	2021
Turnover	Rs. Million	104,304	105,193	108,887	88,906	55,261	37,308
Cost of Sales	Rs. Million	(83,094)	(83,359)	(84,865)	(70,474)	(45,415)	(30,114)
Gross Profit		21,210	21,834	24,022	18,432	9,846	7,194
Selling and distribution expenses	Rs. Million	(10,022)	(9,155)	(8,282)	(7,054)	(4,785)	(4,236)
Administrative expenses	Rs. Million	(1,849)	(1,856)	(1,760)	(1,048)	(817)	(652)
Operating profit		9,339	10,823	13,980	10,330	4,244	2,306
Finance Cost	Rs. Million	(4,666)	(5,047)	(7,384)	(4,399)	(1,414)	(694)
(Other Income) / Other Expenses	Rs. Million	1,734	1,979	1,080	1,601	557	601
Profit Before Taxation		6,407	7,755	7,676	7,531	3,387	2,213
Taxation	Rs. Million	(2,453)	(2,006)	(1,544)	(1,150)	(836)	(437)
Profit After Taxation		3,954	5,749	6,132	6,382	2,551	1,777
Earning per share	Rs	59.59	86.64	92.41	96.17	38.44	26.77
Vertical Analysis							
Turnover	%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Sales	%	79.66%	79.24%	77.94%	79.27%	82.18%	80.72%
Gross Profit		20.34%	20.76%	22.06%	20.73%	17.82%	19.28%
Selling and distribution expenses	%	9.61%	8.70%	7.61%	7.93%	8.66%	11.35%
Administrative expenses	%	1.77%	1.76%	1.62%	1.18%	1.48%	1.75%
Operating profit		8.95%	10.29%	12.84%	11.62%	7.68%	6.18%
Finance Cost	%	4.47%	4.80%	6.78%	4.95%	2.56%	1.86%
(Other Income) / Other Expenses	%	1.66%	1.88%	0.99%	1.80%	1.01%	1.61%
Profit Before Taxation		6.14%	7.37%	7.05%	8.47%	6.13%	5.93%
Taxation	%	2.35%	1.91%	1.42%	1.29%	1.51%	1.17%
Profit After Taxation		3.79%	5.47%	5.63%	7.18%	4.62%	4.76%
Horizontal Analysis	**UOM**	**2026 vs 2025**	**2025 vs 2024**	**2024 vs 2023**	**2023 vs 2022**	**2022 vs 2021**	**2021 vs 2020**
Year on Year							
Turnover	%	-0.84%	-3.39%	22.47%	60.88%	48.12%	12.31%
Cost of Sales	%	-0.32%	-1.78%	20.42%	55.18%	50.81%	14.33%
Gross Profit		-2.86%	-9.11%	30.33%	87.21%	36.86%	4.60%
Selling and distribution expenses	%	9.47%	10.54%	17.41%	47.42%	12.97%	-5.23%
Administrative expenses	%	-0.36%	5.45%	67.88%	28.38%	25.26%	9.80%
Operating profit		-13.71%	-22.58%	35.33%	143.39%	84.02%	27.10%
Finance Cost	%	-7.55%	-31.65%	67.84%	211.14%	103.83%	-39.98%
(Other Income) / Other Expenses	%	-12.38%	83.21%	-32.50%	187.55%	-7.31%	-9.53%
Profit Before Taxation		-17.38%	1.03%	1.92%	122.37%	53.03%	67.33%
Taxation	%	22.29%	29.89%	34.32%	37.55%	91.47%	11.73%
Profit After Taxation		-31.22%	-6.24%	-3.91%	150.16%	43.58%	90.64%

Cash Flow Statements

Description	2026	2025	2024	2023	2022	2021
		----------(Rs. in millions)----------				
Cash generated from operations	15,868	8,115	6,974	4,396	2,251	2,653
Gratuity paid	(100)	(145)	(112)	(69)	(44)	(69)
Income tax paid-net	(2,192)	(2,334)	(1,592)	(988)	(704)	(178)
Long term deposits - net	(8)	3	(1)	(3)	3	10
Net cash generated from operating activities	13,568	5,639	5,270	3,336	1,507	2,416
Capital expenditure (including CWIP)	(3,318)	(3,058)	(6,945)	(6,231)	(6,618)	(3,355)
Intangible assets	-	-	-	-	(1)	(10)
Long term investment in subsidiaries	(500)	(3,465)	-	(1,525)	(1,903)	-
Investment in associated undertakings	-	-	-	-	-	(492)
Receipts from associate against dividend - net	905	481	404	-	-	-
Proceed from dissolution of associated company	-	-	-	-	-	188
Dividend received	-	-	-	-	-	629
Short-term investments made - net	(784)	(263)	(371)	(190)	(652)	(124)
Proceeds from disposal of property, plant and equipment	292	281	220	177	552	585
Net cash used in investing activities	(3,405)	(6,024)	(6,692)	(7,769)	(8,621)	(2,579)
(Repayments) / Receipts from long term financing-net	(1,731)	4,637	(948)	4,320	6,439	2,014
(Repayments) / Receipts from islamic redeemable sukuk	-	(2,000)	10,000	-	-	-
Lease repayments - net	-	-	-	(8)	(55)	(106)
Short term finances - secured	(4,104)	3,922	816	1,737	3,077	(221)
Interest / mark-up paid	(4,849)	(5,686)	(7,045)	(3,682)	(1,202)	(727)
Dividend paid	(331)	(663)	(133)	(928)	(994)	(199)
Net cash generated from/ (used in) financing activities	(11,015)	210	2,690	1,439	7,265	761
Net (decrease) / increase in cash and cash equivalents	(852)	(175)	1,268	(2,994)	150	598
Cash and cash equivalents at beginning of the year	(2,817)	(2,642)	(3,910)	(916)	(1,066)	(1,664)
Cash and cash equivalents at end of the year	(3,669)	(2,817)	(2,642)	(3,910)	(916)	(1,066)

Analysis of Six-Year Financial Performance

Building Scale. Strengthening Resilience. Enabling Sustainable Growth.

Over the past six years, Ismail Industries Limited has undergone a significant phase of scale expansion, portfolio diversification and financial strengthening. The Company's financial trajectory reflects the progressive development of a broader operating platform, supported by investments in manufacturing capacity, brands, technology and strategic businesses.

Sustained Expansion of the Earnings Platform

The Company's net turnover increased from Rs. 37.3 billion in FY2021 to Rs. 104.3 billion in FY2026, representing approximately 180% growth over the period. Gross profit expanded by 195% to Rs. 21.2 billion, while operating profit increased by approximately 305% to Rs. 9.3 billion. Consequently, operating margin strengthened from 6.2% to 8.95%, demonstrating the operating leverage generated through scale, portfolio breadth and continued productivity initiatives.

While FY2026 reflected a moderation in revenue and operating profitability compared with the preceding year, the longer-term trajectory remains indicative of a substantially enlarged earnings platform. The focus is increasingly shifting from scale-led expansion towards quality of growth, margin resilience and returns on capital.

Protecting Margins Through Scale and Discipline

Over the six-year period, selling and distribution expenses increased by 137%. Their ratio to turnover consequently improved from 11.35% to 9.61%, reflecting greater operating leverage and an expanding distribution platform.

Gross margin also improved from 19.3% in FY2021 to 20.3% in FY2026, although the moderation from recent peak levels underscores the importance of continued procurement discipline, pricing effectiveness, manufacturing productivity and portfolio optimization. These remain key management priorities as the Company navigates changing input costs and consumer-market dynamics.

Strengthening the Balance Sheet

The Company's total asset base expanded from Rs. 40.9 billion to Rs. 106.2 billion over the six-year period, reflecting sustained investment in its operating and strategic asset base. Shareholders' equity increased by approximately 190% to Rs. 32.7 billion, strengthening the Company's financial foundation and supporting its capacity to fund future growth.

Non-current assets increased by 77.5%, reflecting investment in manufacturing infrastructure, capacity and strategic assets. The concurrent expansion in current assets highlights the increasing working-capital intensity of the Group's operations, reinforcing management's focus on cash conversion, inventory optimization, receivables discipline and efficient utilizations of funding resources.

Converting Growth into Cash

A notable feature of the Company's six-year progression has been the strengthening of operating cash generation. Net cash generated from operating activities increased from Rs. 2.4 billion in FY2021 to Rs. 13.6 billion in FY2026, representing growth of more than five times.

In FY2026, operating cash generation covered capital expenditure of approximately Rs. 3.3 billion by more than four times. The Company also recorded net financing outflows of Rs. 11.0 billion, reflecting repayments, finance costs and shareholder distributions. This cash-flow profile demonstrates an increasing capacity to support investment through internally generated resources while simultaneously addressing financing obligations.

Capital Allocation with a Long-Term Perspective

The evolution of the Company's financial position reflects a deliberate transition from building capacity and scale towards optimizing returns from the enlarged platform. With a stronger equity base, enhanced operating cash generation and a diversified business portfolio, capital allocation remains focused on opportunities that support sustainable earnings growth while preserving financial flexibility.

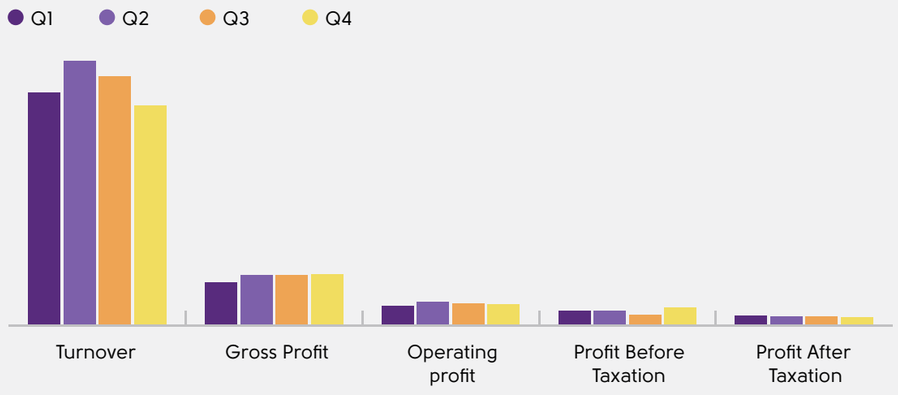
Going forward, management's priorities remain centered on profitable growth, margin protection, working-capital efficiency, disciplined leverage and returns-focused investment. The objective is to translate the scale established over the past six years into a more resilient, efficient and sustainable platform for the next phase of the Company's growth.

Quarterly Analysis of Performance

Description	2026				
	Q1	Q2	Q3	Q4	Total
Turnover	25,128	28,567	26,884	23,725	104,304
Cost of Sales	(20,410)	(23,095)	(21,395)	(18,194)	(83,094)
Gross Profit	**4,718**	**5,472**	**5,489**	**5,531**	**21,210**
Gross Profit - %	**19%**	**19%**	**20%**	**23%**	**20%**
Selling and distribution expenses	(2,121)	(2,482)	(2,666)	(2,753)	(10,022)
Administrative expenses	(485)	(443)	(444)	(477)	(1,849)
Operating profit	**2,112**	**2,547**	**2,379**	**2,301**	**9,339**
Operating profit - %	**8%**	**9%**	**9%**	**10%**	**9%**
Finance Cost	(1,152)	(1,077)	(1,298)	(1,139)	(4,666)
(Other Income) / Other Expenses	669	135	103	828	1,735
Profit Before Taxation	**1,629**	**1,605**	**1,184**	**1,990**	**6,408**
Taxation	(564)	(628)	(176)	(1,086)	(2,454)
Profit After Taxation	**1,065**	**977**	**1,008**	**904**	**3,954**
Profit After Taxation - %	**4%**	**3%**	**4%**	**4%**	**4%**

Turnover	25,128	28,567	26,884	23,725	104,304
Gross Profit	4,718	5,472	5,489	5,531	21,210
Operating profit	2,112	2,547	2,379	2,301	9,339
Profit Before Taxation	1,629	1,605	1,184	1,990	6,408
Profit After Taxation	1,065	977	1,008	904	3,954

Quarterly Analysis



Quarterly Financial Performance – FY2026

Q1 – Establishing a resilient earnings base.

The first quarter established a stable foundation for FY2026, with turnover of Rs. 25.1 billion generating gross profit of Rs. 4.7 billion at a 19% gross margin. Operating profit stood at Rs. 2.1 billion, representing an 8% operating margin, despite continued investment in selling and distribution activities and finance costs of Rs. 1.2 billion. Profit before taxation of Rs. 1.6 billion and profit after taxation of Rs. 1.1 billion reflected the Company's ability to sustain positive earnings generation in a challenging cost environment. The quarter established the initial earnings base while providing a platform for subsequent improvements in cost efficiency and margin management.

Q2 – Scaling the business while maintaining operating leverage.

Q2 delivered the highest quarterly turnover of the year at Rs. 28.6 billion, reflecting stronger business activity and seasonal demand. Gross profit increased to Rs. 5.5 billion, while the gross margin remained stable at 19%, demonstrating the Company's ability to absorb higher volumes without compromising underlying gross economics. Operating profit reached the year's highest quarterly level of Rs. 2.5 billion, with the operating margin improving to 9%, supported by operating leverage and disciplined cost management. Despite lower other income and continued financing costs, profit before taxation remained resilient at Rs. 1.6 billion, while profit after taxation stood at Rs. 1.0 billion. The quarter demonstrated the Company's capacity to convert higher volumes into stronger operating earnings while maintaining commercial discipline.

Q3 – Strengthening margin quality amid moderated volumes.

During Q3, despite difficult economic circumstances, turnover moderated to Rs. 26.9 billion, reflecting a normalization from the preceding quarter; however, the quality of earnings strengthened as gross profit remained broadly stable at Rs. 5.5 billion. Gross margin improved to 20%, indicating better cost absorption, product-mix management and margin discipline despite the lower revenue base. Operating profit remained resilient at Rs. 2.4 billion, maintaining a 9% operating margin. Higher finance costs of Rs. 1.3 billion, together with a lower contribution from other income, placed pressure on profit before taxation, which declined to Rs. 1.2 billion. Nevertheless, profit after taxation remained broadly stable at Rs. 1.0 billion, highlighting the Company's ability to preserve earnings resilience despite pressure below the operating line.

Q4 – Delivering the strongest gross margin profile of the year.

The fourth quarter marked a significant improvement in operating economics, with turnover of Rs. 23.7 billion accompanied by gross profit of Rs. 5.5 billion, resulting in a 23% gross margin—the highest quarterly level of FY2026. This improvement, despite the lowest quarterly revenue base, demonstrates stronger margin realization and cost absorption rather than reliance on volume growth alone. Operating profit remained resilient at Rs. 2.3 billion, with the operating margin reaching a year-high 10%. Profit before taxation recovered to Rs. 2.0 billion, supported by Rs. 0.8 billion of other income, while the higher tax charge limited the conversion into profit after taxation of Rs. 0.9 billion.

Analysis of the Financial and Non-Financial Performance

FY2026 was a year of resilience under pressure, with the Company protecting its core gross margin while navigating a material shift in sales mix, elevated distribution costs and lower non-operating contributions. Gross sales increased by 1.84% to Rs. 120.6 billion, driven principally by stronger domestic business; however, the significant rebalancing from exports towards the local market resulted in net sales declining by 0.85% to Rs. 104.3 billion. Against this backdrop, gross profit remained relatively resilient at Rs. 21.2 billion, with gross margin at 20.34% compared with 20.76% in FY2025. The ability to preserve a gross margin above 20% despite the changing revenue mix and input-cost environment provides an important foundation for the Company's next phase of profitable growth.

The principal earnings challenge during FY2026 was conversion rather than generation of gross profit. Selling and distribution expenses increased by 9.47% to Rs. 10.0 billion, significantly faster than net sales, primarily reflecting higher logistics costs and continued investment in market coverage and brand development. Consequently, operating profit declined by 13.71% to Rs. 9.3 billion. Administrative expenses, however, remained broadly controlled at Rs. 1.85 billion, demonstrating continued organizational cost discipline.

From a management perspective, the key message is clear: the next phase of value creation must increasingly come from operating leverage, distribution efficiency, product mix and productivity rather than top-line expansion alone.

The Company made measurable progress in managing its financing burden, with finance costs declining 7.55% to Rs. 4.7 billion. This reflects continued attention to deleveraging, funding mix and balance-sheet efficiency and partially offset the decline in operating earnings.

However, the reduction in the share of profit from associates and other below-operating-line movements placed additional pressure on profitability. Profit before taxation consequently declined 17.38% to Rs. 6.4 billion, reinforcing the importance of strengthening both core operating earnings and the quality and predictability of non-operating contributions.

Profit after taxation declined by 31.22% to Rs. 4.0 billion, with net margin reducing from 5.46% to 3.79% and EPS from Rs. 86.64 to Rs. 59.59. The decline should therefore be viewed in the context of three principal factors: weaker operating profit conversion, lower associate contribution and tax-related charges, rather than a material deterioration in the Company's gross-margin base.

Management's FY2027 focus is accordingly centered on rebuilding operating leverage, optimizing logistics and distribution economics, strengthening working-capital discipline, continuing financing-cost optimization and improving cash conversion. At the same time, the Company will remain focused on profitable domestic growth, export-market recovery and disciplined capital allocation across its diversified portfolio.

Description	FY 25-26	FY 24-25	Change in %
	-----Rs in million -----		
Gross Sales	120,572	118,397	1.84%
Net Sales	104,304	105,193	-0.85%
Gross Profit	21,210	21,834	-2.86%
GP in %	20.34%	20.76%	-2.02%
Operating Profit	9,339	10,823	-13.71%
Finance Cost	4,666	5,047	-7.55%
Profit after tax	3,954	5,749	-31.22%
Net Profit in %	3.79%	5.46%	-30.59%
EPS	59.59	86.64	-31.22%

Non-Financial Indicators

Capital Forms	Objective	KPI's Monitored	Future Relevance
Manufactured Capital	Product Development Business Optimization Maintain Leadership position in Industry and expands sales Enhace Operational efficiency and efficient inventory Management	Produce high quality and low cost products Analyse various prospects of invest in the most promising venture Market share, price Management and Identification of new markets. Production efficiency ratios and Activity ratios. Optimization of available resources and better allocation fo fixed costs. Current Ratio, Gearing and Interest Cover	The KPI's shall remainrelevant in the future
Human Capital	Health & Safety of workers Training and Education	Provision of congenial and clean environment along with safety Continuous training of employees and workers. Monitor training need analysis with special focus on health and safety at work	
Relationship Capital	Shareholder value Stock value Suppliers and Customer Relationships	EPS, ROE, Asset Turnover, ROI and DPS Analyse market price as a measure of relationship capital Assess the payment stream and ensure timely payment. Provide customer with maximum support beyond customer-supplier relationship	

Financial Ratios

*Above ratios are calculated using their standard formulas

Financial Ratio	UOM	2026	2025	2024	2023	2022	2021
Profitability Ratios							
Gross Profit ratio	%	**20.34%**	20.76%	22.06%	20.73%	17.82%	19.28%
Net Profit to Sales	%	**3.80%**	5.47%	5.63%	7.18%	4.62%	4.76%
EBITDA Margin to Sales	%	**13.76%**	15.33%	16.59%	16.12%	12.66%	12.41%
Operating Margin ratio	%	**8.95%**	10.29%	12.84%	11.62%	7.68%	6.18%
Return on Equity / Shareholders' Funds	%	**13.44%**	23.75%	34.61%	50.73%	22.63%	17.95%
Return on Capital employed	%	**17.54%**	23.81%	33.27%	33.22%	17.32%	9.01%
Shareholders' Funds	Rs. Million	**32,725**	29,424	24,209	17,716	12,580	11,275
Return on Shareholders' Funds	%	**13.44%**	23.75%	34.61%	50.73%	22.63%	17.95%
Liquidity Ratios							
Current ratio	Times	**1.22**	1.25	1.12	1.19	1.14	1.02
Quick / Acid test ratio	Times	**0.84**	0.85	0.81	0.64	0.61	0.46
Cash to Current Liabilities	Times	**0.02**	0.01	0.02	0.05	0.01	0.01
Cash flow from operations to Sales	Times	**0.13**	0.05	0.05	0.04	0.08	0.06
Cash flow to capital expenditures	Times	**4.09**	1.84	0.76	0.54	0.69	0.65
Cash flow coverage ratio	Times	**0.28**	0.13	0.12	0.11	0.27	0.15
Investment /Market Ratios							
Earnings per Share (EPS) and diluted EPS	Rs	**59.59**	86.64	92.41	96.17	38.44	26.77
Price Earnings ratio	Times	**32.71**	20.97	14.79	5.46	12.92	15.31
Price to Book ratio	Rs	**3.95**	4.10	3.75	1.97	2.62	2.41
Dividend Yield ratio	%	**0.26%**	0.28%	0.73%	2.29%	0.81%	0.98%
Dividend Payout ratio / Dividend Cover Ratio	%	**8.39%**	5.77%	10.82%	12.48%	10.40%	14.94%
Cash Dividend per share / Stock Dividend per share	Rs	**5.00**	5.00	10.00	12.00	4.00	4.00
Market value per share at the year end	Rs	**1,949.55**	1,816.84	1,367.00	525.00	496.73	410.00
High Share Price During The year	Rs	**2,189.96**	2,014.98	1,700.00	594.00	589.00	462.00
Low Share Price During The Year	Rs	**1,780.33**	1,300.01	510.00	402.90	392.03	295.01
Breakup value per share		**493.16**	443.42	364.83	266.98	189.57	169.91
Net Operating Profit After Tax (NOPAT)		**6,886**	8,817	12,436	9,180	3,408	1,870
Capital Structure							
Financial leverage ratio	Times	**1.61**	1.93	2.08	2.39	2.56	2.01
Debt to Equity ratio (as per book and as per market value)	Times	**0.89**	1.05	1.09	1.54	1.83	1.47
Net assets per share	Rs	**493.16**	443.42	364.83	266.98	189.57	169.91
Interest Cover /Time Interest earned ratio	Times	**2.37**	2.54	2.04	2.71	3.40	4.19

Financial Ratios

*Above ratios are calculated using their standard formulas

Financial Ratio	UOM	2026	2025	2024	2023	2022	2021
Activity / Turnover Ratios							
Average Total Assets	Rs. Million	104,160	96,511	81,986	62,200	46,167	39,249
Total Assets turnover ratio	Times	1.00	1.09	1.33	1.43	1.20	0.95
Average Net Fixed Assets	Rs. Million	32,159	32,428	30,739	26,969	22,949	20,032
Fixed Assets turnover ratio	Times	3.24	3.24	3.54	3.30	2.41	1.86
Average Inventory	Rs. Million	18,264	15,614	14,941	12,680	8,438	7,317
No. of Days in Inventory	Days	80	68	64	66	68	89
Average Recievables	Rs. Million	13,238	13,226	11,820	8,125	4,546	3,345
No. of Days in Receivables	Days	46	46	40	33	30	33
Average Payables	Rs. Million	12,521	10,611	9,470	5,922	3,734	3,715
No. of Days in Payables	Days	55	47	41	31	30	45
Operating cycle	Days	71	67	63	68	68	77
Non-Financial Ratios							
Plant Availability (Plastic)	%	40.44%	42.17%	43.52%	45.83%	36.62%	53.00%
Plant Availability (Food)	%	36.57%	36.23%	35.43%	43.92%	45.10%	46.94%
Production (metric tons)	MT	241,096.00	238,204.00	228,224.00	157,438.00	140,553.00	117,971.00
Production per Employee	%	76.44	79.83	78.08	51.57	53.18	46.89
Revenue per Employee	%	38.23	39.68	41.56	32.67	24.69	17.87
Spares Inventory as % of Assets Cost	%	0.96%	0.87%	0.80%	0.86%	0.99%	1.12%

Financial Ratios Analysis

Profitability Ratios

FY2026 was defined by shrinking margins and weakened capital efficiency. Profitability metrics softened across the board: gross margin dipped from 20.76% to 20.34%, while EBITDA and operating margins fell to 13.76% and 8.95%, highlighting significant challenges in cost absorption and operating leverage. Net margin took a sharper hit, dropping from 5.46% to 3.79% due to compounded operational and below-the-line pressures. As a result, capital returns deteriorated significantly, with ROE plunging from 23.75% to 13.44% and ROCE falling from 23.81% to 17.54%. Moving forward, strategy must aggressively prioritize internal operational improvements-rebuilding margin resilience and asset productivity-rather than banking on favorable macroeconomic shifts.

Liquidity Ratios

While balance-sheet liquidity remained stable—with the current ratio dipping slightly to 1.22x and the quick ratio holding steady at 0.84x, underlying cash generation strengthened significantly. Operating cash flow to sales jumped from 0.05x to 0.13x, and operating cash flow coverage of current liabilities more than doubled to 0.28x. Notably, internal cash comfortably funded capital expenditures, driving the cash-flow-to-capex ratio up to 4.09x from 1.84x. However, working capital efficiency remains a pressing challenge; rising inventory and receivable days demand stricter cash conversion discipline and proactive receivables management moving forward.

Investor Ratios

FY2026 presents a divergence between fundamental earnings performance and market valuation. EPS declined to Rs.59.59 from Rs.86.64, continuing the earnings moderation from the FY2023 peak of Rs.96.17; however, the year-end share price increased to Rs.1,950, resulting in the P/E multiple expanding materially to 32.72x from 20.97x. Similarly, the price-to-book multiple remained elevated at 3.95x, despite the decline in earnings. This indicates that the market valuation has remained relatively strong despite near-term earnings compression, placing greater importance on the Group's future earnings recovery, growth optionality and return profile. Meanwhile, the dividend payout ratio increased to 8.39%, although the dividend yield remained modest at 0.26%, reflecting the prevailing market price relative to Rs.5 dividend per share.

Capital Structured Ratios

FY2026 revealed a stark disconnect between declining fundamentals and a rising market valuation. While EPS dropped from Rs. 86.64 to Rs. 59.59—continuing a slide from the FY2023 peak of Rs. 96.17—the year-end share price climbed to Rs. 1,950. This drove a material expansion in the P/E multiple from 20.97x to 32.72x and kept the price-to-book multiple elevated at 3.95x. The market is clearly looking past current headwinds, pricing in future growth and an eventual earnings recovery. On the distribution front, a Rs. 5 dividend per share pushed the payout ratio up to 8.39%, though the high share price kept the effective dividend yield marginal at 0.26%.

Activity / Turnover Ratios

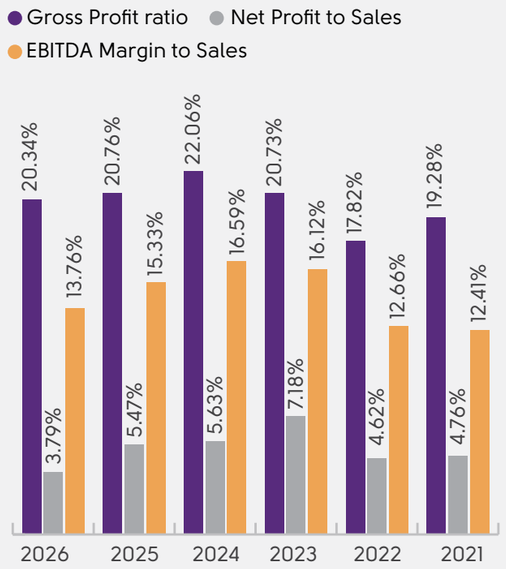
FY2026 was characterized by slower asset monetization and an elongated working-capital cycle. Total asset turnover slipped to 1.00x (from 1.09x), while fixed asset turnover held steady at 3.24x. The overall operating cycle stretched from 67.80 to 71.55 days, driven largely by a material jump in inventory days (to 80.23) and slightly higher receivable days (46.33), though this was partially cushioned by extended payable days (55.00). Interestingly, overall cash generation improved significantly despite this sluggish turnover efficiency. Moving forward, protecting liquidity and future ROCE will require aggressive inventory rationalization and tighter receivables collection to optimize working capital.

Board Action Agenda

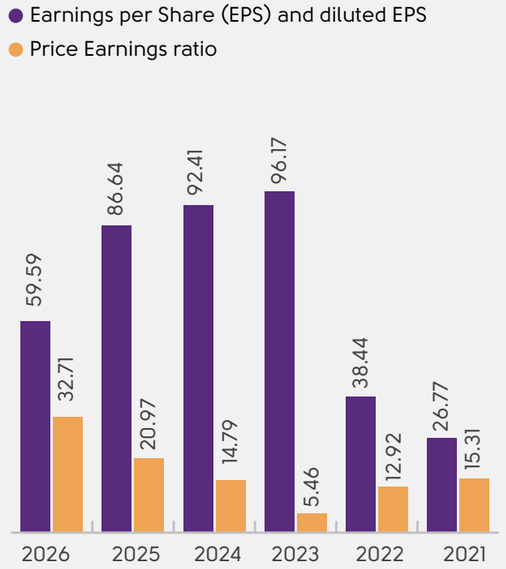
The Board's immediate focus should be on restoring margin and earnings momentum, accelerating working-capital efficiency, and improving capital productivity, with clear management accountability for inventory, receivables, ROCE and ROE. At the same time, the company should sustain deleveraging, protect cash conversion and apply disciplined ROIC thresholds to new capital deployment, ensuring that future growth translates into stronger and more sustainable EPS, cash flows and shareholder value.

Graphical Analysis

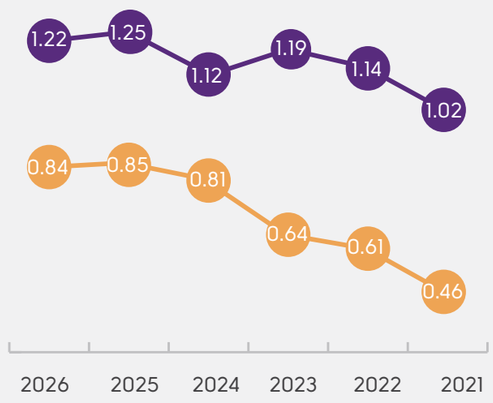
Profitability Analysis



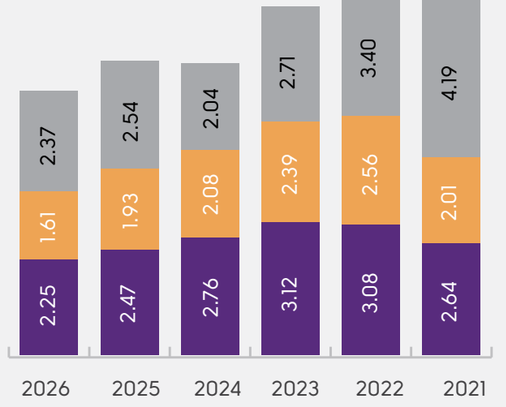
Investor Ratios



Liquidity Ratios

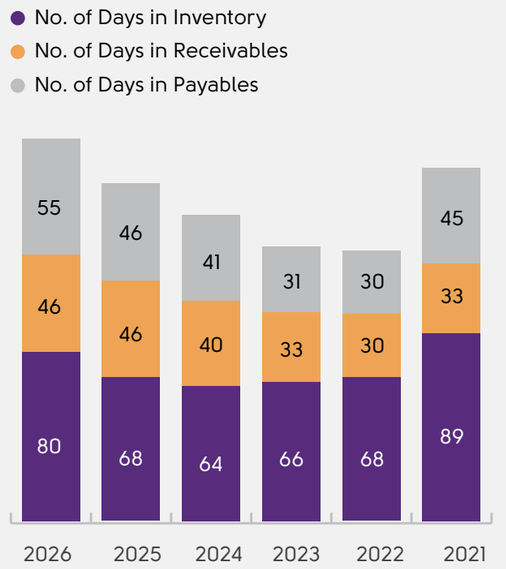


Capital Structure Ratios

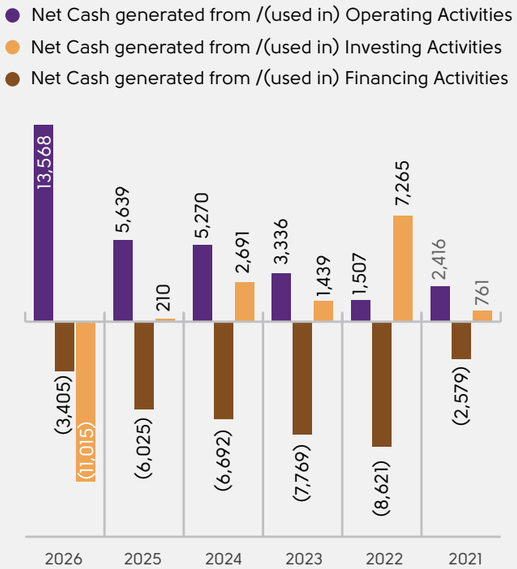


Graphical Analysis

Turnover Days

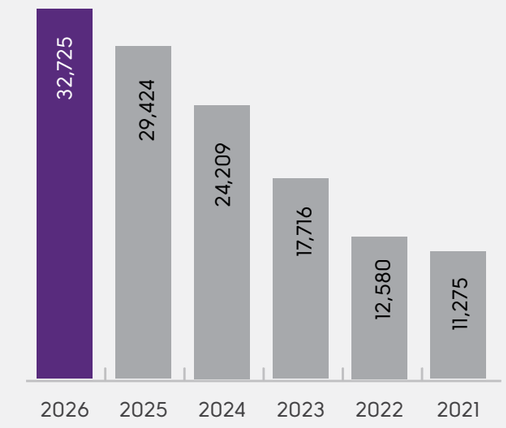


Cash Flow Analysis



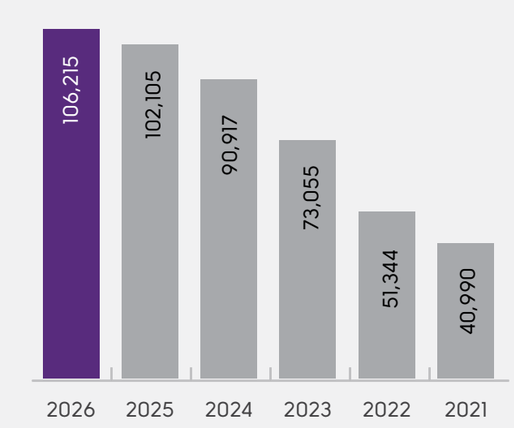
Shareholder Equity

(Rs. Million)



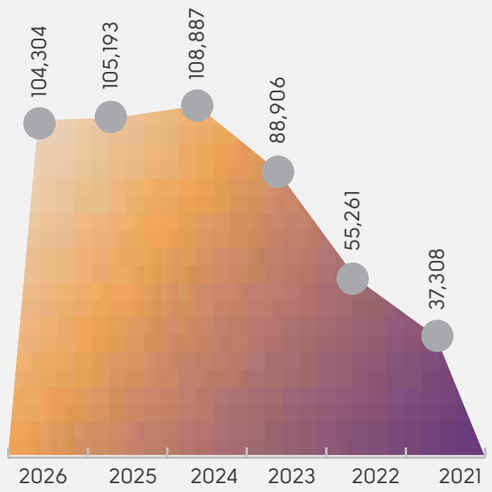
Total Assests

(Rs. Million)

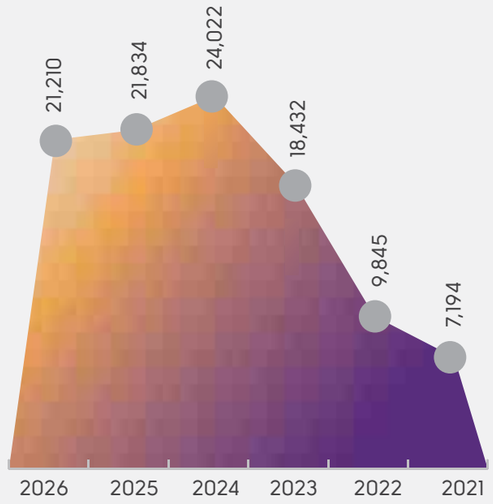


Graphical Analysis

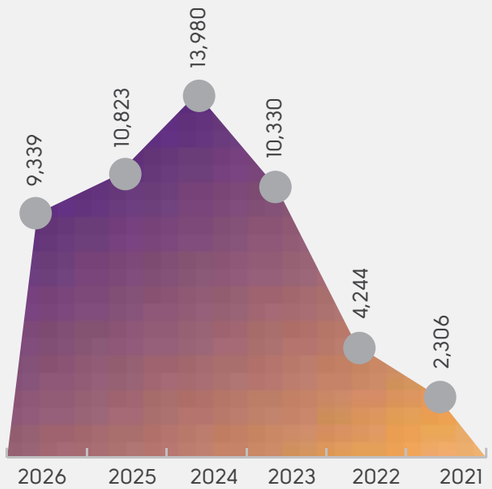
Net Sales



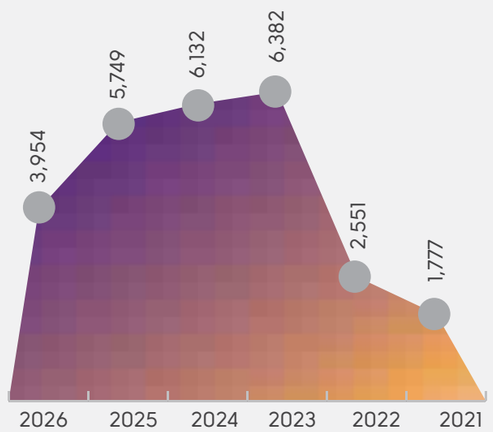
Gross Profit



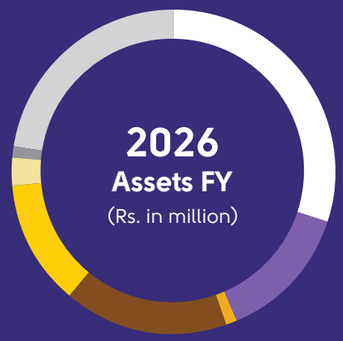
Operating Profit



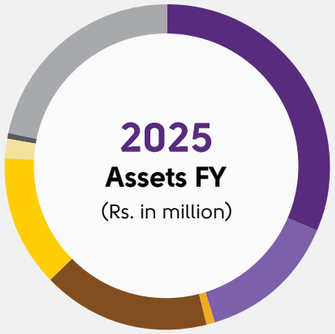
Profit after Tax



Composition of Statement of Financial Position



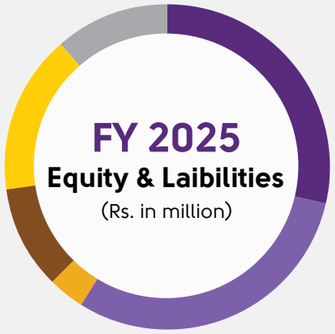
Property, plant and equipment	32,102
Long term investments	14,403
Stores and spares	1,019
Stock-in-trade	17,649
Trade debts	13,159
Short term investments	3,091
Cash and bank balances	1,142
Other Assets	23,649



Property, plant and equipment	32,217
Long term investments	14,245
Stores and spares	891
Stock-in-trade	16,969
Trade debts	13,317
Short term investments	1,816
Cash and bank balances	592
Other Assets	22,058



Shareholders' Equity	32,725
Long-term liabilities	29,247
Long term deposits and deferred liabilities	3,748
Trade and other payables	14,390
Short term finances - secured	15,542
Other Laibilities	10,562



Shareholders' Equity	29,424
Long-term liabilities	30,978
Long term deposits and deferred liabilities	3,465
Trade and other payables	10,652
Short term finances - secured	17,814
Other Laibilities	9,772

Business and Non-Business Segments of Ismail Industries Limited

Ismail Industries Limited is a conglomorate that operates across a range of business and non-business segments. Its strategic diversification is a key element of its business model, allowing it to mitigate risk and capture various market opportunities.

Business Segments

Ismail Industries Limited operates through two principal reportable business segments Food and Plastic supported by corporate, investment and strategic activities that complement the Group's operating platform. This diversified structure enables the Company to participate across multiple consumer and industrial value chains while providing flexibility to allocate capital towards businesses offering attractive growth, margin and cash-generation opportunities.

Food Segment

The Food segment remains the Company's principal operating platform, encompassing its established positions across confectionery, biscuits and snacks, nutrition and flour under the Ghiza brand. In FY2026, the segment generated net sales of Rs. 88.6 billion, representing approximately 85% of the Company's total net sales, compared with Rs. 89.3 billion in FY2025. Despite broadly stable revenue, operating profit declined from Rs. 10.6 billion to Rs. 8.1 billion, reflecting pressure on operating leverage, distribution economics and the changing domestic/export sales mix. The segment nevertheless continued to provide the principal earnings base of the Company, supported by established brands, manufacturing scale and broad market reach.

Plastic Segment

The Plastic segment, comprising the Company's packaging and plastic-film operations, generated net sales of Rs. 15.7 billion in FY2026, broadly in line with the preceding year. Importantly, operating profit increased substantially from Rs. 0.3 billion to Rs. 1.2 billion, reflecting improved operational performance and stronger earnings conversion. The segment's contribution demonstrates the value of maintaining a diversified industrial platform and provides an additional avenue for strengthening the Group's earnings mix and operational resilience.

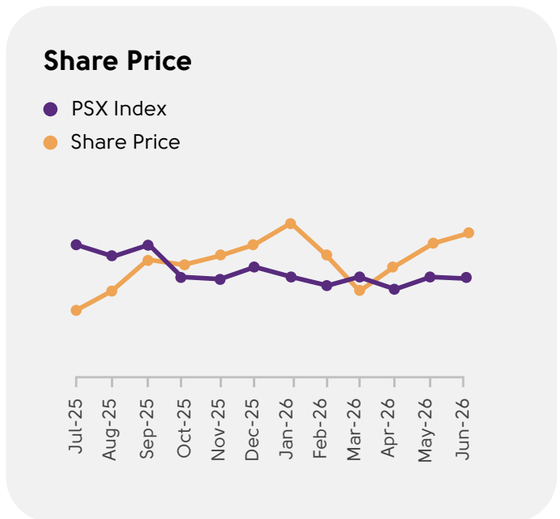
Non-Business Segments

Non-business segments represent strategic investments and financial interests that complement IIL's core manufacturing and operating businesses. While these activities may not directly generate revenue through the Company's principal manufacturing and sales operations, they play an important role in portfolio diversification, capital allocation, risk management and long-term value creation.

For Ismail Industries Limited, the non-business portfolio primarily comprises investments in subsidiaries and associates, enabling the Company to participate in complementary businesses, access new markets and capabilities, and strengthen its overall business ecosystem. These investments provide strategic optionality while supporting the Company's broader objectives of diversification, sustainable growth and efficient deployment of capital.

Share Price Sensitivity Analysis

Shares of Ismail Industries Limited (IIL) are listed and traded on the Pakistan Stock Exchange (PSX). The Company's market valuation is influenced by a combination of company-specific fundamentals and broader economic, financial and market factors. These include earnings performance, margins, input costs, interest rates, foreign exchange movements, regulatory developments, investor sentiment and expectations regarding the Company's future growth.



As a listed company, IIL is committed to timely, accurate and transparent disclosure of material and price-sensitive information in accordance with applicable requirements of the PSX Rulebook and the regulatory framework. Effective disclosure enables investors to assess the factors that may influence the Company's financial performance and market valuation.

Earnings Performance (EPS)

Earnings per share (EPS) provides an important link between the Company's profitability and shareholder value.

Over the six-year period, EPS increased from Rs. 26.77 in FY2021 to Rs. 59.59 in FY2026, representing growth of approximately 123% and reflecting the substantial expansion of the Company's earnings base. EPS reached Rs. 96.17 in FY2023, before moderating to Rs. 92.41 in FY2024, Rs. 86.64 in FY2025 and Rs. 59.59 in FY2026, reflecting the pressure on profitability during these years.

Market Expectations

The Price-to-Earnings (P/E) ratio increased from 5.46x in FY2023 to 14.79x in FY2024, 20.97x in FY2025 and 32.71x in FY2026. At the same time, the year-end share price increased from Rs. 1,816.84 in FY2025 to Rs. 1,949.55 in FY2026, while EPS declined.

This movement demonstrates that share-price formation is not determined by current-period earnings alone. The expansion in the P/E multiple indicates that the market valuation incorporated factors beyond reported FY2026 EPS, including expectations regarding future earnings, business fundamentals, growth opportunities and prevailing market conditions. Accordingly, changes in both earnings expectations and the valuation multiple can materially influence the Company's share price.

Competitive and Consumer Dynamics

The Company's markets remain competitive and are influenced by consumer preferences, purchasing power, brand strength, pricing, innovation, distribution reach and promotional intensity. Changes in competitive behavior or consumer demand may affect sales volumes, market share and margins.

IIL's multi-category portfolio and established brands provide diversification across consumer segments, while continued investment in innovation, brand equity and route-to-market capabilities remains central to maintaining long-term competitiveness.

Dividend Policy and Shareholder Returns

Dividend yield and payout provide an additional perspective on shareholder returns. In FY2026, IIL maintained a cash dividend of Rs. 5.00 per share, while the dividend payout ratio increased from 5.77% in FY2025 to 8.39% in FY2026.

The corresponding dividend yield was 0.26% at the FY2026 year-end market price. The relatively modest yield reflects the relationship between the dividend distributed and the prevailing market valuation, while the Company's payout policy remains one component of the broader capital-allocation framework alongside reinvestment in growth, capacity and strategic opportunities.

Interest Rates and Capital Structure

Interest-rate movements influence the Company's financing costs, working-capital requirements and investment economics. Changes in the cost of borrowing can therefore affect profitability, cash flows and the pace and structure of future investments.

The Company's focus on working-capital optimization, financing efficiency and disciplined leverage is intended to strengthen financial resilience and preserve flexibility for strategic investments through changing interest-rate cycles.

Foreign Exchange and International Exposure

IIL's export activities, imported inputs and international investments expose the Company to movements in foreign exchange rates. Currency fluctuations may affect export realizations, imported input costs and the translated value of overseas operations and investments.

The increasing geographic diversification of the Group provides access to international markets while also requiring disciplined management of currency, commercial and country-specific risks.for strategic investments through changing interest-rate cycles.

Direct Cash Flow Statement

Description	2026	2025
Cash Flows from Operating Activities	**(Rs. in millions)**	
Cash generated from operations	15,868	8,115
Gratuity paid	(100)	(145)
Income tax and levies paid	(2,192)	(2,334)
Long term deposits - net	(8)	3
Net Cash Flows from Operating Activities	**13,568**	5,639
Cash Flows from Investing Activities		
Capital expenditure (including CWIP)	(3,318)	(3,058)
Long term investment made - net	(500)	(3,465)
Short-term investment made - net	(784)	(263)
Receipts from associated company against dividend	905	481
Proceeds from disposal of property, plant and equipment	292	281
Net Cash Flows used in Investing Activities	**(3,405)**	(6,024)
Cash Flows from Financing Activities		
(Payments) / Receipts from long term finances - net	(1,731)	4,637
Short term finance repaid / obtained - net	(4,104)	3,922
(Payments) to islamic redeemable sukuk	-	(2,000)
Interest / mark-up paid	(4,849)	(5,686)
Dividend paid	(331)	(663)
Net Cash Flows (used in) / generated from Financing Activities	(11,015)	210
Net (Decrease) in Cash & Cash Equivalents	(851)	(175)
Opening Cash & Cash Equivalents	(2,817)	(2,642)
Closing Cash & Cash Equivalents	**(3,669)**	(2,817)
Cash and cash equivalents at the end of the year comprise of:		
Cash and bank balances	1,142	592
Short term Investment having Maturity upto 3 months	430	-
Running finance utilized under mark-up arrangements	(5,240)	(3,409)
Closing Cash & Cash Equivalents	**(3,669)**	**(2,817)**

Cash Flow Analysis

Operating Activities

The company generated PKR 13.57 billion in net operating cash flow in FY2026, compared with PKR 5.64 billion in FY2025, an increase of 140.9%. The improvement was primarily driven by higher cash generated from operations of PKR 15.87 billion, partly offset by tax and levy payments of PKR 2.19 billion. The stronger operating cash generation reflects improved cash conversion and provides enhanced internal funding capacity.

Investing Activities

Net cash utilized in investing activities declined to PKR 3.41 billion from PKR 6.02 billion in FY2025. Capital expenditure increased to PKR 3.32 billion, while long-term investment outflows reduced significantly to PKR 0.50 billion from PKR 3.47 billion. The compnay also received PKR 0.91 billion in dividends from an associate, supporting investment cash flows. Overall, the lower investment outflow indicates a more measured deployment of capital during the year.

Financing Activities

The company's financing activities are influenced by its debt management strategy. In current year, the Company has been actively managing its debt financings. New debt has been obtained for project financing and working capital management.

Dividend Payments

The company has a consistent history of paying dividends to its shareholders. The company paid out PKR 662.83 million in dividends last year and has proposed Rs. 5/share of dividend for financial year ended June 30, 2026.

Free Cash Flow (FCF)

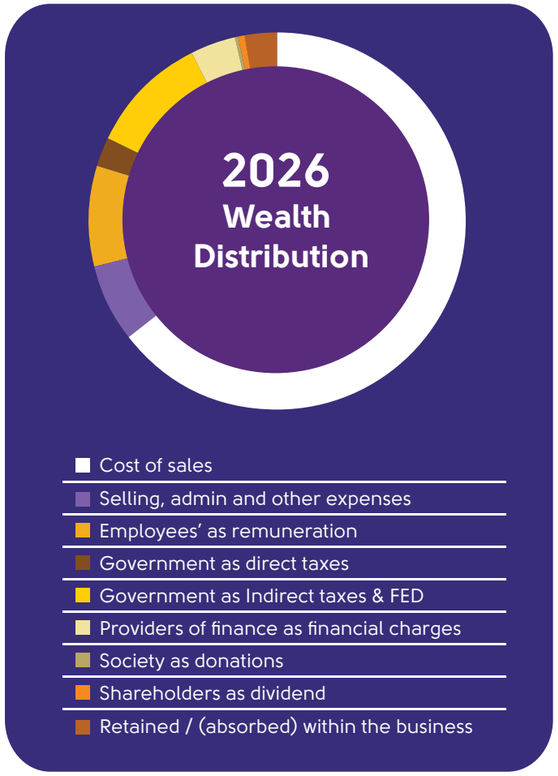
Free Cash Flow (FCF)	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21
Net cash generated from operating activities	13,568	5,639	5,270	3,336	1,507	2,416
Less. Capital Expenditures	(3,818)	(6,523)	(6,945)	(7,756)	(8,521)	(3,355)
Less. Net debt (paid) / receipt	(1,731)	4,637	(948)	4,320	6,439	2,014
Total Free Cash Flow	**8,019**	**3,754**	**(2,623)**	**(100)**	**(575)**	**1,075**

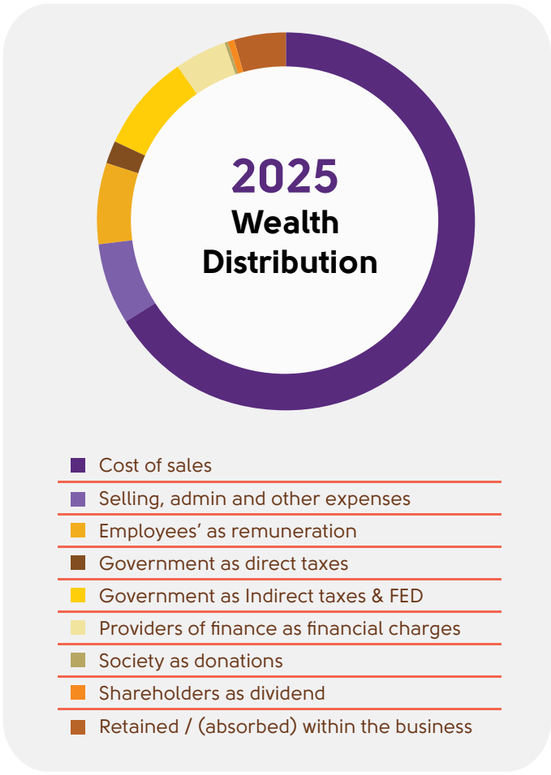
Shariah Ratios

	FY 2025-26	FY 2024-25
Interest bearing loan to total assets	24.73%	31.64%
Interest bearing loan to market capitalization	20.31%	26.80%
Non-compliant investments to Total assets	7.53%	6.92%
Income generated from prohibited component to total income	1.40%	1.73%

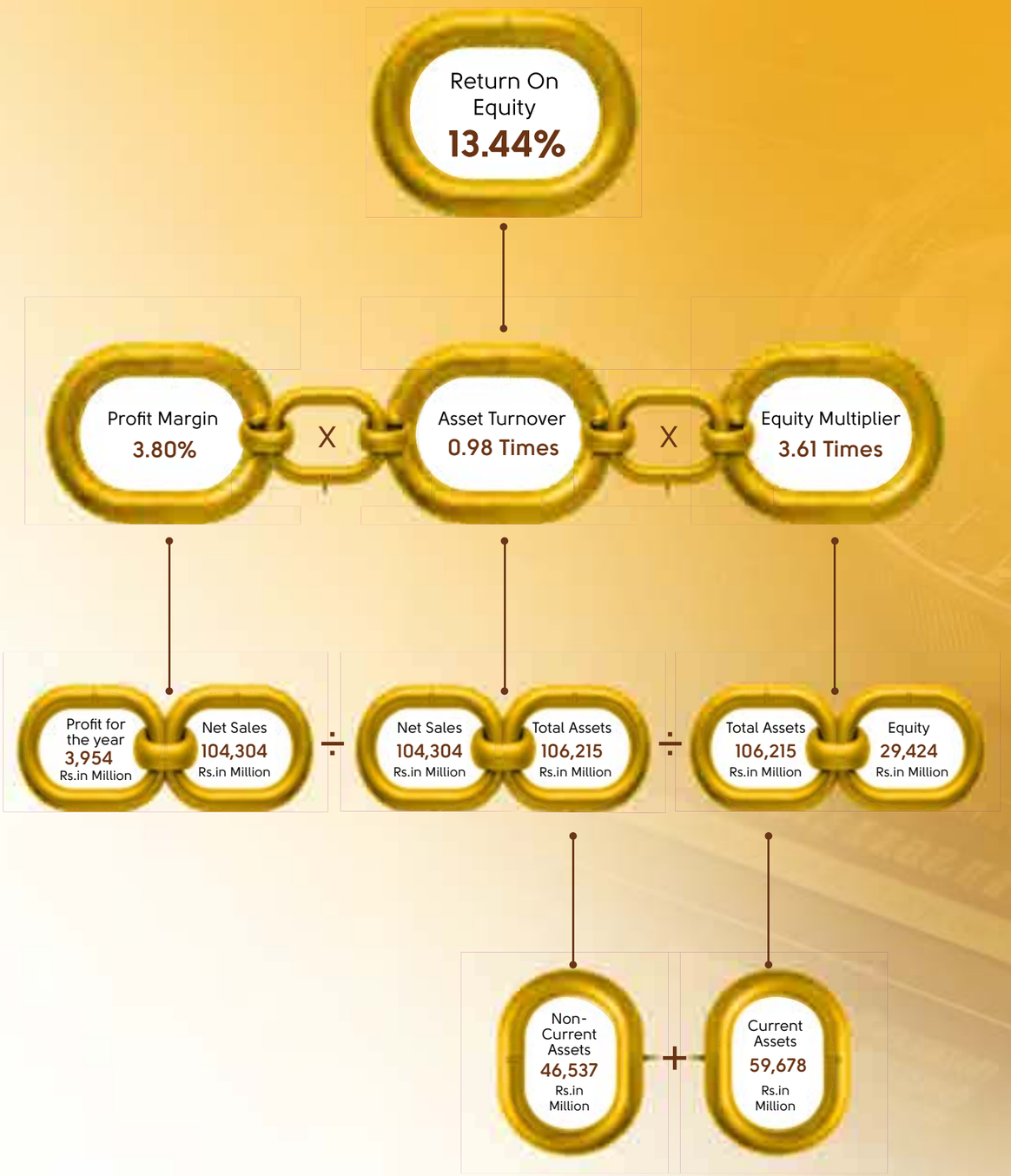
Statement of value added and its distribution

Financial Position	2026	%	2025	%
Wealth Generated	**(Rs. in millions)**		**(Rs. in millions)**	
Turnover (including sales tax & FED)	116,715	98.23	115,248	97.57
Oher operating income	1,463	1.23	1,223	1.04
Share of profit from associate company	957	0.81	1,517	1.28
Other comprehensive (loss) / income	-322	-0.27	129	0.11
	118,813	100.00	118,117	100.00
Wealth Distribution				
Cost of sales (excluding employees' remuneration)	76,777	64.62	78,264	66.26
Selling, admin and other expenses (excluding employees' remuneration)	8,069	6.79	8,029	6.80
Employees' as remuneration	10,140	8.53	8,429	7.14
Government as direct taxes (including workers' profit participation fund & workers' welfare fund)	2,857	2.40	2,133	1.81
Government as Indirect taxes & FED	12,411	10.45	10,055	8.51
Providers of finance as financial charges	4,666	3.93	5,047	4.27
Society as donations	260	0.22	282	0.24
Shareholders as dividend	332	0.28	664	0.56
Retained / (absorbed) within the business	3,301	2.78	5,214	4.41
	118,813	100.00	118,117	100.00





Dupont Analysis



07

CHAINS OF PROSPERITY

OVERVIEW BUSINESS MODEL & BUSINESS ACTIVITIES

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Material Changes in Business Model	268

Business Model of Ismail Industries Limited

Inputs

Ismail Industries Limited, is one of Pakistan's leading FMCG conglomerates, drawing on a diverse base of capital resources and collaborative partnerships to drive its value creation agenda. The Group's brand portfolio includes well-recognized and trusted names such as Candyland, Bisconni, Nutritional products, Ghiza, Super Cereal and Astro Films each commanding strong market recognition.

Financial Capital: To meet its operational requirements, fund expansion initiatives, support research and innovation, and finance ongoing working capital needs, the IIL continues to adopt a balanced approach to equity and debt financing.

Manufactured Capital: The Company's manufacturing footprint comprises multiple state-of-the-art facilities dedicated to the production of biscuits, confectionery, nutrition-focused products, flour and packaging materials ensuring consistency in efficiency and quality across its product lines.

Human Capital: The Company's workforce comprises skilled and diverse professionals, including manufacturing specialists, research and development experts, marketing strategists, and experienced corporate personnel, all of whom contribute to the Group's competitive strength.

Intellectual Capital: The Company's intellectual capital is anchored in proprietary formulations, a strong and diversified brand portfolio, and innovative packaging and product design that connect meaningfully with consumers.

Social and Relationship Capital: This is reinforced by well-established and resilient distribution channels, supported by extensive retailer and distributor networks, enduring supplier relationships, and a broad customer base that sustains consistent demand.

Natural Capital: The Company's core operations transform these inputs into value-added products through the procurement of high-quality raw materials from domestic and international suppliers, with a continued focus on cost-effectiveness and sustainability. A dedicated research and development team drives ongoing improvements in flavor, nutritional value, and packaging. Key raw materials — including sugar, flour, dairy products, and cocoa powder for the food segment; film-grade chips for packaging materials, remain critical inputs for production, alongside essential utilities such as energy and water. In line with its sustainability commitment, the Company's continues to place greater emphasis on environmentally responsible sourcing and resource management practices to reduce its ecological footprint, aligning its growth strategy with global sustainability standards.

Business Activities

The Company's operates large-scale, automated production systems that comply with strict hygiene, safety, and quality standards. Marketing initiatives encompass digital campaigns, in-store activations, and trade incentives, underpinned by a robust logistics network that ensures timely distribution to distributors, industrial clients, wholesalers, and export markets.

As part of its continued expansion and internationalization strategy, the Company's is also developing Bisconni Middle East Manufacturing LLC in Abu Dhabi, United Arab Emirates, which will establish a dedicated manufacturing platform for Bisconni products in the Middle East. The project is expected to strengthen Company's regional manufacturing and distribution capabilities, improve proximity to key export markets, enhance supply chain responsiveness, and support Company's long-term international growth strategy.

Furthermore, the Company's remains committed to environmental, social, and governance (ESG) principles, investing in renewable energy sources, minimizing waste, promoting diverse hiring practices, and contributing to community development initiatives.

The Company's continues to strengthen its business model through vertical integration across its value chain, enabling more streamlined operations and greater efficiency and control. This vertically integrated structure allows Company's to manage key stages of production and distribution in-house, enhancing quality control, cost efficiency, and supply chain responsiveness. In parallel, by diversifying its product portfolio and leveraging brand equity across multiple consumer segments, Company's has further strengthened its customer base and expanded its market presence. A continued focus on innovation, technology-driven manufacturing, and expansion into high-margin product lines is expected to position Company's for sustainable growth in increasingly competitive markets going forward.

Outputs

The Company's operations yield a wide range of tangible and intangible outputs, including premium biscuits, chocolates, jellies, bubble gums, and nutritional products marketed under well-established brands. The Company's also produces high-quality film-grade and bottle-grade chips, BOPET, CPP, and BOPP films, along with packaging solutions, pharmaceutical injectables, and high-nutritional-value products. Beyond its product range, The Company's contributions extend to trusted household brands, direct and indirect employment opportunities, and environmental sustainability initiatives.

Outcomes

The long-term value created through the Company's business model is reflected in sustainable revenue growth, consistent profitability, and strong shareholder returns over time. The Company's has strengthened its brand presence and market share across FMCG segments, both domestically and internationally, while consistent quality and innovation continue to drive strong consumer loyalty. Community well-being is supported through CSR initiatives, inclusive internship programs, and health and education support. On the environmental front, the Group continues to make progress in reducing its carbon footprint, improving waste management, and advancing its green transformation agenda.

Conclusion: Value Creation and Long-Term Commitment

Company's operates through a dynamic and interconnected business model designed to generate, deliver, and sustain value for a diverse range of stakeholders. By leveraging responsible resource management, fostering innovation, and building strategic alliances, the Group remains committed to achieving sustainable growth, enhancing resilience, and maintaining long-term stakeholder trust, all while adhering to leading global standards in corporate reporting.

To strengthen its strategic vision, the Company's has embedded value creation and enduring commitment into every aspect of its operations. This requires a holistic approach that emphasizes sustainable growth, drives innovation, optimizes operational performance, and centers on customer needs. The Company's continues to focus on nurturing lasting relationships with stakeholders, upgrading its infrastructure, and implementing ethical sourcing and production practices, supported by increased transparency, enhanced governance, and ongoing investment in research and development, workforce skills, and social responsibility initiatives. Through the continued strengthening of its diverse portfolio, the Company's is well-positioned to establish itself as a progressive organization dedicated to delivering long-lasting value to shareholders, customers, and the wider community.



Material Changes in Business Model During the Year 2025-2026

Throughout the financial year ended June 30, 2026, there have been no material changes to Company's core business model, with the Company continuing to focus on its established strategies for value creation and sustainable growth. Any significant events that occurred during the year, and their specific impacts on the Company's operations or strategic direction, are already detailed in relevant sections of this report.

Our input

Financial Capital
IIL balances equity and debt financing to support operations, expansion, research, innovation, and working capital needs.

Manufactured Capital
Multiple state-of-the-art facilities produce diverse products with quality consistency.

Human Capital
Company's diverse workforce strengthens competitiveness with skilled manufacturing, R&D, marketing, and corporate expertise.

Intellectual Capital:
Intellectual capital drives brand diversity and innovative design.

Social and Relationship Capital:
Established distribution channels, strong retailer networks, enduring supplier relationships, and a wide customer base sustain demand.

Natural Capital:
The Company's enhances value-added products by sourcing high-quality raw materials sustainably. A dedicated R&D team improves flavor, nutrition, and packaging. Key materials include sugar, dairy, film-grade chips, and pharmaceuticals, emphasizing responsible sourcing and resource management for reduced ecological impact.



The Company's employs automated production systems adhering to strict hygiene and quality standards, supported by digital marketing, in-store promotions, and trade incentives. Committed to ESG principles, it invests in renewable energy and community initiatives. Vertical integration enhances operational efficiency, while product diversification and innovation prepare the Company's for sustainable growth in competitive markets.

Net Sales (PKR) 104.3 bn (2025: 105.1 bn)	Shareholder's Equity (PKR) 32.7 bn (2025: 29.4 bn)
Gross Profit Margin (PKR) 21.2 bn (2025: 21.8 bn	Operating Profit (PKR) 9.3 bn (2025: 10.8 bn

Our Outcomes

For Employees
We employ dedicated professionals, providing opportunities for skill enhancement and career progression.

For Customers
We produced around 203,575 MT food product and 37,521 MT Plastic Products.

For Vendors
Generating business through long-term relationships, procuring goods and services.

For Distributors
Provide quality manufactured products for distribution across the country.

For Shareholders
For FY 2026, the Board proposed a final dividend of PKR 5.0 per share.

For Economy
Contributions to the national exchequer reached PKR 14.80 bn in 2026 through sales and income tax.

For Subsidiaries
We purchase PKR 7.3 bn worth of raw material.

For Environment
We reduce environmental impact through solar energy and other initiatives demonstrating our commitment to sustainability and resource conservation.

08

BUILT FOR RESILIENCE

DISCLOSURES ON IT GOVERNANCE AND CYBERSECURITY

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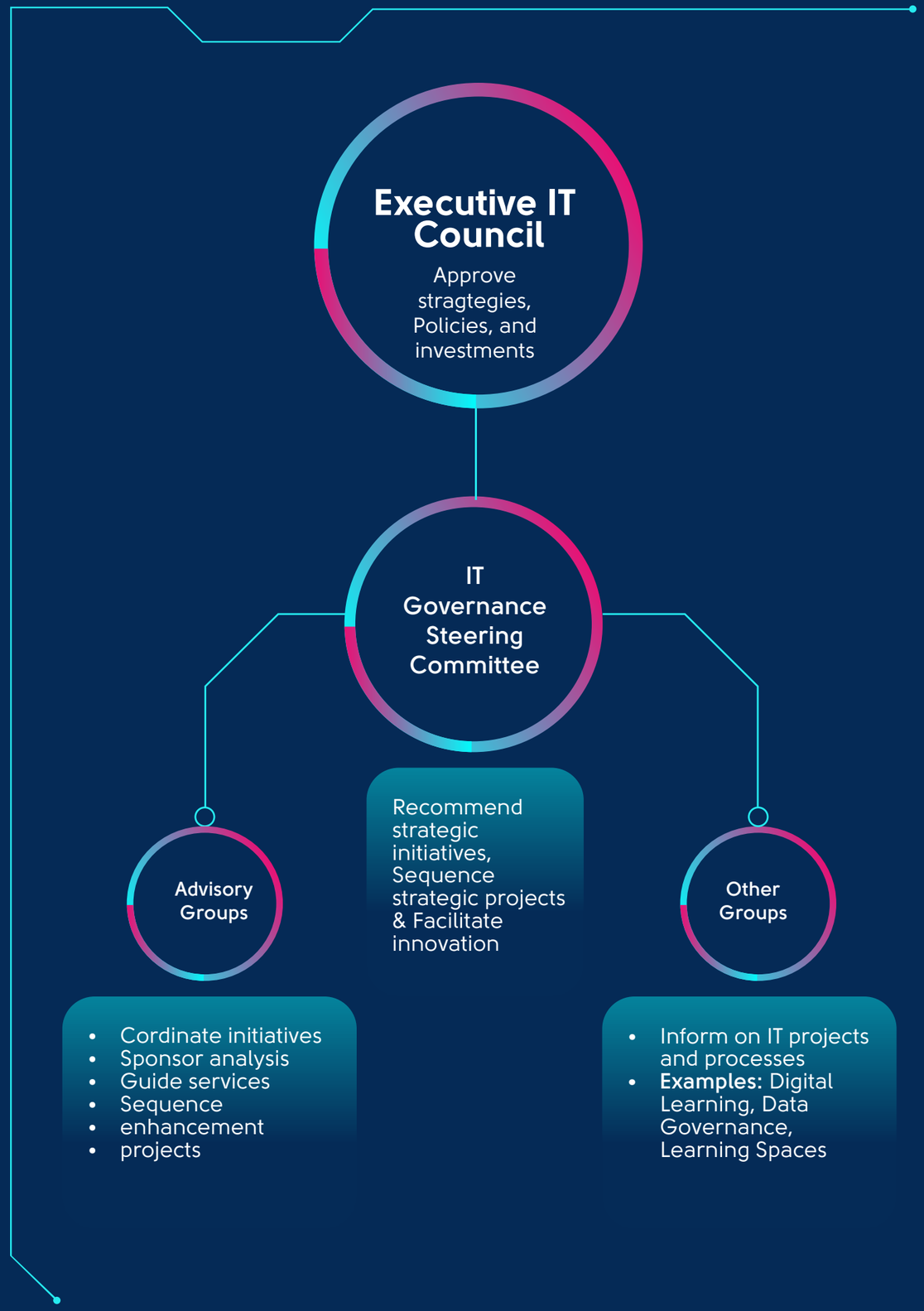


Board Oversight on Information Technology, Cybersecurity, Data Privacy, and Artificial Intelligence (AI) Governance

The Board of Directors of Ismail Industries Limited (IIL) recognizes that robust IT governance, cybersecurity, data privacy, and responsible adoption of Artificial Intelligence (AI) are essential to protecting the Group's information assets, ensuring business continuity, and supporting sustainable growth.

The Board, supported by senior management and relevant governance forums, provides oversight of the Group's IT governance and cybersecurity framework to ensure that technology initiatives, internal controls, and AI adoption remain aligned with the Group's strategic objectives, applicable legal and regulatory requirements, and enterprise risk management framework.

The Group maintains an integrated IT and cybersecurity control environment covering access controls, data protection, system security, backup and disaster recovery, vulnerability management, network monitoring, incident response, and periodic security assessments. Employee awareness initiatives and ongoing monitoring are also undertaken to mitigate technology and human-factor risks.

With the increasing adoption of digital technologies, the Board promotes the responsible use of AI, with emphasis on data privacy, information security, human oversight, transparency, accountability, and appropriate controls over AI-generated outputs. AI and digital transformation initiatives are evaluated to ensure alignment with business objectives and applicable legal, regulatory, and governance requirements.

The Group maintains an incident response and cyber crisis management framework for the timely identification, containment, investigation, remediation, and reporting of cybersecurity incidents. Any significant cyber breach, data privacy incident, or technology failure is escalated to senior management and the Board, together with an assessment of its operational, financial, legal, regulatory, and reputational impact. Where required, appropriate regulatory and stakeholder notifications are made in accordance with applicable requirements.

The effectiveness of IT controls and cybersecurity measures is monitored through internal audits, security assessments, vulnerability reviews, penetration testing, and management reporting. The Board receives periodic updates on key technology and cyber risks, emerging threats, compliance matters, system resilience, AI initiatives, and remediation actions.

Through continued oversight and investment in IT governance, cybersecurity, data privacy, responsible AI adoption, and operational resilience, the Board remains committed to maintaining a robust digital control environment and protecting the interests of the Group and its stakeholders.

Disclosure on IT Governance, Cybersecurity Framework, and Digital Strategy

Ismail Industries Limited (IIL) has established an IT Governance and Cybersecurity Framework to align technology with business objectives, strengthen risk management, ensure regulatory compliance, and support secure digital transformation. The framework defines clear governance structures, accountability, decision-making protocols, and responsibilities for IT management and business users.

The Group's IT Governance Policy focuses on strategic alignment, effective management of IT resources, prioritisation of technology investments, operational efficiency, risk mitigation, regulatory compliance, and continuous improvement of IT systems and controls. The policy applies to relevant employees, business functions, and third-party service providers.

IIL maintains a multi-layered cybersecurity programme comprising preventive, detective, and corrective controls, including network firewalls, intrusion prevention and detection, endpoint protection, secure email gateways, role-based and privileged access controls, multi-factor authentication, vulnerability assessments, penetration testing, system hardening, security patching, data backups, disaster recovery, and business continuity arrangements.

The Group continuously monitors emerging cyber threats, technology risks, and regulatory developments, supported by cybersecurity awareness and employee training programmes. IT controls and cybersecurity measures are subject to periodic internal reviews, independent assessments, audits, and management monitoring to identify and address vulnerabilities and strengthen cyber resilience.

IIL is committed to complying with applicable legal, regulatory, data protection, information security, and electronic records requirements, while progressively aligning its practices with recognised international standards and industry best practices.

Through continued investment in IT infrastructure, cybersecurity capabilities, digital transformation, and governance, IIL aims to protect critical information assets, maintain operational resilience, enhance business efficiency, and support sustainable digital growth.

Board Oversight of Information Technology Governance and Cybersecurity

The **Board of Directors of Ismail Industries Limited (IIL)** recognizes IT governance, cybersecurity, and digital resilience as integral components of the Group's corporate governance and Enterprise Risk Management framework. Accordingly, oversight of **IT governance, cybersecurity, information security, and technology-related risks** is assigned to the **Audit Committee,** which reports to and supports the Board in discharging its oversight responsibilities.

The Audit Committee periodically reviews the Group's cybersecurity posture, IT risk profile, information security controls, technology projects, emerging cyber threats, regulatory compliance, incident management, and remediation activities through reports from management and the IT function.

IT and cybersecurity risks are incorporated into the Group's ERM framework and are monitored through regular management reporting, key risk indicators, compliance reviews, and control assessments. The Board ensures that appropriate policies, resources, controls, and risk mitigation measures are in place and reviews significant technology investments required to strengthen cybersecurity and operational resilience.

The **Internal Audit function** provides independent assurance through periodic reviews of IT governance, access controls, cybersecurity controls, system resilience, and compliance. Significant findings and management remediation plans are reported to the Audit Committee for appropriate follow-up.

In the event of a **significant cybersecurity incident, data breach, or technology failure,** established escalation protocols require prompt reporting to senior management and the Audit Committee. Where necessary, the Board oversees management's response, remediation efforts, and compliance with applicable legal, regulatory, and contractual notification requirements.

Through **Audit Committee oversight, independent assurance, regular engagement with management, and continuous monitoring,** the Board maintains effective oversight of IT and cybersecurity risks, supporting secure digital transformation, operational resilience, and protection of the Group's critical information assets.

Disclosure on the Company's Cybersecurity Early Warning System and Incident Reporting Framework

The Company has established a comprehensive Cybersecurity Early Warning and Incident Management Framework designed to facilitate the timely identification, assessment, escalation, response, and reporting of cybersecurity risks and incidents. The framework forms an integral part of the Company's Information Security and Enterprise Risk Management (ERM) Framework and is intended to strengthen the Company's cyber resilience while supporting timely communication with senior management, the Audit Committee, and the Board of Directors.

- The Company's cybersecurity monitoring capabilities combine preventive, detective, and responsive controls to enable the early identification of potential threats before they materially impact business operations. Key elements of the Company's early warning system include:
- Continuous monitoring of the Company's network infrastructure, critical information systems, and digital assets through automated security monitoring tools.
- Deployment of next-generation firewalls, intrusion detection and prevention systems (IDPS), endpoint detection and response (EDR) solutions, and advanced anti-malware technologies to identify and contain suspicious activities in real time.
- Regular installation of security patches, software updates, and vulnerability remediation measures to minimise exposure to known cybersecurity risks.
- Automated threat intelligence, security alerts, and event monitoring to detect abnormal system behaviour, unauthorised access attempts, malware activity, and other potential cyber threats.
- Periodic vulnerability assessments, penetration testing, configuration reviews, and cybersecurity risk assessments performed by internal specialists and independent external experts to evaluate the effectiveness of the Company's security controls.
- Regular cybersecurity awareness programmes and phishing simulation exercises to strengthen employee vigilance and reduce risks associated with human factors.

The Company has also established a formal Cybersecurity Incident Response and Escalation Procedure, which defines clear roles, responsibilities, reporting protocols, and decision-making authority for the identification, assessment, containment, investigation, recovery, and post-incident review of cybersecurity events. Significant cybersecurity incidents are promptly escalated to senior management and, where appropriate, reported to the Audit Committee and the Board together with an assessment of their operational, financial, legal, regulatory, and reputational implications.

The Board and the Audit Committee receive periodic reports on the Company's cybersecurity posture, emerging cyber risks, significant security events, vulnerability trends, remediation activities, and the effectiveness of cybersecurity controls. This reporting framework enables the Board to exercise effective oversight, evaluate management's response to cybersecurity risks, and ensure that appropriate corrective actions and strategic investments are implemented on a timely basis.

The Company periodically reviews and tests its incident response, business continuity, and disaster recovery arrangements through tabletop exercises, simulations, and control assessments to validate preparedness and strengthen organisational resilience against evolving cyber threats.

Through continuous monitoring, timely risk escalation, proactive incident management, and regular Board reporting, the Company maintains an effective early warning system that supports the timely identification and mitigation of cybersecurity risks, safeguards critical information assets, and reinforces stakeholder confidence in the Company's technology governance and cyber resilience.

IT Security Policy

The objective of Information Security is to ensure business continuity and minimize damage by preventing and limiting the impact of security incidents.

Policy

The Company is committed to maintaining a secure, resilient, and well-governed technology environment through a comprehensive Information Security Framework designed to protect the confidentiality, integrity, and availability of its information assets. The framework supports business continuity, regulatory compliance, and the effective management of cybersecurity and technology-related risks.

The Company's **Information Security Policy**, approved by the Board of Directors, establishes the principles, standards, and responsibilities for safeguarding information assets and applies to all employees, contractors, third-party service providers, and other authorised users of the Company's technology resources. The policy is designed to:

- Protect information assets against unauthorised access, disclosure, modification, destruction, or misuse.
- Maintain the confidentiality, integrity, and availability of critical business information and information systems.
- Ensure compliance with applicable legal, regulatory, contractual, and data protection requirements.
- Establish controls for user access management, data classification, encryption, information retention, and acceptable use of technology resources.
- Maintain robust business continuity and disaster recovery capabilities through periodic testing and review.
- Ensure that cybersecurity incidents are promptly identified, reported, investigated, and appropriately remediated.
- Promote cybersecurity awareness and accountability through regular employee training and communication.

The Company has implemented multiple layers of preventive, detective, and corrective controls, including role-based access management, multi-factor authentication, endpoint protection, network security, audit logging, regular system backups, encryption of sensitive information, and continuous security monitoring across its critical business applications, including SAP and other enterprise systems.

Independent Security Assessments

As part of its commitment to continuous improvement, the Company has established a policy to conduct independent and comprehensive information security assessments of its technology environment at appropriate intervals or whenever significant changes occur within the IT infrastructure or threat landscape. These assessments are intended to provide independent assurance regarding the effectiveness of the Company's cybersecurity controls, governance framework, technology architecture, and regulatory compliance.
The scope of such independent assessments includes, where applicable:

- Information security governance and IT control environment.
- Network and infrastructure security.
- Critical business applications and ERP systems.
- Vulnerability assessments and penetration testing.
- Identity and access management controls.
- Data protection and backup arrangements.
- Disaster recovery and business continuity preparedness.
- Compliance with applicable information security standards and regulatory requirements.
- Third-party technology and vendor cybersecurity risk management.

The findings, recommendations, and management action plans arising from these independent assessments are reported to senior management and the Audit Committee to facilitate effective oversight, monitor remediation progress, and support the continuous enhancement of the Company's cybersecurity posture.

The Company plans to undertake its comprehensive independent information security assessment during FY2026–27, following the formalisation of its enhanced IT governance framework. Thereafter, comprehensive independent assessments are intended to be performed at least once every three years, or more frequently where warranted by significant technology changes, emerging cyber threats, regulatory developments, or business requirements.

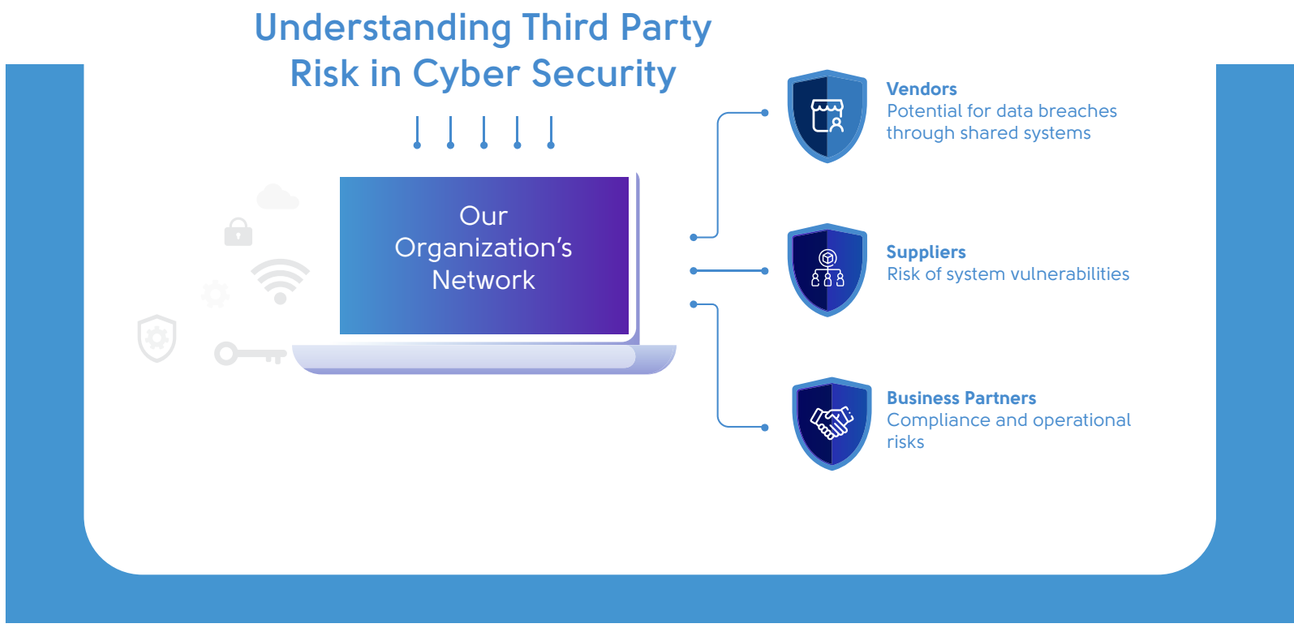
Third-Party Cybersecurity Risk Management

Recognising the increasing reliance on external technology providers and digital service partners, the Company has incorporated third-party cybersecurity risk management into its Information Security Framework. Appropriate due diligence is performed before engaging key technology vendors, cloud service providers, software providers, and other critical third parties.

The Company's third-party risk management practices include:

- Risk-based security assessments during vendor selection and onboarding.
- Evaluation of vendors' cybersecurity capabilities, information security controls, and data protection practices.
- Inclusion of appropriate information security, confidentiality, and data protection clauses within contractual arrangements.
- Periodic review of critical third-party service providers based on the nature and significance of services provided.
- Ongoing monitoring of vendor-related cybersecurity risks and timely remediation of identified control gaps.

Through its Information Security Policy, independent assurance programme, and structured third-party risk management framework, the Company continues to strengthen its cyber resilience, support secure digital operations, and maintain stakeholder confidence in the integrity, security, and reliability of its technology environment.



IT Disaster Preparedness: Resilient Contingencies and Ensuring Business Continuity

IIL recognizes that its networks and systems are subject to continuous change in response to emerging threats, organizational growth, and evolving regulatory and business requirements. To address potential disruptions, the Company has adopted a multi-layered defense strategy. Advanced monitoring and analysis tools are used to log, identify, and assess threats across the organization through continuous tracking, detailed analysis, and timely reporting.

To protect critical IT systems and data, IIL deploys a range of advanced security measures, including network firewalls, email security gateways, and endpoint protection systems. These systems are actively monitored by dedicated teams through real-time analysis of firewall and system logs, providing actionable insight into potential vulnerabilities and enabling prompt mitigation.

Managing Contingencies

The Board of Directors maintains an active oversight role, approving and periodically reviewing IIL's comprehensive IT Policy and contingency management framework, thereby ensuring that strategies for managing potential IT disruptions remain current and aligned with industry best practices. As part of its proactive approach, IIL maintains offsite data storage facilities at geographically diverse locations to protect critical records and business data against localized disasters.

All employees receive continuous guidance and training on emergency protocols, supporting a culture of preparedness across the organization. Contingency measures are tested periodically through simulation exercises to verify readiness and identify areas for further improvement.

Ensuring Business Continuity

IIL's Business Continuity Plan (BCP) is a well-structured and actionable framework that defines how critical business activities are restored within predetermined timelines following any crisis, including IT-related disruptions. The plan incorporates redundant data centers, automated backups, and real time system monitoring to detect failures before they escalate.

To strengthen operational resilience, IIL has adopted cloud-based ERP systems with high availability, tiered recovery plans for essential functions such as production and sales, and routine disaster recovery drills. Standard Operating Procedures (SOPs) for incident response are formally documented, while periodic audits validate the readiness of both systems and teams. Employee training programs on crisis management further support the organization's ability to respond swiftly and effectively, minimizing downtime and financial impact during unforeseen events.

Operational Resilience: Manufacturing Facilities

The resilience of the Company's physical infrastructure also contributes significantly to overall IT disaster preparedness, particularly in supporting operational continuity. IIL's state of the art manufacturing facilities, located in Karachi, Hub, and Lahore, are designed with robustness as a core consideration. These facilities are fire resilient, equipped with modern firefighting systems, and consistently maintained in accordance with stringent Health, Safety, and Environment (HSE) requirements at all levels. This physical robustness, combined with the Company's IT safeguards, reduces the likelihood of operational disruption arising from either physical or IT-related incidents.

Through continued investment in robust IT infrastructure, proactive data management, a comprehensive Business Continuity Plan, and resilient physical facilities, IIL reaffirms its strong commitment to mitigating IT disaster risks and ensuring operational continuity for the benefit of all stakeholders.

Advancement in Digital Transformation

The global business landscape continues to evolve through the **Fourth Industrial** Revolution, driven by technologies such as cloud computing, the Internet of Things (IoT), real-time data, automation, Artificial Intelligence (AI), and interconnected digital systems. These technologies are transforming traditional operating models by enabling greater visibility, collaboration, process integration, and data-driven decision-making.



Recognising the strategic importance of digitalisation, Ismail Industries Limited (IIL) continues to invest in technology solutions that align with its business requirements and long-term growth strategy. A key milestone in this journey was the Board-approved transition from the Company's on-premises **SAP ERP** environment to **SAP S/4HANA** and **SAP SuccessFactors** on the cloud. Following a structured evaluation of cloud service providers, the migration was successfully completed, strengthening the Group's enterprise resource planning, human capital management, reporting capabilities, and access to real-time business information.



IIL has also advanced its digital finance and regulatory capabilities through successful implementation of the **FBR Digital Invoicing Platform.** The initiative, implemented in collaboration with **Haball (Private) Limited and KPMG Taseer Hadi & Co.,** represents a significant step towards enhancing digital compliance, transparency, process efficiency, and financial controls.

Through continued investment in cloud technology, enterprise systems, digital finance, automation, and data-driven processes, IIL is strengthening its operational agility and decision-making capabilities while supporting regulatory compliance and sustainable business growth. These initiatives reflect the Group's commitment to leveraging technology as a strategic enabler of operational excellence, innovation, transparency, and long-term value creation.



Disclosure about Education and Training Efforts of the Company to Mitigate Cybersecurity Risks



Over the past few decades, the world has witnessed the emergence of a fourth industrial revolution. This revolution has elevated the role of digital technology to a new level, driven by interconnectivity through the Internet of Things (IoT), access to real time data, and the introduction of cyber physical systems. Industry 4.0 offers a more comprehensive, interconnected, and holistic approach to manufacturing, bridging the physical and digital worlds and enabling improved collaboration and access across departments, partners, vendors, products, and people.

Industry 4.0 enables business owners to gain greater control over and understanding of every aspect of their operations, allowing them to leverage real time data to enhance productivity, improve processes, and drive growth. While numerous concepts and technologies fall under the umbrella of Industry 4.0, including ERP, IoT, RPA, Blockchain, AI, Big Data, and Cloud Computing, the Company directs its investment toward solutions that align with its specific business requirements.

In IIL's case, the Board of Directors approved investment in SAP and Cloud Computing to strengthen business process management tools and reporting for organizational information management. This included initiating the migration of the Company's on premises SAP ERP solution to SAP S/4HANA on the cloud. The Company has since successfully completed this transition, now operating on SAP S/4HANA and SuccessFactors on the cloud, following a structured evaluation of multiple cloud service providers and the selection of a final provider by the Board.

In recognition of the growing threat landscape, IIL has made employee education and training a frontline defense against cyber risks. The Company reinforces its cybersecurity posture through a formal IT Governance Policy, regular cybersecurity audits, and mandatory employee acknowledgment of information security guidelines. This initiative reflects the Company's broader commitment to digital resilience and responsible technology governance. Key training workshops and assessments conducted on an ongoing basis include the following:

1. Cybersecurity Awareness Sessions: Companywide awareness campaigns are conducted to educate employees on safe digital practices, phishing identification, and password hygiene. Attention is given to end users interacting with SAP S/4HANA, ensuring they understand data classification, secure system access protocols, and procedures for reporting suspicious activity.
2. Mandatory IT Policy Training: All employees are required to read and acknowledge the Information Security Policy, which sets out acceptable use, incident response protocols, and data protection principles. Annual refresher modules are introduced to keep pace with evolving cyber guidelines.
3. Simulated Attack Drills: Periodic phishing simulations and breach response scenarios are conducted to test employee readiness. Results from these simulations are tracked to identify higher risk departments and tailor future training accordingly.
4. Leadership & IT Specialist Training: Department heads and IT teams take part in specialized sessions covering data governance, system controls, and vulnerability response planning. Exposure to emerging threats such as ransomware, zero day exploits, and social engineering attacks prepares leadership for strategic decision making in the event of a breach.

IIL continues to strengthen its proactive disclosure practices by regularly updating stakeholders on its cybersecurity governance, audit results, vulnerability assessments, and key threat detection metrics. The Company shares details of new security technologies and incident response capabilities through its reports and corporate website, supporting greater transparency, stakeholder trust, and its position as a responsible participant in cyber risk management.

09

FORGED FOR TOMORROW

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Forward Looking Statement

During the year, Pakistan's economy demonstrated notable signs of macroeconomic stability and gradual recovery following a prolonged period of economic challenges. Supported by prudent fiscal and monetary measures, inflation declined significantly from the elevated levels witnessed in the preceding year, creating a more stable business environment. In response to easing inflationary pressures, the State Bank of Pakistan continued its monetary easing cycle, reducing the policy rate substantially, which contributed to lower financing costs, improved business confidence, and enhanced liquidity across the economy.

The Government remained committed to fiscal consolidation under the IMF reform programme, resulting in improved fiscal discipline, a stronger primary fiscal balance, and greater confidence in the country's macroeconomic outlook. The external sector also strengthened during the year, supported by higher workers' remittances, improved export performance, a stable exchange rate, and the achievement of a current account surplus. These positive macroeconomic developments were further reflected in the strong performance of the Pakistan Stock Exchange, driven by renewed investor confidence and improved market sentiment.

Despite these encouraging developments, the operating environment remained challenging due to persistent geopolitical uncertainties, supply chain disruptions, fluctuations in international commodity prices, elevated utility tariffs, and the continued impact of taxation measures introduced under recent Finance Acts. While consumer confidence showed signs of improvement, purchasing power remained under pressure, particularly within the low- and middle-income segments, resulting in cautious consumer spending patterns.

The Industry continued to operate in a highly competitive environment characterised by rising input costs, evolving consumer preferences, and increasing price sensitivity. Manufacturers remained focused on preserving market share through product innovation, disciplined cost management, operational efficiencies, supply chain optimisation, and prudent pricing strategies. Companies also accelerated investments in brand building, digital transformation, route-to-market optimisation, and value-added product offerings to strengthen customer engagement and improve profitability.

The export-oriented segments of the FMCG industry continued to benefit from growing international demand and geographic market diversification, although global economic uncertainty and trade-related challenges remained key considerations. Sustainability initiatives, localisation of raw materials, energy efficiency projects, and investments in advanced manufacturing technologies continued to gain strategic importance as businesses sought to improve resilience, enhance competitiveness, and support long-term value creation.

Against this backdrop, Ismail Industries Limited remained focused on strengthening its market leadership through continuous product innovation, operational excellence, prudent financial management, capacity expansion, export market development, and strategic investments across its diversified business portfolio. These initiatives position the Company to capitalize on emerging opportunities while maintaining sustainable growth and delivering long-term value to its stakeholders.

Our long-term strategy targets sustainable growth and market leadership across a balanced portfolio—spanning segments that are naturally diversified like food, plastic packaging and pharmaceutical. We aim to allocate capital and manage risk prudently. We will scale for gains through growing our revenue, price-pack architecture, and route-to-market expansion; in concentrated categories, we will deepen brand equity, by logical adjacencies like (change in flavors, formats & pack sizes etc), and deploy targeted hedging to mitigate raw-material and currency exposure. With steady economic growth and a rising middle class, we see significant headroom for penetration, premiumization, and occasion-based innovation. To enable this, we will invest in localized manufacturing and packaging to expand capacity, reduce import reliance, and improve cost competitiveness, while building a resilient, demand-driven supply chain strengthening, supplier diversification, and logistics agility (including cold chain where relevant) to absorb macro shocks. In parallel, we will elevate our ESG agenda lighter-weight and recyclable packaging, responsible sourcing, water stewardship, and community development—to reinforce brand trust, protect our license to operate, and compound long-term value.

Financial Projections

Boasting a significant food processing capacity of 298,356 metric tons, the Company plays a pivotal role in advancing the Pakistani confectionery and food sector and is well-equipped to sustain its market leadership. Nonetheless, certain challenges are always surrounded like high energy, material cost, threat of price competition and supply chain challenges amid geopolitical tensions. As a result, despite positive indicators, careful management and strategic foresight are crucial to successfully navigate the complex economic landscape.

Looking ahead, the Company expects to increase revenue and decrease in finance cost over the next year; however, profitability will largely hinge on the stability of power costs, export orders and material cost. Efforts to expand into new markets and uphold export activities across diverse regions are ongoing.



Status of Current and Previous Projects

Ismail Industries Limited continues to pursue selective investments aimed at strengthening its diversified business portfolio, enhancing vertical integration and creating sustainable platforms for long-term growth.

Hudson Pharma (Pvt.) Limited

Expansion into Food, Nutrition and Wellness

Through Hudson Pharma (Pvt.) Limited (HPPL), the subsidiary company has continued to diversify its healthcare portfolio across pharmaceuticals, cosmetology, nutrition and food supplements, including vitamins, premixes and minerals. The newly established Food segment also commenced commercial production during the year, achieving an output of 1,574 tonnes. This expansion strengthens HPPL's manufacturing platform and broadens its ability to serve evolving healthcare, wellness and nutrition requirements across multiple market segments.

Bisconni Middle East Manufacturing L.L.C.

(S.P.C.) – Abu Dhabi Project

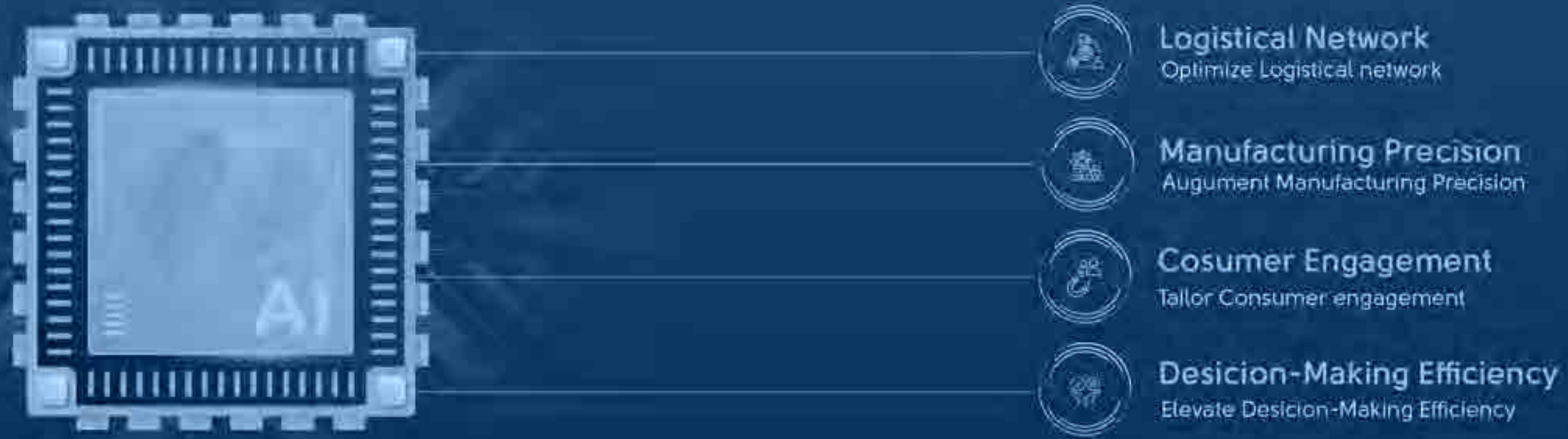
The Group continued to advance its international expansion through Bisconni Middle East Manufacturing – L.L.C. (S.P.C.) in Abu Dhabi, UAE. During the year, the project progressed substantially, with the main factory shed structure completed and architectural and finishing works underway. Construction of the Utility Building and Warehouse Administration Building also progressed, alongside MEP and HVAC works required for operational readiness. The project is progressing towards machinery installation and commissioning, with the Building Completion Certificate targeted by the end of 2026 and commercial operations planned during 2027. The facility is expected to serve as a strategic regional manufacturing platform for biscuits, wafers and confectionery, strengthening supply-chain agility, market responsiveness and the Group's long-term international growth platform.

Ismail Resin (Pvt.) Limited

Recycled PET (R-PET) Project

As part of the Group's commitment to circularity and sustainable manufacturing, Ismail Resin (Pvt.) Limited is implementing over 25,000 metric tons per annum Recycled PET (R-PET) manufacturing facility. The project will support the conversion of post-consumer PET into recycled resin for bottle-to-bottle applications, enabling the Group to reduce dependence on virgin PET, promote the productive reuse of post-consumer plastic and minimise plastic waste. By extending the lifecycle of PET materials, the initiative is expected to contribute to more efficient use of resources, reduced environmental footprint and lower reliance on imported raw materials, while strengthening the Group's vertically integrated packaging value chain. The project represents an important step in advancing IIL's circular-economy strategy and embedding sustainability across its manufacturing operations.

Future Plans for Artificial Intelligence (AI) Adoption and Long-Term Strategy



The Board of Directors recognises Artificial Intelligence (AI) as a strategic enabler of innovation, operational excellence, and long-term value creation. As part of its digital transformation agenda, Ismail Industries Limited is progressively evaluating the adoption of AI-driven technologies to strengthen business performance, enhance decision-making, and improve operational efficiency across the Group. The Company's long-term AI strategy focuses on deploying intelligent technologies that complement existing business processes while maintaining appropriate governance, human oversight, and compliance with applicable legal, regulatory, and ethical standards. AI initiatives will be implemented in a phased manner, with priority given to areas where measurable business value and operational efficiencies can be achieved.

The Company is evaluating the application of AI across several key business functions, including:

- Demand forecasting and sales planning through predictive analytics.
- Supply chain optimisation, procurement planning, and inventory management.
- Manufacturing process optimisation, quality assurance, and predictive maintenance.
- Customer analytics, consumer insights, and personalised marketing initiatives.
- Financial planning, budgeting, forecasting, and business performance analytics.
- Intelligent automation of routine business processes to enhance productivity and operational efficiency.
- Enterprise risk management, fraud detection, and compliance monitoring.
- Sustainability reporting, ESG data management, and performance measurement.

As AI capabilities mature, the Company expects these technologies to improve forecasting accuracy, optimise resource utilisation, strengthen supply chain resilience, enhance product innovation, support data-driven decision-making, and deliver a superior customer experience. AI-enabled insights will also assist management in identifying emerging market opportunities, improving responsiveness to changing consumer preferences, and enhancing overall business agility.

Recognising the importance of responsible AI, the Company is committed to implementing appropriate governance, cybersecurity, data privacy, and internal control frameworks to ensure that AI applications are deployed in a secure, ethical, transparent, and accountable manner. Human oversight will remain central to all significant business decisions, with AI serving as a decision-support tool rather than a replacement for management judgement.

The Company also intends to continue investing in digital capabilities, technology infrastructure, data governance, and workforce development to build the organisational capabilities required for the successful adoption of AI. These initiatives will support innovation, strengthen operational resilience, improve competitiveness, and reinforce the Company's long-term growth strategy.



Future Research & Development initiatives.

Innovation and continuous improvement remain integral to Ismail Industries Limited's long-term strategy and are central to strengthening the competitiveness of its diversified business portfolio. The Company's will continue to direct R&D efforts towards product differentiation, formulation enhancement, process optimisation, sustainability and technology-led manufacturing. Future initiatives will be progressed through defined development, testing, validation and commercialisation stages, with emphasis on converting research outcomes into scalable products, improved processes and measurable business benefits.

Key business-specific initiatives and milestones include the continued development and commercialisation of premium, value-added and better-for-you products across CandyLand and Bisconni, including new confectionery, biscuit, wafer and nutrition propositions, supported by structured consumer testing and market validation. Ghiza will focus on fortified and functional flour solutions, customer-specific product development and further optimisation of its 86,400-tons annual milling platform. Astro Films will continue R&D on high-performance and more sustainable flexible packaging solutions, including optimisation of film structures and greater use of recyclable materials. Ismail Resin (subsidiary company) will advance its circular-economy agenda through the development and commissioning of its 24,000 MT per annum bottle-to-bottle rPET facility, supporting the development of higher-quality recycled PET applications and reducing dependence on virgin raw materials. The Pharmaceuticals business will continue formulation development, lifecycle management and evaluation of new therapeutic, nutritional and wellness opportunities, with focus on regulatory compliance and commercial viability.

The Company's will also align R&D with major strategic investments and establish measurable implementation milestones. The Abu Dhabi manufacturing platform will progress towards machinery installation, commissioning and planned commercial start-up during 2027, creating a regional platform for product development, market testing and localised manufacturing across biscuits, wafers and confectionery. Process R&D across the Group will continue to target reductions in material waste, energy consumption, production losses and conversion costs, with initiatives assessed against defined productivity, quality and cost-efficiency outcomes. Consumer and market insights will remain embedded in the innovation pipeline, with progress monitored through development-stage completion, successful product validation, commercialisation and post-launch performance. Collectively, these initiatives are intended to strengthen the company's innovation pipeline, accelerate time-to-market, improve resource efficiency and support sustainable, profitable growth across domestic and international markets.

Sources of information and assumptions for projections / forecasts

The Company's projections and forecasts are developed through a structured planning and budgeting process, based on historical performance, prevailing and anticipated macroeconomic conditions, industry trends, market dynamics and prospective business developments. Internal inputs include historical financial and operational data, production capacities, sales and demand forecasts, capital expenditure plans, working-capital requirements and business-specific assessments. External information is obtained from credible and relevant sources, including the State Bank of Pakistan (SBP), Pakistan Bureau of Statistics (PBS), Securities and Exchange Commission of Pakistan (SECP), Pakistan Stock Exchange (PSX), Institute of Chartered Accountants of Pakistan (ICAP), Pakistan Business Council (PBC), Karachi Chamber of Commerce & Industry (KCCI) and other recognised industry and economic publications.

The forecasting process incorporates management's experience and informed assessment of factors that may affect the Company's performance, including expected demand, selling prices, input and energy costs, exchange rates, interest rates, inflation, regulatory developments, international market conditions and supply-chain considerations. These assumptions are subject to inherent uncertainties and may change in response to evolving economic, market and geopolitical conditions. Management continuously reviews the assumptions underlying the forecasts, while the Board of Directors critically evaluates the budgets, forecasts and strategic plans to ensure alignment with the Company's objectives, risk appetite and long-term value creation priorities.

The projections and forward-looking statements contained in this Annual Report are based on information and assumptions considered reasonable at the time of preparation and are inherently subject to risks, uncertainties and changes in circumstances. Accordingly, actual results and future developments may differ materially from those expressed or implied in such projections, and the Company does not undertake any obligation to publicly update or revise these forward-looking statements, except as required by applicable laws and regulations.

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UNITED IN PURPOSE

STAKEHOLDERS RELATIONSHIP AND ENGAGEMENT

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Cycle of Key Stakeholders

Significant Impact on Company.
Identification/Responsiveness to Expectation.



Stakeholder's Engagement Policy

At Ismail Industries Limited, building constructive and enduring relationships with our stakeholders remains integral to our long-term success and sustainability. We recognize that stakeholder trust is fundamental to creating sustainable value and achieving our strategic objectives. Accordingly, we are committed to maintain open, transparent, and meaningful engagement with all stakeholder groups through effective communication and responsible business practices.

The Company ensures that stakeholders remain appropriately informed regarding its activities, performance, and strategic direction through compliance with applicable regulatory requirements and established corporate governance frameworks. We actively seek stakeholder feedback and consider their perspectives in relevant decision-making processes to support continuous improvement and responsible corporate conduct.

This policy outlines the Company's approach to stakeholder engagement and demonstrates how stakeholder views are integrated into business planning and operational decision-making. We remain committed to providing balanced, timely, and transparent disclosures relating to our strategy, performance, governance, and sustainability initiatives through our Annual Report and corporate website.

Our commitments include:

- Upholding transparency, integrity, and accountability in all stakeholder interactions.
- Providing accurate, relevant, and timely information to stakeholders.
- Encouraging constructive dialogue and responding appropriately to stakeholder feedback and concerns.
- Periodically reviewing and enhancing stakeholder engagement practices to ensure continued effectiveness and alignment with evolving stakeholder expectations.

Identification of Key Stakeholders:

The Company adopts a structured and risk-based approach to stakeholder identification and engagement, recognising that effective stakeholder relationships are fundamental to sustainable value creation, sound corporate governance, and long-term business success.

Stakeholders are identified, assessed, and prioritised based on a range of qualitative and quantitative criteria, including:

- The nature, significance, and strategic importance of the relationship with the Company.
- The stakeholder's ability to influence the Company's operations, performance, reputation, or strategic objectives.
- The extent to which the Company's activities, products, services, or decisions impact the stakeholder.
- The level of dependence between the Company and the stakeholder, including commercial, operational, financial, regulatory, or social reliance.
- The legitimacy and urgency of stakeholder interests, expectations, and concerns.
- The stakeholder's role in supporting the Company's long-term sustainability, business continuity, and value creation objectives.
- Regulatory, legal, contractual, or statutory obligations requiring stakeholder engagement.
- The potential risks and opportunities arising from the stakeholder relationship.
- The frequency and significance of interactions with the stakeholder.
- Whether the stakeholder's interests are already represented through another recognised stakeholder group.

The Company's Stakeholder Engagement Policy provides a comprehensive framework for identifying, prioritising, and engaging with its key stakeholder groups, including shareholders and investors, customers, employees, suppliers, regulatory authorities, financial institutions, business partners, and the communities in which it operates. The policy establishes structured communication channels and formal engagement mechanisms to promote open, transparent, and constructive dialogue, facilitate the timely exchange of information, obtain valuable stakeholder feedback, and address concerns in an effective and responsive manner.

Stakeholder perspectives are actively considered in the Company's strategic planning, operational decision-making, risk management, and sustainability initiatives. This integrated approach enables the Company to strengthen transparency, reinforce accountability, enhance stakeholder confidence, and support informed decision-making across all levels of the organisation. By fostering meaningful and enduring stakeholder relationships, Ismail Industries remains committed to responsible business conduct, long-term sustainable value creation, and the advancement of its environmental, social, and governance (ESG) objectives in line with internationally recognised corporate governance and sustainability best practices.

Stakeholder Engagement Process

The frequency of our engagements is determined by corporate and business needs, regulatory requirements (including the Code of Corporate Governance), and contractual obligations:

Employees

Engagement Process	Frequency	Effects & Value
• Regular health and safety awareness programmes, vaccination campaigns, and medical screening initiatives are conducted to promote employee wellbeing. • Independent safety assessments are undertaken to maintain a safe and healthy working environment. • Leadership development is supported through structured training programmes aligned with established competency frameworks. • Cross-functional training sessions, networking initiatives, and joint plant visits encourage collaboration and knowledge sharing across the organisation. • Employees actively participate in goal-setting and performance review processes to support professional development and career growth. • The Company remains committed to providing competitive remuneration and benefits designed to attract, retain, and motivate talent.	Continuous	A skilled, engaged, and motivated workforce enhances productivity, supports innovation, and contributes to operational excellence.

Customer & Suppliers

Engagement Process	Frequency	Effects & Value
• Feedback is obtained through surveys and ongoing engagement to better understand stakeholder expectations and improve service delivery. • Market and consumer insights are leveraged to strengthen relationships and support informed business decisions. • Production facility visits are arranged for customers and distributors to enhance transparency, build trust, and demonstrate the Company's commitment to quality. • Periodic surveys and physical assessments of distributors' warehouses are conducted to evaluate inventory management	Continuous	Stakeholder feedback supports product enhancement, strengthens loyalty, and contributes to sustainable revenue growth

Lenders / Banks

Engagement Process	Frequency	Effects & Value
• Regular engagement with lenders on the Company's financial performance, liquidity, funding requirements, and risk profile. • Timely sharing of financial statements, covenant compliance reports, and other required financial information. • Periodic meetings with banks to review financial performance, business developments, and strategic initiatives. • Continuous coordination regarding renewal of banking facilities, financing requirements, and treasury matters. • Transparent communication to maintain strong banking relationships and stakeholder confidence.	Continuous	Strong lender relationships support financial flexibility and facilitate continued access to financing on competitive terms.

Investors

Engagement Process	Frequency	Effects & Value
• Annual General Meetings and Corporate Briefing Sessions provide opportunities for transparent and constructive engagement with shareholders, investors, and analysts. • Quarterly financial results and other material disclosures are communicated regularly to keep stakeholders informed of the Company's performance and strategic direction.	Annually (General Meetings), Quarterly, Semi Annually & Annual (Reports)	Transparent and timely communication enhances investor confidence and supports informed investment decisions.

Regulators

Engagement Process	Frequency	Effects & Value
The Company maintains ongoing engagement with relevant regulatory bodies such as PSX, SECP, and FBR and ensures compliance with all applicable laws, regulations, and governance requirements.	Continuous	Effective regulatory compliance mitigates risk, protects corporate reputation, and supports sustainable business operations.

Local Comunity

Engagement Process	Frequency	Effects & Value
The Company collaborates with community organisations and other stakeholders to support initiatives that promote social development, innovation, and sustainability.	Continuous	Positive community engagement strengthens the Company's social licence to operate and supports long-term sustainability.

Encouraging Minority Shareholder Participation at General Meetings

The Company is committed to protecting the rights of all shareholders and promoting active participation by minority shareholders in General Meetings. To facilitate effective shareholder engagement, the Company undertakes the following initiatives:

- **Timely Notice:** Notices of General Meetings are dispatched at least 21 days in advance in compliance with applicable legal and regulatory requirements.
- **Public Disclosure:** Meeting notices are published in widely circulated English and Urdu newspapers and submitted to the Pakistan Stock Exchange (PSX).
- **Digital Access:** Notices of meetings, the Annual Report, and related documents are made available on the Company's website, with QR codes provided for easy access to electronic documents.
- **Proxy Participation:** Shareholders are provided with proxy forms, enabling those unable to attend in person to appoint representatives to participate and vote on their behalf.
- **Shareholder Engagement:** Shareholders are encouraged to attend General Meetings, raise questions, seek clarifications, and express their views on matters placed before the meeting.
- **Transparent Communication:** The Board and Management maintain open and constructive dialogue with shareholders and consider stakeholder feedback as part of the Company's governance and decision-making processes.

Through timely disclosures, accessible communication channels, and inclusive participation mechanisms, the Company seeks to strengthen shareholder engagement, uphold minority shareholder rights, and reinforce confidence in its corporate governance framework.

Investors' Relations Section on Corporate Website

Explore opportunities, financial reports, and investor resources for a prosperous partnership in growth.

The Company maintains a dedicated Investor Relations section on its corporate website to facilitate timely and convenient access to information for shareholders, investors, and other stakeholders. The section contains key corporate disclosures, including Annual Reports, quarterly financial statements, financial results, corporate announcements, press releases, and information relating to the Company's governance framework.

By providing a centralized platform for investor-related information, the Company seeks to promote transparency, support informed decision-making, and ensure compliance with applicable disclosure requirements.
https://ismailindustries.com.pk/investor

Visit our Website

Redressal of Investors' Complaints

The Company is committed to maintaining fair and equitable treatment of all shareholders through transparent investor relations practices, effective communication, and timely resolution of investor concerns.

A structured mechanism is in place to address shareholder queries and complaints promptly and efficiently. The Company remains focused on maintaining open channels of communication and ensuring that investor concerns are addressed in a fair and transparent manner. During the year under review, no complaints were received from investors or shareholders.

Corporate benefits to shareholders

The Company remains committed to delivering sustainable value to its shareholders through a combination of dividend distributions and long-term capital appreciation.

For the financial year ended June 30, 2025, the Board of Directors recommended a cash dividend of Rs. 5 per share, which was subsequently approved by shareholders at the Annual General Meeting held on October 08, 2025.

As of June 2026, the Company's share price stood at approximately Rs. 1,950 per share, representing a year-on-year increase of 7.32%. The increase in dividend distribution, together with the appreciation in share price, contributed positively to overall shareholder returns during the year.



Issues Raised in the Last Annual General Meeting (AGM)



During the Annual General Meeting held in respect of the financial year ended June 30, 2025, shareholders sought clarifications on various agenda items. All queries raised during the meeting were appropriately addressed by the management and the Board to the satisfaction of the shareholders. Other than the matters discussed in the ordinary course of the meeting, no significant concerns or issues were raised by shareholders.

Corporate Briefing Sessions

a. **Stakeholder Engagement through Corporate Briefing Sessions**.
Corporate Briefing Sessions provide an important platform for transparent and timely engagement with the investment community. Through these sessions, the Board and senior management communicate the Company's financial performance, business strategy, operational developments, industry outlook, and long-term growth plans to shareholders, investors, analysts, financial institutions, and other stakeholders.

These sessions promote open dialogue, enhance transparency, strengthen investor confidence, and provide stakeholders with the opportunity to seek clarifications, share feedback, and gain a deeper understanding of the Company's performance and strategic direction.

b. **Summary of the Corporate Briefing Session:**
The Company's Annual Corporate Briefing Session was held on 28 October 2025, during which management presented a comprehensive overview of the Company's financial and operational performance, key business developments, strategic initiatives, and future growth plans.
The presentation also covered the prevailing macroeconomic environment, industry trends, capital investment initiatives, sustainability priorities, and the Company's strategic outlook. The session concluded with an interactive question-and-answer segment, enabling participants to engage directly with management, seek clarifications, and discuss matters relating to the Company's performance, strategy, and future prospects.











Whistle Blowing Mechanism

The Company is committed to maintaining the highest standards of integrity, ethical conduct, and compliance across all areas of its operations. The Whistleblowing Policy forms an integral part of the Company's governance framework and provides a mechanism for reporting actual or suspected misconduct, unethical behaviour, regulatory non-compliance, financial irregularities, fraud, or violations of the Company's Code of Conduct.

The policy is designed to promote a culture of accountability and transparency by encouraging the timely reporting of concerns and facilitating their appropriate investigation and resolution. Through this framework, the Company seeks to protect its reputation, safeguard stakeholder interests, and reinforce ethical business practices throughout the organisation.

To support effective reporting, the Company has established both internal and external reporting channels that are accessible to employees and other stakeholders. These channels include designated email addresses and telephone facilities, as well as direct communication with the Audit Committee or other designated authorities. Information regarding available reporting channels is communicated through the Company's Code of Policies and other internal communication platforms.

The Company also conducts employee awareness and training programmes to promote understanding of the Code of Conduct and the procedures for reporting concerns under the Whistleblowing Policy. These initiatives help ensure that employees are aware of their responsibilities and the mechanisms available for raising concerns in good faith.

All reported matters are documented and referred to the Audit Committee, or an individual authorised by the Committee, for independent review and investigation. Where necessary, investigations are conducted in accordance with established procedures and may involve relevant compliance, legal, or management personnel to ensure an objective and thorough assessment.

The Company maintains a strict non-retaliation policy and is committed to protecting individuals who report concerns in good faith. Appropriate safeguards are in place to preserve confidentiality, protect whistleblowers from discrimination, harassment, victimisation, or any other form of retaliatory action, and ensure fair treatment throughout the investigation process. Any act of retaliation, whether attempted or actual, constitutes a violation of the Company's Code of Conduct and may result in disciplinary action.

Whistle Blowing Program

Broad Scope of Reporting
Employees and stakeholders can report any concerns involving financial misconduct, fraud, or policy breaches.

Accessible Reporting Channels
Secure and convenient platforms, including dedicated email addresses and hotlines, are available for reporting. These accessible tools allow employees to voice their concerns easily and at any time.

Strong Anti-Retaliation Measures
Ismail Industries strictly prohibits any form of retaliation or harassment against individuals reporting in good faith. We guarantee a safe corporate environment where speaking up is fully protected and encouraged.

Transparent Communication on Status
Whistleblowers receive clear and continuous updates on the progress and resolution of their submitted reports. This open feedback process builds organizational trust and demonstrates our commitment to accountability.

Whistleblower Protection & Confidentialy
All disclosures are treated with strict confidentiality to protect the identity and safety of the whistleblower. Rigorous security measures ensure that personal details and sensitive data remain completely protected.

Rigorous Investigation Process
Every reported concern undergoes a fair, independent, and thorough review by designated experts. Our structured procedure guarantees impartial findings and actionable resolutions for every case.

Comprehensive Investigation Training
Investigators receive regular, specialized training to handle inquiries ethically and objectively. This continuous learning ensures that investigations adhere to the highest professional standards.

Commitment to Ethics
Our Whistleblowing Program upholds Ismail Industries' core values of integrity and corporate governance. Empowering our workforce to speak up preserves our shared ethical standards and organizational reputation.

11

EXCELLENCE BY DESIGN

STRIVING FOR EXCELLENCE IN CORPORATE REPORTING

Statement of Unreserved Compliance of International Financial Reporting Standards Issued by International Accounting Standards Board

International
Global Standard for accounting practices.

I

Financial
Focus on financial information like handling money, assets, debts and other economic recources.

F

R

Reporting
Provides guidelines to prepare financial reports transparently and accurately.

S

Standard
Developed by the IASB to ensure uniformity and compatability in financial reporting

Board's Statement of Compliance with Applicable Financial Reporting and Accounting Standards

The Board of Directors of Ismail Industries Limited affirms its responsibility for ensuring strict adherence to applicable accounting and reporting standards in the preparation of financial statements. These financial statements are prepared in full compliance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted under the Companies Act, 2017, together with all provisions and directives of this statutory framework. The Board recognizes that robust financial reporting is foundational to stakeholder trust and good corporate governance. The Board maintains unwavering commitment to transparency, accuracy, and timeliness in all financial communications. This commitment is operationalized through rigorous oversight of the financial reporting process, regular evaluation of accounting judgments and estimates, and proactive management of disclosure practices to ensure clarity and completeness for all stakeholders.

The Board discharges its governance responsibilities through structured delegation to specialized Board committees, including the Audit Committee, which operates under defined terms of reference and delegated authority. The Audit Committee evaluates the design and effectiveness of the Company's internal control environment, reviews the integrity of financial reporting, oversees the independence and performance of external and internal audit functions, and monitors management's implementation of audit recommendations. The Board has established a comprehensive system of internal controls comprising clearly defined organizational structures, clearly articulated authority limits, documented accountabilities, and formalized policies and procedures. These controls are designed to mitigate risks to financial reporting, safeguard the Company's assets, ensure compliance with applicable laws and regulations, and provide reasonable assurance regarding the accuracy and reliability of financial information and management decision-making.

In line with global best practices and evolving stakeholder expectations, Ismail Industries is progressively enhancing its corporate reporting framework by aligning with internationally recognised reporting standards. The Company is actively evaluating the adoption of emerging reporting frameworks that incorporate environmental, social, and governance (ESG) considerations, recognising the growing importance of transparent and comprehensive disclosures in supporting informed investor decision-making and strengthening stakeholder confidence.

To support these initiatives, the Company regularly invests in the professional development of its finance and management teams through structured training and technical learning programmes. In line with this commitment, multiple specialized trainings and seminars were conducted during the year, including:

- AI for Finance Professional
- Advance Excel
- Data Analytics & Power BI
- Webinar on IFRS 18 & 19
- Know Your SAP

These initiatives ensure that the organisation remains abreast of evolving accounting standards, regulatory developments, and reporting requirements, thereby strengthening its capability to implement new financial reporting frameworks accurately, consistently, and on a timely basis.

Important Note on Compliance:

Where the requirements of International Financial Reporting Standards (IFRS) differ from the provisions of the Companies Act, 2017 or directives issued by the relevant regulatory authorities, the Company ensures compliance with the applicable legal and regulatory framework. At the same time, it endeavours to maintain the highest possible level of alignment with internationally recognised financial reporting standards.

The Board of Directors and Management of Ismail Industries Limited remain firmly committed to upholding the highest standards of financial reporting, corporate governance, and accountability. The Company recognises that transparent, timely, and high-quality disclosures are fundamental to fostering stakeholder confidence, supporting informed decision-making, and demonstrating effective stewardship of the Company's resources.

Accordingly, the Company continuously enhances the quality and relevance of both its financial and non-financial reporting to provide stakeholders with a comprehensive understanding of its governance practices, strategic priorities, operational performance, financial position, risk management framework, and long-term value creation strategy. Recognising that sustainable value extends beyond financial performance, the Company is progressively strengthening its integrated reporting by incorporating material environmental, social, and governance (ESG) information and other non-financial disclosures. This integrated reporting approach enables stakeholders to better understand how the Company manages risks, capitalises on opportunities, and delivers sustainable long-term value while reinforcing its commitment to transparency, responsible corporate conduct, and sustainable business growth.

12

MEASURING OUR STRENGTH

FINANCIAL INFORMATION

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GROUP CFO PERSPECTIVE

FY2026 was a year in which resilience, discipline and strategic clarity remained central to navigating an increasingly complex global and domestic environment. The global economy was confronted with heightened geopolitical tensions specifically USA-IRAN Conflict and renewed volatility in energy and petrochemical markets, with consequential implications for commodity prices, supply chains, freight and insurance costs. For Pakistan, these external pressures were particularly significant given its dependence on imported energy and industrial inputs. Against this backdrop, the country's economy continued its transition from stabilization towards recovery, with real GDP growth accelerating to 3.7%, the highest in last four years. The improvement was underpinned by stronger macroeconomic fundamentals, prudent fiscal management, relative exchange-rate stability, strengthening foreign exchange buffers and continued progress under the IMF program.

The year nevertheless underscored that macroeconomic stability remains vulnerable to developments beyond domestic control. After a period of moderating inflation and monetary easing, renewed geopolitical tensions in the final quarter triggered a sharp increase in energy prices and inflationary pressures. Headline inflation reached 11.1% in June 2026, while the State Bank of Pakistan increased the policy rate by 100 basis points to 11.5% in April 2026 and maintained it thereafter. The external account also moved from broadly balanced conditions during most of the year to a modest provisional current account deficit by year-end, reflecting the renewed pressure from the widening trade gap and higher energy import costs.

Within this operating environment, Ismail Industries Limited (IIL) demonstrated resilience across its diversified portfolio while remaining focused on protecting the quality of earnings and preserving financial flexibility. Gross sales of IIL reached to Rs120.6 billion, while consolidated Group gross sales increased to Rs150.2 billion. Domestic operations remained a significant growth engine, with gross local sales increasing by 30.6% to Rs108.0 billion, although this was accompanied by a substantial reduction in company's exports due to consistent closure of Afghanistan Border. Operating profit stick to Rs9.3 billion, while profit after tax stood at Rs 3.9 billion due to higher taxation and levies cost. Importantly, operating cash flow strengthened substantially to Rs13.6 billion, reinforcing the Company's underlying cash-generation capability and providing greater capacity to support working capital, strategic investments and future growth initiatives.

FY2026 reaffirmed the strategic strength of the Company's diversified portfolio and the importance of disciplined execution in translating growth opportunities into sustainable financial outcomes. Across the Food, Plastics and Pharmaceutical businesses, management remained focused on strengthening the quality of revenue, protecting margins and enhancing cash conversion in an environment characterized by elevated input-cost volatility, evolving consumer behavior, imported raw-material exposure and regulatory uncertainty. The Group continued to advance initiatives around procurement optimization, manufacturing efficiency, product and market-mix improvement, cost rationalization and working-capital discipline, while maintaining a clear focus on operational resilience and financial flexibility. Importantly, the substantial improvement in operating cash generation demonstrates the increasing emphasis on earnings quality and balance-sheet strength alongside reported profitability. This strategic approach is designed to ensure that growth remains appropriately balanced with returns, liquidity and risk, enabling the Group to respond decisively to market dislocations while continuing to invest in businesses and capabilities that support its long-term competitive position. The experience of FY2026 has further reinforced the importance of supply-chain resilience, cost agility and disciplined capital allocation, particularly in the Plastics and Pharmaceutical businesses, where global commodity and regulatory dynamics can transmit rapidly into domestic operating costs.

As the Group enters FY2027, the economic landscape presents a gradual transition from stabilization towards growth, supported by continued fiscal consolidation, the ongoing IMF program and the Government's reform agenda. The Federal Budget for FY2027, with a total outlay of approximately Rs18.8 trillion, reflects this transition while maintaining a strong emphasis on fiscal discipline and structural reform. The budget targets FBR revenues of Rs15.3 trillion and a primary surplus of 2.0% of GDP, alongside continued efforts to broaden the tax base, address fiscal leakages, strengthen tax compliance and advance reforms in energy pricing and State-Owned Enterprises. The Public Sector Development Program allocation of Rs1.0 trillion, with emphasis on infrastructure, energy transmission, digital transformation, connectivity and climate resilience, also provides a foundation for improving productive capacity over the medium term. Against this backdrop, our priorities for FY2027 remain firmly centered on profitable growth, margin resilience, superior cash conversion and disciplined capital deployment. We will continue to strengthen our domestic franchise and international footprint, enhance the competitiveness and productivity of our manufacturing platforms, build greater supply-chain resilience and selectively pursue strategic investments that offer sustainable long-term returns. With a diversified portfolio, strong brands, established market positions, an expanding regional presence and a disciplined financial framework, the Group is well placed to navigate volatility while advancing its ambition of delivering sustainable growth and long-term value creation for shareholders and all stakeholders.

Pakistan Paindabad.



Mr. Ahmed Raza Parekh
Group CFO

Group CEO Message

Asalam-o-alikum,
and a very warm welcome to all our stakeholders.

Munsarim Saifullah, Group Chief Executive Officer of Ismail Industries Limited.

The year under review was characterised by a challenging operating environment. Persistent inflationary pressures, elevated energy costs, disruptions across international logistics and supply chains, an intensifying fiscal and compliance burden, and rising distribution costs collectively tested businesses across Pakistan's industrial and consumer sectors. These dynamics inevitably placed pressure on our cost structure and margins.

But resilient businesses are built in difficult markets. At IIL, we responded through disciplined financial stewardship, operational focus, cost consciousness and decisive execution. Our diversified portfolio, established brands and integrated manufacturing platform have enabled us to navigate these pressures while remaining focused on long-term value creation.

One of the highlights of the year was the recognition of Ismail Industries Limited as the Top Exporter in the Processed Food Sector by the Government of Pakistan for FY 2024–25. This is a significant achievement and a reflection of the strength of our brands, the competitiveness of our products and the commitment of our export and commercial teams.

Investing for the future remains a fundamental pillar of our strategy.

Accordingly, we continue to deploy capital selectively across capacity expansion, advanced manufacturing, renewable energy, sustainability and digital transformation with a clear focus on productivity, competitiveness and long-term returns.

Our investments in solar energy, biomass and R-PET reflect this approach. These initiatives are helping us improve energy efficiency, reduce our environmental footprint and move towards more sustainable manufacturing. In particular, the R-PET facility represents an important step in our journey towards a circular economy and sustainable packaging.

Sustainability is increasingly embedded in the way we operate and make strategic decisions.

We continue to focus on renewable energy, its efficiency, waste reduction, recycling and responsible resource utilisation, while strengthening our commitment to our people through employee development, workplace safety, diversity and inclusion. Through our social and community initiatives, we continue to contribute towards education, healthcare and broader social development.

Digital transformation is becoming increasingly central to the way we operate.

Our digital transformation initiatives, including FBR Digital Invoicing, are improving transparency, process efficiency and regulatory compliance. We are continuing to strengthen digital capabilities across our finance, supply chain, inventory, sales and manufacturing functions.

Looking ahead, we will increasingly leverage data, automation, advanced analytics and Artificial Intelligence to improve decision-making, strengthen controls and drive productivity.

Ismail Industries is not defined only by where we stand today; we are defined by the opportunities we are prepared to create for tomorrow.

We will strengthen our core brands, improve cost competitiveness, expand our domestic and international presence, accelerate digital transformation, invest selectively in high-potential opportunities, and continue building our people and organisational capabilities.

I would like to sincerely thank our employees, customers, suppliers, business partners, financial institutions, regulators, shareholders and the Board of Directors for their continued trust and support.

With the strength of our people, the resilience of our businesses and the discipline of our execution, I am confident that Ismail Industries will continue to move forward and upward.

Thank you for your continued confidence in Ismail Industries Limited.

Pakistan Paindabad.

Munsarim Saifullah
Group CEO



INDEPENDENT AUDITOR'S REPORT

To the members of Ismail Industries Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Ismail 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 policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

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

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 Matter	How the matter was addressed in our audit
1.	**Revenue Recognition** (Refer note 28 to the unconsolidated financial statements) The Company is engaged in the production and sale of consumer food products in the local and export market. Revenue from the sale of goods is recognized when performance obligations are satisfied by transferring control of the promised goods to the customer. Control is transferred at a point in time, either upon shipment or delivery of goods, depending on the terms of sale. We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company, large number of revenue transactions with a large number of customers in various geographical locations and inherent risk of material misstatement.	In response to this matter, our audit procedures included the following: • Obtained an understanding of, and evaluating, the design and implementation of controls over revenue recognition; • Tested, on a sample basis, revenue transactions recorded during the year by comparing them with supporting documents such as sales orders, invoices, delivery documents, and other relevant records; • Performed cut-off testing by selecting a sample of revenue transactions recorded before and after year end to assess whether revenue was recognized in the appropriate accounting period; • Evaluated the appropriateness of the Company's accounting policies for revenue recognition in line with the applicable accounting and reporting standards; and • Assessed the adequacy of the related disclosures in the financial statements in accordance with the applicable accounting and reporting requirements in Pakistan.
2.	**Valuation of Stock-in-trade** (Refer note 10 to the unconsolidated financial statements) As at June 30, 2026 the Company's total stock-in-trade balance amounting to Rs. 17.65 billion which represents 29.57% of the total current assets of the Company. The value of stock-in-trade is based on the lower of weighted average cost and net realizable value for raw materials, packing materials, work in process and finished goods, and invoice value plus other charges for stock in transit. The Company is required to measure its stock-in-trade at the lower of weighted average cost and NRV. There is an element of judgement involved relating to the valuation, which is required for the estimation of the net realizable value and allowance for slow-moving and obsolete stock-in-trade. Such estimation is made after taking into consideration factors such as movement in prices, current and expected future market demands and pricing competitions. This was the key audit matter because of its materiality and significance in terms of judgements involved in estimating the NRV of underlying stock-in-trade.	In response to this matter, our audit procedures included the following: • Reviewed the management procedure for valuation of stock-in-trade and evaluating the NRV of stock-in-trade. • Observed physical counts at major locations to ascertain the condition and existence of stock-in-trade. • Tested the valuation method used by the management in valuation of stock in trade. • Reviewed stock-in-trade turnover ratios, understood and evaluated the appropriateness of the basis of identification of the obsolete stock-in- trade, tested the accuracy of the aging analysis of stock-in-trade on a sample basis, tested the cost of goods with underlying invoices and expenses incurred in accordance with stock-in- trade valuation method and reviewed the minutes of the relevant meetings at the board and management level to identify any indicators of obsolescence. • Compared the NRV to the cost of stock in trade whether any adjustment is required to value stock in trade in accordance with the accounting policy; and • Assessed the adequacy of the disclosures on stock-in-trade in these unconsolidated financial statements.

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

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

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

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

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

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

Chartered Accountants
Karachi
Date: September 11, 2026
UDIN: AR202610093fOd87hRK2

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

ASSETS	Notes	2026	2025
		----------Rupees ----------	
Non-current assets			
Property, plant and equipment	6	**32,101,831,114**	32,216,737,745
Long term investments	7	**14,403,148,251**	14,244,663,562
Long term deposits	8	**32,116,134**	24,213,915
Total non-current assets		**46,537,095,499**	46,485,615,222
Current assets			
Stores and spares	9	**1,019,288,442**	890,827,624
Stock-in-trade	10	**17,648,942,747**	16,969,470,041
Trade debts	11	**13,159,386,723**	13,317,024,257
Loans and advances	12	**4,297,097,851**	3,963,308,373
Loans to subsidiaries and associate - unsecured	13	**9,762,000,000**	9,412,000,000
Trade deposits and short term prepayments	14	**28,918,311**	29,776,319
Short term investments	15	**3,091,080,620**	1,816,010,034
Other receivables	16	**7,636,257,784**	6,614,810,120
Taxation and levies - net	17	**1,892,579,052**	2,013,576,373
Cash and bank balances	18	**1,141,914,384**	592,185,730
Total current assets		**59,677,465,914**	55,618,988,871
Total assets		**106,214,561,413**	102,104,604,093

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

EQUITY AND LIABILITIES	Notes	2026	2025
		----------Rupees ----------	
Share capital and reserves			
Authorized share capital			
250,000,000 (2025: 250,000,000) ordinary shares of Rs. 10 each		**2,500,000,000**	2,500,000,000
Issued, subscribed and paid-up share capital	19	**663,569,400**	663,569,400
Reserves	20	**32,061,312,741**	28,760,151,452
Total shareholders' equity		**32,724,882,141**	29,423,720,852
Non-current liabilities			
Long term finances - secured	21	**20,640,163,676**	24,805,276,880
Deferred liabilities	22	**3,748,294,071**	3,464,561,126
Total non-current liabilities		**24,388,457,747**	28,269,838,006
Current liabilities			
Trade and other payables	23	**14,389,976,672**	10,651,742,109
Accrued mark-up	24	**730,960,816**	876,775,394
Short term finances - secured	25	**15,541,636,215**	17,814,596,870
Islamic redeemable sukuk	26	**8,000,000,000**	8,000,000,000
Current portion of:			
- long term finances - secured	21	**8,607,506,242**	6,173,168,032
Unclaimed dividend		**6,310,574**	5,965,586
Advances from customers - unsecured		**1,824,831,006**	888,797,244
Total current liabilities		**49,101,221,525**	44,411,045,235
Total liabilities		**73,489,679,272**	72,680,883,241
Total equity and liabilities		**106,214,561,413**	102,104,604,093
Contingencies and commitments	27		

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Ahmed Raza Parekh
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Notes	2026	2025
		----------Rupees ----------	
Sales	28	**120,571,561,836**	118,396,971,136
Sales returns, discounts and direct expenses		**(4,095,404,125)**	(3,203,548,192)
Export rebate		**239,137,097**	54,232,602
		(3,856,267,028)	(3,149,315,590)
		116,715,294,808	115,247,655,546
Sales tax		**(12,411,408,093)**	(10,055,056,424)
Sales - net		**104,303,886,715**	105,192,599,122
Cost of sales	30	**(83,093,640,500)**	(83,358,831,133)
Gross profit		**21,210,246,215**	21,833,767,989
Selling and distribution expenses	31	**(10,022,014,567)**	(9,154,875,799)
Administrative expenses	32	**(1,849,045,200)**	(1,855,724,728)
Operating profit		**9,339,186,448**	10,823,167,462
Other operating expenses	33	**(685,075,525)**	(759,900,275)
Other income	34	**1,462,842,225**	1,222,940,052
Finance cost	35	**(4,666,031,439)**	(5,047,231,594)
Share of profit from associated company - net	7.3	**956,671,903**	1,516,519,377
Profit before levies and taxation		**6,407,593,612**	7,755,495,022
Levies		**(1,223,256,209)**	(1,190,911,977)
Taxation	37	**(1,229,847,143)**	(815,091,880)
Profit for the year		**3,954,490,260**	5,749,491,165
Earnings per share - basic and diluted	38	**59.59**	86.64

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Ahmed Raza Parekh
Chief Financial Officer

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

	Notes	2026	2025
		----------Rupees ----------	
Profit for the year		**3,954,490,260**	5,749,491,165
Other comprehensive income:			
Items that may be reclassified to unconsolidated statement of profit or loss in subsequent periods			
Items that will not be reclassified to unconsolidated statement of profit or loss in subsequent periods:			
Loss on remeasurements of defined benefit obligation - net of tax	22.2.6	**(14,393,465)**	(9,195,547)
Unrealized gain / (loss) on remeasurement of investment classified as fair value through OCI - net of tax		**26,948,250**	(21,063,300)
Share of other comprehensive (loss) / income from associate - net of tax		**(334,099,056)**	159,171,604
Other comprehensive (loss) / income for the year		**(321,544,271)**	128,912,757
Total comprehensive income for the year		**3,632,945,989**	5,878,403,922

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Ahmed Raza Parekh
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2026

	Total Reserves								Total shareholders' equity
	Capital reserve		Revenue reserve			Total reserves			
	Issued, subscribed and paid-up share capital	Share premium	Amalgamation reserves	Remeasurement of investment in associate	Remeasurement of investments at fair value through OCI	Unappropriated profit			
	---------- Rupees ----------								
Balance as at July 01, 2024	663,569,400	1,472,531,500	916,862,067	(206,233,725)	(12,466,400)	21,374,623,488	23,545,316,930	24,208,886,330	
Profit for the year	-	-	-	-	-	5,749,491,165	5,749,491,165	5,749,491,165	
Loss on remeasurement of defined benefit obligation - net of tax - note 22.2.6	-	-	-	-	-	(9,195,547)	(9,195,547)	(9,195,547)	
Unrealised loss on remeasurement of investment classified as fair value through OCI - net of tax	-	-	-	-	-	-	-	-	
Share of other comprehensive income from associate - net of tax	-	-	-	-	(21,063,300)	(21,063,300)	(21,063,300)	(21,063,300)	
Other comprehensive income / (loss) for the year	-	-	-	159,171,604	-	-	159,171,604	159,171,604	
Total comprehensive income / (loss) for the year	-	-	-	159,171,604	(21,063,300)	(9,195,547)	128,912,757	128,912,757	
Final cash dividend for the year ended June 30, 2024 @Rs. 10 per share	-	-	-	-	-	5,740,295,618	5,878,403,922	5,878,403,922	
Balance as at June 30, 2025	663,569,400	1,472,531,500	916,862,067	(46,062,121)	(33,529,700)	26,451,349,706	28,760,151,452	29,423,720,852	
Profit for the year	-	-	-	-	-	3,954,490,260	3,954,490,260	3,954,490,260	
Loss on remeasurement of defined benefit obligation - net of tax - note 22.2.6	-	-	-	-	-	(14,393,465)	(14,393,465)	(14,393,465)	
Unrealised gain on remeasurement of investment classified as fair value through OCI - net of tax	-	-	-	-	26,948,250	-	26,948,250	26,948,250	
Share of other comprehensive (loss) from associate-net of tax	-	-	-	(334,099,056)	-	-	(334,099,056)	(334,099,056)	
Other comprehensive (loss) / income for the year	-	-	-	(334,099,056)	26,948,250	(14,393,465)	(321,544,271)	(321,544,271)	
Total comprehensive (loss) / income for the year	-	-	-	(334,099,056)	26,948,250	3,940,096,795	3,632,945,989	3,632,945,989	
Final cash dividend paid for the year ended June 30, 2025 @ Rs. 5 per share	-	-	-	-	-	(331,784,700)	(331,784,700)	(331,784,700)	
Balance as at June 30, 2026	663,569,400	1,472,531,500	916,862,067	(381,161,177)	(6,581,450)	30,059,661,801	32,061,312,741	32,724,882,141	

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Ahmed Raza Parekh
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Notes	2026	2025
		---------- Rupees ----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	40	**15,867,785,245**	8,114,576,525
Gratuity paid	22.2.3	**(100,109,985)**	(144,931,024)
Income tax and levies paid		**(2,191,420,434)**	(2,332,854,549)
Long term deposits - net		**(7,902,219)**	2,652,100
Net cash generated from operating activities		**13,568,352,607**	5,639,443,052
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure (including CWIP)		**(3,317,769,510)**	(3,058,237,092)
Long term investment made - net		**(500,000,000)**	(3,465,492,822)
Short-term investment made - net	15	**(784,238,933)**	(263,064,438)
Receipts from associated company against dividend		**905,129,501**	480,850,047
Proceeds from disposal of property, plant and equipment	6.5.1	**291,808,078**	281,001,069
Net cash used in investing activities		**(3,405,070,864)**	(6,024,943,236)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Payments) / Receipts from long term finances - net		**(1,730,774,994)**	4,637,468,570
Short term finance (repaid)/obtained		**(4,103,753,273)**	3,921,894,296
Payments to islamic redeemable sukuk		**-**	(2,000,000,000)
Interest / mark-up paid		**(4,848,763,049)**	(5,686,234,907)
Dividend paid		**(331,439,712)**	(662,832,107)
Net cash (used in)/generated from financing activities		**(11,014,731,028)**	210,295,852
Net decrease in cash and cash equivalents		**(851,449,285)**	(175,204,332)
Cash and cash equivalents at the beginning of the year		**(2,817,157,867)**	(2,641,953,535)
Cash and cash equivalents at the end of the year		**(3,668,607,152)**	(2,817,157,867)
Cash and cash equivalents at the end of the year comprise of:			
Cash and bank balances	18	**1,141,914,384**	592,185,730
Short term investment having maturity upto 3 months	15.1	**429,614,679**	-
Running finance utilized under mark-up arrangements	25.4	**(5,240,136,215)**	(3,409,343,597)
		(3,668,607,152)	(2,817,157,867)

The annexed notes from 1 to 47 form an integral part of these unconsolidated financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Ahmed Raza Parekh
Chief Financial Officer

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

1. LEGAL STATUS AND OPERATIONS

1.1. Ismail Industries Limited (the Company) was incorporated in Karachi, Pakistan as a private limited company on June 21, 1988. On November 01, 1989 the Company was converted into a public limited company. The registered office / head office of the Company is situated at 17 - Bangalore Town, Shahrah-e-Faisal, Karachi, Pakistan. The shares of the Company are quoted on Pakistan Stock Exchange Limited. Principal activities of the Company are manufacturing and trading of sugar confectionery items, biscuits, snacks, nutritional products, flour, cast polypropylene (CPP) and biaxially-oriented polyethylene terephthalate (BOPET) film under the brands of 'CandyLand', 'Bisconni', 'Snackcity', 'Ismail Nutrition', Ghiza', 'Super Cereal' and 'Astro Films' respectively.

These are the separate unconsolidated financial statements of the Company in which investment in subsidiaries are stated at cost less any impairment costs, if any and investment in associates are carried under equity method of accounting.

In addition to the above registered office, geographical location and addresses of business units including manufacturing units of the Company are as under:

Units	Factory Addresses
Unit-1	C-230, Hub H.I.T.E., Balochistan.
Unit-2	B-140, Hub H.I.T.E., Balochistan.
Unit-3	G-1, Hub H.I.T.E., Balochistan.
Unit-4	G-22, Hub H.I.T.E., Balochistan.
Unit-5:	38-C, Sundar Industrial Estate, Raiwind Road, Lahore.
Unit-6:	D-91, D-92 & D-94, North Western Industrial Zone, Port Qasim.
Unit-7:	E164-168, North Western Zone, Port Qasim.
Unit-8:	E154-157, North Western Zone, Port Qasim.
Unit-9:	G-1A, Hub H.I.T.E., Balochistan.
Unit-10:	E164-168, North Western Zone, Port Qasim.

Further the Company's liaison offices and warehouses are situated in Karachi, Hyderabad, Sukkur, Multan, Lahore, Islamabad, Faisalabad and Peshawar.

2. SIGNIFICANT EVENTS AND TRANSACTIONS

2.1. There is no significant events and transactions occurred during the year.

3. BASIS OF PREPARATION

3.1. Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

3.2. Basis of measurement

These unconsolidated financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policies.

3.3. Functional and presentation currency

Items included in these unconsolidated financial statements are measured using the currency of the primary economic environment in which the Company operates. These unconsolidated financial statements are presented in Pakistani Rupee, which is the Company's functional and presentation currency. The figures have been rounded off to the nearest Rupee.

3.4. Reclassification for better presentation

Prior year figures have been rearranged and/or reclassified, wherever necessary, for better presentation. However, there is no material reclassification occur during the year.

3.5. Standard, Amendments and Interpretations to Approved Accounting Standards

3.5.1. Standards, amendments and interpretations to the published standards that may be relevant to the Company and adopted in the current year

There were certain amendments to accounting and reporting standards which became effective for the Company for the current year. However, these are considered not to be relevant or to have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these unconsolidated financial statements.

3.5.2. Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Company

		Effective date (annual reporting periods beginning on or after)
IAS 7	Statement of Cash Flows (Amendments)	**January 1, 2026**
IAS 21	The effects of changes in foreign exchange rates (Amendments)	**January 1, 2027**
IAS 28	Investments in Associates and Joint Ventures (Amendments)	**January 1, 2027**
IFRS 7	Financial Instruments: Disclosures (Amendments)	**January 1, 2026**
IFRS 9	Financial Instruments (Amendments)	**January 1, 2026**
IFRS 10	Consolidated Financial Statements (Amendments)	**January 1, 2026**
IFRS 17	Insurance Contracts (Amendments)	**January 1, 2027**
IFRS 18	Presentation and Disclosure in Financial Statements	**January 1, 2027**
IFRS 19	Subsidiaries without Public Accountability: Disclosures	**January 1, 2027**

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

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

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 20	Regulatory Assets and Regulatory Liabilities
IFRIC 12	Service Concession Arrangement

3.5.3. Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Further, certain IFRS have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

4. USE OF CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these unconsolidated financial statements in conformity with the approved accounting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Company's accounting policies, management has made the following accounting estimates and judgments which are significant to the unconsolidated financial statements:

Property, plant and equipment	4.1 & 5.1
Right-of-use assets	5.1.2
Intangible assets	5.2
Stock-in-trade, stores and spares	4.2 , 5.7 & 5.8
Taxation	4.4 & 5.14
Staff retirement benefits	4.5 & 5.13
Provisions	5.15
Impairment of non-financial assets	5.3
Contingent liabilities	5.23
Impairment of financial assets	4.3 & 5.25.5

4.1. Property, plant and equipment

The Company reviews appropriateness of the rate of depreciation, useful life and residual value used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Company uses the technical resources available with the Company. Any change in 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. Stock-in-trade, stores and spares

The Company's management reviews the net realizable value (NRV) of stock-in-trade, stores and spares to assess any diminution in the respective carrying values and wherever required, provision for impairment is made.

4.3. Trade debts and other receivables

Impairment loss against doubtful trade and other debts is recorded in accordance with basis mentioned in note 5.25.5 of these unconsolidated financial statements.

4.4. Taxation

In making the estimate for taxation by the Company, the management refers to the current income tax laws and the decisions of appellate authorities on certain issues in the past.

4.5. Staff retirement benefits

Certain actuarial assumptions have been adopted as disclosed in note 22.1 to these unconsolidated financial statements for valuation of present value of defined benefit obligations. Any changes in these assumptions in future years might affect the amounts recognized in those years.

5. MATERIAL ACCOUNTING POLICY INFORMATION

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

5.1. Property, plant and equipment

5.1.1. Owned

Property, plant and equipment including leasehold land and all additions except capital work-in-progress are stated at cost less accumulated depreciation and accumulated impairment losses. Cost of property, plant and equipment comprises acquisition cost and directly attributable cost of bringing the assets to its working condition. Borrowing cost including the exchange risk fee (if any) that are directly attributable to the acquisition, construction and production of a qualifying asset is capitalized as part of the cost during the period in which activities that are necessary to prepare the asset for its intended use are carried out.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognized. Normal repairs and maintenance are charged to the unconsolidated statement of profit or loss as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Depreciation on assets other than leasehold land is calculated so as to write-off the assets over their expected economic lives under the diminishing balance method at rates given in note no. 6 to the unconsolidated financial statements. Depreciation on leasehold land is charged to the unconsolidated statement of profit or loss, applying the straight-line method at rates given in note no. 6 to these unconsolidated financial statements whereby the cost is written off over the lease term. Depreciation is charged from the month when the asset is available for use and ceased from the month of disposal. Impairment loss if any are recorded on the basis as defined in note. 5.3.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as other income or expense.

5.1.2. Right-of-use assets

The right-of-use asset is initially measured based on the initial amount of the lease liability, any lease payments made at or before the commencement date, plus any initial direct costs incurred, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a diminishing balance method. The right-of-use assets is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognized as an expense on a straight line basis over the lease term.

5.1.3. Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment if any. All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. These expenditures are transferred to relevant category of property, plant and equipment as and when the assets start operation. Impairment losses, if any, are recorded on the basis as defined in note 5.3.

5.2. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are recognized when it is probable that the expected future economic benefits will flow to the entity and the cost of the asset can be measured reliably. Cost of the intangible asset (i.e. computer software) includes purchase cost and directly attributable expenses incidental to bring the asset for its intended use.

Costs associated with maintaining computer software are recognized as an expense as and when incurred.

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged over the estimated useful life of the asset on a systematic basis applying straight line method and impairment losses if any are recorded on the basis as defined in note 5.3. Useful lives of intangible operating assets are reviewed, at each reporting date and adjusted if the impact of amortization is significant.

The Company intangible assets consisting of softwares having cost of Rs. 99,973,357/- which are fully amortized.

5.3. Impairment of non-financial assets

Assets that are subject to depreciation/amortization including capital work-in-progress are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable (cash-generating units).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

5.4. Investments in subsidiaries

Investment in subsidiaries are recognized and carried at cost in these unconsolidated financial statements. The carrying amount of investments is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists the investment's recoverable amount is estimated which is the higher of its value in use and its fair value less cost to sell. An impairment loss is recognized if the carrying amount exceeds its recoverable amount. Impairment losses are recognized in the unconsolidated statement of profit or loss. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount but limited to the extent of initial cost of investments. A reversal of impairment loss is recognized in the unconsolidated statement of profit or loss in the year in which they are occurred.

5.5. Investments in associates

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights or common directorship. Investments in associates are accounted for using the equity method of accounting unless other law and regulations prescribe different criteria. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss and other comprehensive income / loss of the associate after the date of acquisition.

5.6. Long term deposits

These are stated at amortized cost which represents the fair value of consideration given.

5.7. Stores and spares

All stores, spares and loose tools either imported or purchased locally are charged to the unconsolidated statement of profit or loss when consumed and are valued at lower of weighted moving average cost or estimated NRV except for items-in-transit which are stated at invoice value plus other incidental charges paid thereon up to the reporting date. Provision is made for obsolete and slow moving items where necessary and is recognized in the unconsolidated statement of profit or loss.

5.8. Stock-in-trade

These are valued at lower of cost or net realizable value. Cost is determined as follows:

Types of stock	Valuation method
Raw and packing materials	lower of weighted average cost or net realizable value
Work-in-process	lower of weighted average cost or net realizable value
Finished goods	lower of weighted average cost or net realizable value
Goods in-transit	invoice value plus other charges incurred thereon
Trading goods	lower of weighted average cost or net realizable value

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date for excess inventories, obsolescence and declines in net realizable value and an allowance is recorded against the inventory balances for any such declines.

5.9. Trade debts and other receivables

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

5.10. Cash and cash equivalents

For the purposes of the unconsolidated statement of cash flows, cash and cash equivalents comprise of cash in hand and bank balances, short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and short term running finances under mark up arrangements.

5.11. Interest / Mark-up bearing loans and borrowings

All loans and borrowings are initially recognized at the fair value of the consideration received less directly attributable transaction costs.

Loans and borrowings are subsequently stated at amortized cost with any difference between the proceeds (net of transaction cost) and the redemption value is recognized in the unconsolidated statement of profit or loss except for any amount included in the cost of property, plant and equipment over the period of the borrowing using the effective interest method.

5.12. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (those that take a substantial period of time to get ready for their intended use) are capitalized as part of the cost of the relevant asset. All other borrowing costs are charged to the unconsolidated statement of profit or loss in the year in which they are incurred.

5.13. Staff retirement benefits - staff gratuity scheme

The Company operates an unfunded gratuity scheme covering all its permanent employees with one or more years of service with the Company. Provision for gratuity is made to cover obligation under the scheme in respect of employees who have completed the minimum qualifying period. Provision has been made in accordance with actuarial recommendations summarized in note no. 22.1 using the projected unit credit method.

5.14. Taxation and levies

5.14.1. Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or minimum tax on turnover or Alternate Corporate Tax whichever is higher and tax paid on final tax regime basis. Alternate Corporate Tax is calculated in accordance with the provisions of Section 113C of the Income Tax Ordinance, 2001.

5.14.2. Levies

Tax charged under the Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the income tax amount calculated based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss in accordance with the "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" issued by Institute of Chartered Accountant of Pakistan (ICAP) and accounted for in accordance with requirement of IFRIC 21/IAS-37.

5.14.3. Deferred

Deferred tax is recognized using the statement of financial position liability method on all temporary differences between the carrying amount of the assets and liabilities and their tax bases.

Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets are recognized for all major deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

The carrying amount of the deferred tax asset is reviewed at each reporting date and is recognized only to the extent that it is probable that future taxable profits will be available against which the assets may be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it becomes probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the year when the asset is utilized or the liability is settled, based on the tax rates that have been enacted or substantially enacted at the reporting date.

5.15. Provisions

Provisions are recognized in these unconsolidated statement of financial position when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

5.16. Trade and other payables

Liabilities for trade and other payables are measured at cost which is the fair value of the consideration to be paid in future for goods and services.

5.17. Foreign currency translation

Transactions in foreign currencies are accounted for in Pakistani Rupee at the rate of exchange prevailing at the date of transaction. Monetary assets and monetary liabilities in foreign currencies as at the reporting date are expressed in Pakistani Rupee at rates of exchange prevailing on that date. All non-monetary item are translated into Pak Rupee at exchange rate prevailing on the date of transaction or on the date when fair value is determine.

5.18. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker for allocating resources and assessing performance of the operating segments. Operating segment comprises of food and plastic division.

5.19. Dividend distribution

Dividend distribution to the shareholders is recognized as a liability in the period in which it is approved by the shareholders.

5.20. Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the board of directors, and it is in the interest of the Company to do so.

5.21. Share Capital

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

5.22. Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares for the effects of all dilutive potential ordinary shares.

5.23. Contingent liabilities

Contingent liability is disclosed when:

a. 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

b. 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.

5.24. Operating, administrative and selling expenses

These expenses are recognized in the unconsolidated statement of profit or loss upon utilization of the services or as incurred except as specifically stated in these unconsolidated financial statements.

5.25. Financial Instruments - Initial recognition and subsequent measurement

5.25.1. Initial recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortized cost as the case may be.

5.25.2. Classification of financial assets

The Company classifies its financial assets in the following categories:

- at fair value through profit or loss ("FVTPL")
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortized cost.

The Company determines the classifications of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortized cost:

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

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

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

By default, all other financial assets are subsequently measured at FVTPL.

5.25.3. Classification of financial liabilities

The Company classifies its financial liabilities at amortized cost.

5.25.4. Subsequent measurement

i) Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in other comprehensive income/(loss).

ii) Financial assets and liabilities at amortized cost

'Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus the transaction cost that are directly attributable to the acquisition or issue of the financial assets or financial liabilities and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the unconsolidated statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets and liabilities held at FVTPL are included in the unconsolidated statement of profit or loss in the period in which they arise.

Where the management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

5.25.5. Impairment of financial assets

The Company recognizes loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortized cost and FVTOCI at an amount equal to life time ECLs except for the financial assets in which there is no significant increase in credit risk since initial recognition or financial assets which are determine to have low credit risk at the reporting date, in which case twelve months' ECL is recorded. The following were either determine to have low or there was no credit risk since initial recognition and at the reporting date:

- long term investment;
- long term deposits;
- loans and advances;
- trade deposits;
- short term investment;
- other receivables; and
- bank balances

Loss allowance for trade debts are always measured at an amount equal to life time ECLs.

Life time ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Twelve months ECLs are portion of ECL that result from default events that are possible within twelve months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured at the present value of all cash short falls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in entirety or a portion thereof.

5.25.6. Derecognition

i) Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfer the financial assets and substantially all the associated risks and reward of ownership to another entity. On derecognition of financial assets measured at amortized cost, the difference between the assets carrying value and the sum of the consideration received and receivable, is recognized in the unconsolidated statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve reclassified to the unconsolidated statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to the unconsolidated statement of profit or loss, but is transferred to retained earnings.

ii) Financial liabilities

The Company derecognizes its financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liabilities derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the unconsolidated statement of profit or loss.

5.25.7. Off-setting of financial assets and liabilities

Financial assets and liabilities are off set and the net amount is reported in these unconsolidated statement of financial position if the Company has a legal right to set-off the transactions and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.26. Revenue

The Company is in the business of manufacturing and sale of goods. Revenue from contracts with customers is recognized 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 net of discount and sales related indirect taxes. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.
The following are the specific recognition criteria that must be met before revenue is recognized:

a. Revenue from local sale of goods is recognized when the goods are dispatched and in case of export sales, when the goods are shipped i.e. when performance obligation are satisfied.
b. Processing income is recognized when services are rendered.
c. Gain or loss on sale of investments is taken to income in the period in which it arises.
d. Interest income is recognized on an accrual basis using the effective interest method.
e. Dividend is recognized when the right to receive is established.
f. Other income is recognized when the right to receive is established, and the amount and timing of related receipt is virtually certain.

6. PROPERTY, PLANT AND EQUIPMENT

	Notes	2026	2025
		----------Rupees ----------	
Operating assets	6.1	**31,404,489,094**	31,496,235,444
Capital work in progress - at cost	6.7	**697,342,020**	720,502,301
		32,101,831,114	32,216,737,745

6.1. Detailed movement of operating assets and right-of-use assets are as follows;

	Operating assets									
Year ended June 30, 2026	Leasehold land	Freehold land	Building on leasehold land	Plant and machinery	Furniture and fittings	Equipments	Computers	Vehicles	Cooling tower & chillers	Grand total
	----------Rupees ----------									
As at June 30, 2025										
Cost	1,734,135,092	88,688,580	11,465,994,175	34,636,588,484	288,602,016	986,050,047	210,163,015	1,815,305,252	29,400,000	51,254,926,661
Accumulated depreciation	(97,085,472)	-	(3,857,101,740)	(14,701,224,966)	(98,954,393)	(286,752,351)	(85,872,810)	(602,299,485)	(29,400,000)	(19,758,691,217)
Net book value	**1,637,049,620**	**88,688,580**	**7,608,892,435**	**19,935,363,518**	**189,647,623**	**699,297,696**	**124,290,205**	**1,213,005,767**	**-**	**31,496,235,444**
July 01, 2025										
Opening net book value	1,637,049,620	88,688,580	7,608,892,435	19,935,363,518	189,647,623	699,297,696	124,290,205	1,213,005,767	-	31,496,235,444
Additions / Transfers from CWIP	260,749,830	-	303,964,059	1,585,927,680	16,266,090	250,433,698	117,586,190	838,319,989	-	3,373,247,536
Transfer from right-of-use assets										
to owned assets										
Cost	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
Disposal										
Cost	-	-	-	(8,757,913)	-	-	(15,151,438)	(343,594,567)	-	(367,503,918)
Accumulated depreciation	-	-	-	7,230,672	-	-	8,724,960	169,864,620	-	185,820,252
	-	-	-	(1,527,241)	-	-	(6,426,478)	(173,729,947)	-	(181,683,666)
Depreciation charge for the year	(18,612,016)	-	(763,729,920)	(2,069,327,623)	(19,981,827)	(76,516,979)	(28,998,123)	(306,143,732)	-	(3,283,310,220)
Closing net book value	**1,879,187,434**	**88,688,580**	**7,149,126,574**	**19,450,436,334**	**185,931,886**	**873,214,415**	**206,451,794**	**1,571,452,077**	**-**	**31,404,489,094**
As at June 30, 2026										
Cost	1,994,884,922	88,688,580	11,769,958,234	36,213,758,251	304,868,106	1,236,483,745	312,597,767	2,310,030,674	29,400,000	54,260,670,279
Accumulated depreciation	(115,697,488)	-	(4,620,831,660)	(16,763,321,917)	(118,936,220)	(363,269,330)	(106,145,973)	(738,578,597)	(29,400,000)	(22,856,181,185)
Net book value	**1,879,187,434**	**88,688,580**	**7,149,126,574**	**19,450,436,334**	**185,931,886**	**873,214,415**	**206,451,794**	**1,571,452,077**	**-**	**31,404,489,094**
Depreciation rate (%)	1	-	10	10	10	10	20	20	33	

	Operating assets									
Year ended June 30, 2025	Leasehold land	Freehold land	Building on leasehold land	Plant and machinery	Furniture and fittings	Equipments	Computers	Vehicles	Cooling tower & chillers	Grand total
	----------Rupees ----------									
As at June 30, 2024										
Cost	1,121,689,941	88,688,580	10,566,265,948	33,568,469,230	279,474,364	865,826,464	157,840,472	1,538,250,604	29,400,000	48,215,905,603
Accumulated depreciation	(84,348,376)	-	(3,054,091,818)	(12,554,146,554)	(78,478,190)	(221,778,498)	(71,572,744)	(490,857,247)	(21,233,333)	(16,576,506,760)
Net book value	**1,037,341,565**	**88,688,580**	**7,512,174,130**	**21,014,322,676**	**200,996,174**	**644,047,966**	**86,267,728**	**1,047,393,357**	**8,166,667**	**31,639,398,843**
July 01, 2024										
Opening net book value	1,037,341,565	88,688,580	7,512,174,130	21,014,322,676	200,996,174	644,047,966	86,267,728	1,047,393,357	8,166,667	31,639,398,843
Additions / Transfers from CWIP	612,445,151	-	899,728,227	1,068,119,254	9,127,652	120,708,808	76,739,658	620,231,000	-	3,407,099,750
Transfer from leased assets										
to owned assets										
Cost	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
Disposal										
Cost	-	-	-	-	-	(485,225)	(24,417,115)	(343,176,352)	-	(368,078,692)
Accumulated depreciation	-	-	-	-	-	383,720	7,480,034	130,398,142	-	138,261,896
	-	-	-	-	-	(101,505)	(16,937,081)	(212,778,210)	-	(229,816,796)
Depreciation charge for the year	(12,737,096)	-	(803,009,922)	(2,147,078,412)	(20,476,203)	(65,357,573)	(21,780,100)	(241,840,380)	(8,166,667)	(3,320,446,353)
Closing net book value	**1,637,049,620**	**88,688,580**	**7,608,892,435**	**19,935,363,518**	**189,647,623**	**699,297,696**	**124,290,205**	**1,213,005,767**	**-**	**31,496,235,444**
As at June 30, 2025										
Cost	1,734,135,092	88,688,580	11,465,994,175	34,636,588,484	288,602,016	986,050,047	210,163,015	1,815,305,252	29,400,000	51,254,926,661
Accumulated depreciation	(97,085,472)	-	(3,857,101,740)	(14,701,224,966)	(98,954,393)	(286,752,351)	(85,872,810)	(602,299,485)	(29,400,000)	(19,758,691,217)
Net book value	**1,637,049,620**	**88,688,580**	**7,608,892,435**	**19,935,363,518**	**189,647,623**	**699,297,696**	**124,290,205**	**1,213,005,767**	**-**	**31,496,235,444**
Depreciation rate (%)	1	-	10	10	10	10	20	20	33	

6.2. Property plant and equipment of the Company is under charge against long term finances as mentioned in note no. 21.

6.3. The expenses have been allocated to the unconsolidated statement of profit or loss as follows:	Notes	2026	2025
		--------- Rupees ---------	
6.3.1 Depreciation charge of operating assets			
Cost of sales	30	**2,940,512,597**	3,038,859,713
Selling and distribution expenses	31	**135,658,498**	127,536,792
Administrative expenses	32	**207,139,125**	154,049,848
		3,283,310,220	3,320,446,353

6.4. Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Locations		* Total area
17 - Bangalore Town, Shahrah-e-Faisal, Karachi.	Registered office / Head office	1000 sq. yd
C-230, Hub H.I.T.E., Balochistan.	Manufacturing facility - Unit 1	7.54 acres
B-140, Hub H.I.T.E., Balochistan.	Manufacturing facility - Unit 2	4.59 acres
G-1, Hub H.I.T.E., Balochistan.	Manufacturing facility - Unit 3	3.486 acres
G-22, Hub H.I.T.E., Balochistan.	Manufacturing facility - Unit 4	9.00 acres
38-C, Sundar Industrial Estate, Raiwind Road, Lahore.	Manufacturing facility - Unit 5	4.02 acres
D-91, D-92 & D-94 North Western Zone, Port Qasim, Karachi.	Manufacturing facility - Unit 6	7.50 acres
E164-168, North Western Zone, Port Qasim, Karachi.	Manufacturing facility - Unit 7	2.74 acres
E154-157, North Western Zone, Port Qasim, Karachi.	Manufacturing facility - Unit 8	5.04 acres
G-1A, Hub H.I.T.E., Balochistan.	Manufacturing facility - Unit 9	3.185 acres
E164-168, North Western Zone, Port Qasim, Karachi.	Manufacturing facility - Unit 10	3.50 acres
D-101/M, D-101/N, S.I.T.E area, Nooriabad, District Jamshoro, Sindh.	For future expansion	20.50 acres
PT2-24-2402, Pearl Tower, Plot # 7 (R9) Cresent Bay, Karachi.	Administrative purpose	2,209.57 sq. ft
Sabzi mandi road, Chak no. 241 Dist. Faisalabad.	For future expansion	0.88 acres
39-B, Sundar Industrial Estate, Raiwind Road, Lahore.	For future expansion	1.138 acres
EIZ/1/P-II-B, Eastern industrial Zone, Port Qasim, Karachi.	For future expansion	15 acres
Plot 1,2,3 Hub H.I.T.E Balochistan	For future expansion	8.37 acres

* The covered area includes multi-storey buildings.

6.5. Following are the particulars of the disposed assets having a book value exceed five hundred thousand rupees.

Description	Cost	Accumulated Depreciation	Net book amount	Sale proceeds	Gain / (loss)	Particulars of buyer	Relationship	Mode of disposal
	..... Rupees							
Plant & Machinery	4,807,309	4,225,958	581,351	4,000,000	3,418,649	-	-	-
Vehicles	28,575,000	17,585,944	10,989,056	28,800,000	17,810,944	Mustafa Dedhi	Independent	Negotiable
Vehicles	22,634,494	12,175,547	10,458,947	25,000,000	14,541,053	Mustafa Dedhi	Independent	Negotiable
Vehicles	19,877,100	18,032,271	1,844,829	23,300,000	21,455,171	Mustafa Dedhi	Independent	Negotiable
Vehicles	17,939,000	2,043,053	15,895,947	15,700,000	(195,947)	Toyato Highway	Independent	Negotiable
Vehicles	7,620,225	5,456,162	2,164,063	3,537,000	1,372,937	Faisal Aheed	Employee	Company Policy
Vehicles	7,620,325	5,409,415	2,210,910	3,536,800	1,325,890	Aqeel Kamal	Employee	Company Policy
Vehicles	7,620,225	5,497,779	2,122,446	3,536,760	1,414,314	Jawwad Ali Tipu	Employee	Company Policy
Vehicles	17,878,350	7,342,042	10,536,308	13,000,000	2,463,692	Mustafa Dedhi	Independent	Negotiable
Vehicles	7,620,484	5,411,262	2,209,222	10,500,000	8,290,778	Gagai Motors	Independent	Negotiable
Vehicles	3,562,364	1,505,376	2,056,988	3,115,162	1,058,174	Umber Jawed	Employee	Company Policy
Vehicles	3,297,354	1,597,385	1,699,969	3,049,792	1,349,823	Usman Aslam	Employee	Company Policy
Vehicles	4,932,400	1,433,684	3,498,716	3,940,720	442,004	Haider Nawab Akhtar	Employee	Company Policy
Vehicles	5,103,900	2,153,846	2,950,054	4,100,000	1,149,946	Hasnain Ahmed	Independent	Negotiable
	159,088,530	**89,869,724**	**69,218,806**	**145,116,234**	**75,897,428**			
Vehicles	4,928,150	1,869,412	3,058,738	3,792,943	734,205	Usman Javed	Employee	Company Policy
Vehicles	2,866,101	1,887,398	978,703	1,571,116	592,413	Abu Asif	Employee	Company Policy
Vehicles	6,752,950	1,586,943	5,166,007	6,572,000	1,405,993	Efu General Insurance	Independent	Company Policy
Vehicles	2,419,837	1,282,062	1,137,775	1,777,986	640,211	M.Ahsan Bhutto	Employee	Company Policy
Vehicles	4,714,375	1,129,355	3,585,020	4,000,000	414,980	Ali Raza Kazmi	Employee	Company Policy
Vehicles	3,565,476	1,648,042	1,917,434	2,780,969	863,535	Shujaat Ali Ansari	Employee	Company Policy
Vehicles	2,308,590	1,516,436	792,154	1,157,775	365,621	M.Arif	Employee	Company Policy
Vehicles	2,308,590	1,531,623	776,967	1,130,850	353,883	Faizan Rizwan	Employee	Company Policy
Vehicles	2,308,490	1,518,976	789,514	1,130,808	341,294	Gohar Ishtiaque	Employee	Company Policy
Vehicles	1,539,222	1,038,352	500,870	726,700	225,830	Irfan Ansari	Employee	Company Policy
Vehicles	2,933,874	2,116,403	817,471	626,524	(190,947)	Waseem Gul	Employee	Company Policy
Vehicles	1,508,029	786,604	721,425	841,585	120,160	Muhammad Fahd	Employee	Company Policy
Vehicles	1,203,467	687,249	516,218	591,675	75,457	M.Shaheer Mirza	Employee	Company Policy
Vehicles	2,238,937	923,039	1,315,898	1,603,739	287,841	Muhammad Rizwan	Employee	Company Policy
Vehicles	1,779,604	788,721	990,883	1,249,725	258,842	Awais Ahmed	Employee	Company Policy
Vehicles	2,738,870	561,468	2,177,402	2,355,428	178,026	Saad Mansoori	Employee	Company Policy
Vehicles	1,508,029	786,604	721,425	980,015	258,590	Abdullah Fakhar	Employee	Company Policy
Vehicles	2,308,440	1,584,929	723,511	1,076,940	353,429	Salman Muhammad	Employee	Company Policy
Vehicles	1,542,567	1,040,258	502,309	726,800	224,491	Muhammad Afzaal	Employee	Company Policy
Vehicles	1,356,669	804,450	552,219	540,730	(11,489)	Jannat Gul	Employee	Company Policy
Vehicles	1,356,669	794,803	561,866	540,730	(21,136)	Mirza Ashar	Employee	Company Policy
Vehicles	2,738,400	907,323	1,831,077	1,985,630	154,553	M.Usman Khan	Employee	Company Policy
Vehicles	2,238,937	1,081,854	1,157,083	1,599,809	442,726	M.Zohaib Khan	Employee	Company Policy
Vehicles	2,238,937	1,081,854	1,157,083	1,383,619	226,536	M.Asif Asghar	Employee	Company Policy
Vehicles	2,744,500	839,360	1,905,140	2,020,603	115,463	Hasham Khan	Employee	Company Policy
Vehicles	1,775,954	970,855	805,099	743,997	(61,102)	Rizwan Ahsan	Employee	Company Policy
Vehicles	2,351,328	1,093,524	1,257,804	1,709,755	451,951	Muhammad Ahmad	Employee	Company Policy
Vehicles	2,642,280	1,174,934	1,467,346	1,717,742	250,396	Asad Mir	Employee	Company Policy
Vehicles	1,779,604	942,478	837,126	1,024,775	187,649	Hammad Ali Khan	Employee	Company Policy
Vehicles	3,035,361	404,715	2,630,646	2,994,861	364,215	Efu General Insurance	Independent	Company Policy
Vehicles	2,696,851	1,167,437	1,529,414	2,262,205	732,791	Suleman Khan	Employee	Company Policy
	78,429,088	**35,547,461**	**42,881,627**	**53,218,034**	**10,336,407**			

Description	Cost	Accumulated Depreciation	Net book amount	Sale proceeds	Gain / (loss)	Particulars of buyer	Relationship	Mode of disposal
	..... Rupees							
Vehicles	3,657,650	923,353	2,734,297	3,249,616	515,319	M.Shahzad Hussain	Employee	Company Policy
Vehicles	1,850,467	1,010,931	839,536	1,226,964	387,428	Naveed Shahzad	Employee	Company Policy
Vehicles	3,405,125	1,334,809	2,070,316	2,549,044	478,728	Syed Toufiq Hussain	Employee	Company Policy
Vehicles	2,696,811	1,193,788	1,503,023	2,136,499	633,476	Ebad Bintory	Employee	Company Policy
Vehicles	2,642,370	1,035,809	1,606,561	1,750,835	144,274	Hameed Ullah	Employee	Company Policy
Vehicles	8,901,728	1,431,695	7,470,033	8,007,055	537,022	Qaiser Siddiqi	Employee	Company Policy
Vehicles	3,364,717	1,625,831	1,738,886	2,682,680	943,794	Pir Abdul Basit	Employee	Company Policy
Vehicles	2,696,851	1,193,806	1,503,045	3,100,000	1,596,955	Efu General Insurance	Independent	Company Policy
Vehicles	2,696,061	1,193,456	1,502,605	2,405,000	902,395	Ali Raza Kazim	Independent	Negotiable
Vehicles	2,696,261	1,193,545	1,502,716	2,405,000	902,284	Ali Raza Kazim	Independent	Negotiable
Vehicles	3,657,650	970,496	2,687,154	2,505,000	(182,154)	Ali Raza Kazim	Independent	Negotiable
Vehicles	2,256,221	1,214,950	1,041,271	1,528,489	487,218	Zakir Hussain	Employee	Company Policy
Vehicles	3,404,750	1,324,069	2,080,681	2,300,000	219,319	Abid Khan	Independent	Negotiable
Vehicles	3,405,500	1,403,066	2,002,434	2,325,000	322,566	Waqar Hussain	Independent	Negotiable
Vehicles	2,689,171	1,269,289	1,419,882	2,325,000	905,118	Waqar Hussain	Independent	Negotiable
Vehicles	3,657,650	1,159,069	2,498,581	3,610,000	1,111,419	Efu General Insurance	Independent	Company Policy
Vehicles	1,649,640	1,062,424	587,216	1,059,386	472,170	Noman Shafiq	Employee	Company Policy
Vehicles	2,696,811	1,325,632	1,371,179	1,979,403	608,224	Noman Rafiq	Employee	Company Policy
Vehicles	3,404,750	1,437,561	1,967,189	2,412,686	445,497	Muhammad Imran	Employee	Company Policy
Vehicles	2,689,061	1,446,117	1,242,944	2,800,000	1,557,056	Efu General Insurance	Independent	Company Policy
Vehicles	3,658,630	1,253,691	2,404,939	2,300,000	(104,939)	Marium Azfar	Independent	Negotiable
Vehicles	2,256,221	1,290,679	965,542	1,423,076	457,534	Abu Saeed Ashrafi	Employee	Company Policy
Vehicles	2,256,221	1,328,543	927,678	1,449,428	521,750	Muhammad Anwer	Employee	Company Policy
Vehicles	3,405,125	1,552,737	1,852,388	2,200,000	347,612	M.Waqar	Independent	Negotiable
Vehicles	3,657,650	1,253,355	2,404,295	2,300,000	(104,295)	Asjad Rana	Independent	Negotiable
	79,353,092	**31,428,701**	**47,924,391**	**62,030,161**	**14,105,770**			
	316,870,710	**156,845,886**	**160,024,824**	**260,364,429**	**100,339,605**			

6.5.1. Aggregate of assets disposed off having net book value not exceeding Rs. 500,000

Description	Cost	Accumulated depreciation	Net book value	Sale proceed	Gain / (loss)
Computers	15,151,438	8,724,960	6,426,478	1,646,016	(4,780,462)
Vehicles	31,531,166	17,244,692	14,286,474	26,997,033	12,710,559
Plant & Machinery	3,950,604	3,004,714	945,890	2,800,600	1,854,710
Sub-total	**50,633,208**	28,974,366	21,658,842	**31,443,649**	**9,784,807**
2026 - total	**367,503,918**	**185,820,252**	**181,683,666**	**291,808,078**	**110,124,412**
2025 - total	368,078,692	138,261,896	229,816,796	281,001,069	51,184,274

6.6. All disposal are made through negotiation or otherwise specified in 6.5.1 of these unconsolidated financial statements.

	Notes	2026	2025
6.7. Capital work-in-progress		--------- Rupees ---------	
Civil works		**90,731,277**	83,442,396
Plant and machinery		**559,145,193**	579,114,800
Equipment and fittings		**47,465,550**	57,945,105
	6.7.1	**697,342,020**	720,502,301

6.7.1. Movement of Capital work-in-progress:	Notes	Civil works	Plant and machinery	Equipment and fittings	Total
		----------Rupees----------			
Balance as at July 1, 2024		498,916,822	449,813,290	50,700,869	999,430,981
CAPEX incurred during the year		1,092,399,801	1,197,420,764	136,586,196	2,426,406,761
Transferred to operating fixed assets		(1,507,874,227)	(1,068,119,254)	(129,341,960)	(2,705,335,441)
Balance as at June 30, 2025		**83,442,396**	**579,114,800**	**57,945,105**	**720,502,301**
CAPEX incurred during the year		**311,252,940**	**1,685,641,640**	**256,220,233**	**2,253,114,813**
Transferred to operating fixed assets		**(303,964,059)**	**(1,585,927,680)**	**(266,699,788)**	**(2,156,591,527)**
Disposal of asset	6.7.3	**-**	**(119,683,567)**	**-**	**(119,683,567)**
Balance as at June 30, 2026		**90,731,277**	**559,145,193**	**47,465,550**	**697,342,020**

6.7.2. This includes amount of borrowing cost capitalized during the year at average incremental borrowing rate of the Company.

6.7.3. Items of plant & machinery held in capital work in progress are sold to associated Company Ismail Global Pakistan (SMC-Private) limited at cost amounting to Rs. 119,683,567.

7. LONG TERM INVESTMENTS	Notes	2026	2025
		--------- Rupees ---------	
Investment in subsidiary companies - unquoted shares			
Hudson Pharma (Private) Limited		**2,525,984,000**	2,525,984,000
Ismail Resin (Private) Limited	7.1	**4,437,500,000**	3,937,500,000
Bisconni Middle East Manufacturing LLC	7.2	**2,527,992,822**	2,527,992,822
		9,491,476,822	8,991,476,822
Investment in associated company			
The Bank of Khyber	7.3	**4,911,671,429**	5,253,186,740
		14,403,148,251	14,244,663,562

	2026	2025
	--------- Rupees ---------	
7.1. Ismail Resin (Private) Limited		
Balance as at July 1, 2025	**3,937,500,000**	3,000,000,000
Increase during the year	**500,000,000**	937,500,000
Balance as at June 30, 2026	**4,437,500,000**	3,937,500,000

7.2. Bisconni Middle East Manufacturing - L.L.C

The Company has acquired 330,750 (June 2025: 330,750) shares of Bisconni Middle East manufacturing - L.L.C - S.P.C (BMEM), which is equivalent to 100% (June 2025: 100%) of total paid up capital of the BMEM. The BMEM was incorporated in Abu Dhabi, UAE. Principal activities of the BMEM are manufacturing and selling of Chocolate, Chocolate & Sugar Confectionery and Dry Bakery product.. The financial reporting date of BMEM is June 30.

7.3. The Bank of Khyber

The total shareholding of the Company in the Bank of Khyber (the Bank) is 282,852,970 (June 2025: 282,852,970) shares which represents 24.43% of paid-up capital of the Bank (June 2025: 24.43%). The Bank concludes its annual financial results on December 31 as required by the State Bank of Pakistan for financial institutions. Amounts in these unconsolidated financial statements have been taken from unaudited financial statements of the Bank for the period ended June 30, 2026 (June 2025: period ended June 30, 2025). Adjustment to conform to the Bank's accounting policies is not warranted as the Bank is not engaged in like transaction under similar circumstances.

The market value of holding in the Bank as at June 30, 2026 was Rs. 9,520.83 million (June 2025: Rs. 5,003.67 million), which is placed in level 1 of the fair value hierarchy and are based on quoted market price of the Bank on PSX.

	The Bank of Khyber	
	2026	2025
	--------- Rupees ---------	
Balance as at July 1, 2025	**5,253,186,740**	4,030,256,700
Share of profit for the period / year	**956,671,903**	1,516,519,377
Share of other comprehensive (loss)/income	**(393,057,713)**	187,260,710
Dividend received	**(905,129,501)**	(480,850,047)
Balance as at June 30, 2026	**4,911,671,429**	5,253,186,740

Summarized financial information in respect of the Company's associate is set out below:

	The Bank of Khyber	
	June 30, 2026	June 30, 2025
	Un-audited	Un-audited
	--------- Rupees ---------	
Total assets	**597,417,626,000**	537,205,029,000
Total liabilities	**575,537,253,000**	513,940,919,000
Revenue	**20,182,108,000**	22,820,941,000
Profit for the year / period	**3,916,378,000**	6,208,255,000
Other comprehensive income for the year / period	**(1,626,932,000)**	81,155,000
Total comprehensive income for the year / period	**2,289,446,000**	6,289,410,000

8. LONG TERM DEPOSITS

	2026	2025
	--------- Rupees ---------	
Utility companies	**14,024,790**	13,545,270
Others	**18,091,344**	10,668,645
	32,116,134	24,213,915

9. STORES AND SPARES

	Notes	2026	2025
		--------- Rupees ---------	
Stores		**131,794,713**	124,104,948
Spare parts		**821,076,988**	712,040,604
Others		**66,416,741**	54,682,072
	9.1	**1,019,288,442**	890,827,624

9.1. This includes provision for slow moving amounting to Rs 8,591,420 (June 2025: Rs 8,591,420).

10. STOCK-IN-TRADE

	Notes	2026	2025
		--------- Rupees ---------	
Raw materials	10.2&10.3	**7,739,498,240**	10,004,148,643
Packing materials		**2,574,433,054**	1,911,913,558
Work-in-process	30	**670,315,907**	613,769,367
Finished goods		**6,664,695,546**	4,439,638,473
		17,648,942,747	16,969,470,041

10.1. Stock-in-trade of the Company is under hypothecation charge against short term finances as mentioned in note no. 25.

10.2. This includes provision for slow moving amounting to Rs 181,780,346 (June 2025: Rs 83,000,000).

10.3. This includes raw material in transit amounting to Rs. 1,477,213,176 (June 2025: Rs. 1,085,799,895).

11. TRADE DEBTS

	Notes	2026	2025
		--------- Rupees ---------	
Considered good			
- export - secured	11.1&11.2	**2,081,037,057**	3,867,472,990
- local - unsecured	11.1	**11,348,416,105**	9,699,501,146
		13,429,453,162	13,566,974,136
Allowance for expected credit loss	11.3	**(270,066,439)**	(249,949,879)
Trade debts - net		**13,159,386,723**	13,317,024,257

11.1. Trade debts of the Company is under hypothecation charge against short term finances as mentioned in note no. 25.

11.2. This include receivable from related party amounting to Rs. 601,194,260 which is not due as of reporting date.

11.3. Allowance for expected credit loss

	Notes	2026	2025
		--------- Rupees ---------	
Balance at the beginning of the year		**(249,949,879)**	(209,366,262)
Charge during the year	31	**(20,116,560)**	(40,583,617)
Balance at the end of the year		**(270,066,439)**	(249,949,879)

11.4. Age analysis of trade debts

Not Due	**11,007,400,698**	11,542,588,878
Due but not more than 3 months	**1,183,654,505**	822,827,693
Due more than 3 months but not more than 6 months	**705,249,599**	833,938,993
Due more than 6 months but not more than 1 year	**367,997,134**	230,531,954
Due more than 1 year	**165,151,226**	137,086,618
	13,429,453,162	13,566,974,136

11.5. Age analysis of expected credit loss

	2026	2025
	--------- Rupees ---------	
Not Due	**39,510,939**	34,368,614
Due but not more than 3 months	**27,080,732**	18,767,440
Due more than 3 months but not more than 6 months	**20,500,656**	23,406,848
Due more than 6 months but not more than 1 year	**17,822,886**	16,374,965
Due more than 1 year	**165,151,226**	157,032,012
	270,066,439	249,949,879

12. LOANS AND ADVANCES

	Notes	2026	2025
		--------- Rupees ---------	
Loans - secured - employees	12.1	**169,791,741**	132,764,695
Advances - unsecured			
- suppliers		**4,127,306,110**	3,830,437,444
- LC margins		**-**	106,234
		4,297,097,851	3,963,308,373

12.1. These represents interest free loan that are to be paid within a period of one year in equal monthly installments as per policy. Any outstanding loan due from an employee at the time of leaving the service is adjustable against the final settlement of staff.

13. LOANS TO SUBSIDIARIES AND ASSOCIATE - unsecured

	Notes	2026	2025
		--------- Rupees ---------	
Subsidiaries			
- Ismail Resin (Private) Limited	13.1	**7,962,000,000**	7,962,000,000
- Hudson Pharma (Private) Limited	13.1	**1,800,000,000**	1,100,000,000
Associate			
- Innovita Nutrition (Private) Limited		**-**	350,000,000
		9,762,000,000	9,412,000,000

13.1. The Company entered into short term financing agreement with its Subsidiaries / Associate for extending revolving line of credit for meeting their working capital requirements. These carry mark-up at the rates ranging from 10.50% to 12.00% per annum (June 2025: 11% to 21.30%).

14. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS

	Notes	2026	2025
		--------- Rupees ---------	
Trade deposits - unsecured		**19,834,580**	23,410,402
Short term prepayments		**9,083,731**	6,365,917
		28,918,311	29,776,319

15. SHORT TERM INVESTMENTS

	Notes	2026	2025
Held at:			
Amortized cost	15.1	**1,145,229,900**	593,282,197
Fair value through other comprehensive income	15.2	**976,084,925**	918,419,065
Fair value through profit and loss	15.3	**969,765,795**	304,308,772
		3,091,080,620	1,816,010,034

15.1. These investments are made in term deposit receipts and T- bills of various banks at the rates range from 12.30% to 13.45% (June 2025: 14% to 23%). These investments include TDR having maturity upto 3 months amounting to Rs. 429.61 millions and remaining investment amounting to Rs. 546.47 millions having maturity upto 12 months.

15.2. These investments are made in term finance certificates in various banks, The fair value of these certificates range from 96% to 100% of their face value (June 2025: 95% to 99.13%).

15.3. This include investment made in listed equity securities.

16. OTHER RECEIVABLES

	Notes	2026	2025
		--------- Rupees ---------	
Export rebate		**147,450,587**	92,472,969
Sales tax carry forward		**6,179,049,682**	5,894,708,573
Markup receivable	16.1	**686,887,403**	176,260,623
Other receivables	16.2&16.3	**622,870,112**	451,367,955
		7,636,257,784	6,614,810,120

16.1. This represents markup receivable from subsidiary companies as referred in note. 13.1 of this unconsolidated financial statements for the year ended June 30, 2026.

16.2. These includes advance to the Nazir of Court as mentioned in note no. 27.1.7 of this unconsolidated financial statements for the year ended June 30, 2026.

16.3. These includes receivable from associate Company against sales of fixed asset.

17. TAXATION AND LEVIES - net

	2026	2025
	--------- Rupees ---------	
Advance income tax / levies	**3,948,204,210**	3,860,549,808
Provision for levies and taxation for the year	**(2,055,625,158)**	(1,846,973,435)
	1,892,579,052	2,013,576,373

18. CASH AND BANK BALANCES

Cash in hand	**1,892,094**	5,472,233
Cash at banks:		
- current accounts - conventional	**453,835,332**	394,824,365
- current accounts - Islamic	**686,186,958**	191,889,132
	1,141,914,384	592,185,730

19. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

Number of Shares				
2026	2025		2026	2025
53,072,940	53,072,940	Ordinary shares of Rs. 10 each fully paid in cash	**530,729,400**	530,729,400
13,284,000	13,284,000	Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash under scheme of arrangement for amalgamation	**132,840,000**	132,840,000
66,356,940	66,356,940		**663,569,400**	663,569,400

20. RESERVES

	Notes	2026	2025
		--------- Rupees ---------	
Capital reserve			
- Share premium	20.1	**1,472,531,500**	1,472,531,500
- Reserve arising due to amalgamation	20.2	**916,862,067**	916,862,067
Revenue Reserve			
- Remeasurement of investment in associate		**(381,161,177)**	(47,062,121)
- Unrealized loss on remeasurement of investment classified as fair value through OCI - net of tax	20.3	**(6,581,450)**	(33,529,700)
- Unappropriated profit		**30,059,661,801**	26,451,349,706
Total reserves		**32,061,312,741**	28,760,151,452

20.1. This represents share premium amount pertains to issue of shares at premium. This reserve can be utilized by the Company for the purpose specified in section 81(2) of the Companies Act, 2017.

20.2. This represents reserve created under scheme of arrangement for amalgamation of an Astro Plastics (Private) Limited with the Company.

20.3. Movement of the total reserves have been reflected in the unconsolidated statement of changes in equity.

21. LONG TERM FINANCES - secured

	June 30, 2026			June 30, 2025		
	----------Rupees ----------					
	Conventional	Islamic	Total	Conventional	Islamic	Total
At beginning of the year	**15,215,550,263**	**15,762,894,649**	**30,978,444,912**	19,383,008,587	6,957,967,755	26,340,976,342
Obtained during the year	**158,236,684**	**4,378,030,753**	**4,536,267,437**	350,000,000	10,723,463,740	11,073,463,740
Repaid during the year	**(4,345,933,436)**	**(1,921,108,995)**	**(6,267,042,431)**	(4,517,458,324)	(1,918,536,846)	(6,435,995,170)
	11,027,853,511	**18,219,816,407**	**29,247,699,918**	15,215,550,263	15,762,894,649	30,978,444,912
Less: Current maturity	**(3,899,401,228)**	**(4,708,105,014)**	**(8,607,506,242)**	(4,344,885,249)	(1,828,282,783)	(6,173,168,032)
	7,128,452,283	**13,511,711,393**	**20,640,163,676**	10,870,665,014	13,934,611,866	24,805,276,880

21.1. Conventional

	Notes	2026	2025
Long Term Financing Facility (LTFF)		--------- Rupees ---------	
Habib Bank Limited	21.1.1	**767,828,454**	999,489,362
Bank Al-Habib Limited	21.1.1	**105,270,290**	162,358,290
MCB Bank Limited	21.1.1	**245,269,097**	337,443,770
Allied Bank Limited	21.1.1	**874,743,500**	1,069,114,500
Pak Brunei Investment Company Limited	21.1.1	**259,908,700**	346,415,500
Pak Oman Investment Company Limited	21.1.1	**396,241,685**	491,377,317
Bank Al Falah Limited	21.1.1	**76,141,738**	129,984,401
JS Bank Limited	21.1.1	**479,758,961**	558,478,196
Habib Metropolitan Bank Limited	21.1.1	**39,305,429**	-
National Bank of Pakistan	21.1.1	**414,529,084**	526,250,972
PAIR Investment Company Limited	21.1.1	**138,734,189**	22,765,625
		3,797,731,127	4,643,677,933
Temporary Economic Refinance Facility (TERF)			
Habib Bank Limited	21.1.2	**124,091,209**	151,994,157
MCB Bank Limited	21.1.2	**237,497,826**	284,997,634
Habib Metropolitan Bank Limited	21.1.2	**761,552,609**	898,763,531
The Bank of Punjab	21.1.2	**1,025,065,678**	1,212,566,914
National Bank of Pakistan	21.1.2	**256,767,077**	312,392,745
		2,404,974,399	2,860,714,981
Term finance			
Habib Bank Limited	21.1.3	**760,550,640**	1,117,560,801
MCB Bank Limited	21.1.3	**483,333,337**	683,333,342
Allied Bank Limited	21.1.3	**61,250,000**	122,500,000
Bank Al Falah Limited	21.1.3	**-**	150,000,000
The Bank of Punjab	21.1.3	**91,666,672**	191,666,667
Pak Libya Holding Company (Private) Limited	21.1.3	**165,277,782**	281,944,446
Askari Bank Limited	21.1.3	**2,187,499,990**	3,162,499,991
Soneri Bank Limited	21.1.3	**141,666,679**	241,666,675
PAIR Investment Company Limited	21.1.3	**112,500,000**	187,500,000
Pak Kuwait Investment Company (Private) Limited (Syndicated)	21.1.3	**334,047,624**	1,002,142,860
		4,337,792,724	7,140,814,782
Refinance Facility			
Bank Al Falah Limited	21.1.4	**164,939,775**	184,932,475
Askari Bank Limited	21.1.4	**97,897,475**	120,932,175
PAIR Investment Company Limited	21.1.4	**154,663,921**	174,663,917
		417,501,171	480,528,567
Financing Facility for Storage of Agricultural Produce			
National Bank of Pakistan	21.1.5	**69,854,090**	89,814,000
		69,854,090	89,814,000
Total long term loan - secured		**11,027,853,511**	15,215,550,263
Less: Current portion of long term finances shown under current liabilities		**(3,899,401,228)**	(4,344,885,249)
		7,128,452,283	10,870,665,014

21.1.1. These finances carry markup ranging from 3.25% to 8.50%. These loans are fully repayable in 32 to 40 quarterly installments and 18 semi annual installments (June 2025 3.25% to 8.50%)

21.1.2. These finances carry markup ranging from 2% to 2.25%. These loans are fully repayable in 32 to 36 quarterly installments and 16 semi annual installmets (June 2025: 2% to 2.25%)

21.1.3. These finances carry multiple markup rate ranging from 1 & 3 month KIBOR +0.10% to +0.85% and 3 month KIBOR + 1.25% (June 2025: 11.83% to 13.42%) These loans are fully repayable in 16 to 60 quarterly installments.

21.1.4. These finances carry markup of 2.50% to 3.50% (2025 June: 2.50% to 3.50%). These loans are fully repayable in 40 quarterly installments.

21.1.5. This finance carry markup of 3.25% (June 2025: 3.25%). These loans are fully repayable in 28 quarterly installments.

21.2. Islamic	Notes	2026	2025
		--------- Rupees ---------	
Islamic Long Term Financing Facility (ILTFF)			
Dubai Islamic Bank Pakistan Limited	21.2.1	**270,873,420**	401,596,390
Faysal Bank Limited	21.2.1	**259,570,750**	237,538,619
United Bank Limited	21.2.1	**186,610,470**	-
		717,054,640	639,135,009
Islamic Temporary Economic Refinance Facility (TERF)			
MCB Islamic Bank Limited	21.2.2	**220,249,298**	263,997,546
		220,249,298	263,997,546
Islamic Financing Facility			
MCB Islamic Bank Limited	21.2.3	**90,000,000**	**150,000,000**
Meezan Bank Limited	21.2.3	**1,950,000,000**	**2,990,625,023**
Faysal Bank Limited	21.2.3	**9,067,512,469**	**6,944,137,071**
Bank Islami Pakistan Limited	21.2.3	**6,175,000,000**	**4,775,000,000**
		17,282,512,469	14,859,762,094
Total long term loan - secured		**18,219,816,407**	15,762,894,649
Less: Current portion of long term finances shown under current liabilities		**(4,708,105,014)**	(1,828,282,783)
		13,511,711,393	13,934,611,866

21.2.1. These finances carry markup ranging 4% to 8.50% (2025 June: 4%) . These loans are fully repayable in 20 to 36 quarterly installments.

21.2.2. This finance carry markup 1.75% (2025 June: 1.75%). These loans are fully repayable in 32 quarterly installments.

21.2.3. These finances carry multiple markup rate ranging from 1 month KIBOR + 0.10% to 3 month KIBOR + 0.80% (2025 June: 11.83% to 12.92%. These loans are fully repayable in 16 to 60 quarterly installments.

21.3. These represent financings for property, plant and equipment. The above mentioned facilities are secured by way of creation of equitable mortgage and first pari-passu / ranking charge over all fixed assets of the Company and personal guarantees of directors.

21.4. The Company's total limit for long term loan amounting to Rs.50,448 million. (June 2025: Rs. 49,498 million)

22. DEFERRED LIABILITIES	Notes	2026	2025
		--------- Rupees ---------	
Provision for staff gratuity scheme - unfunded	22.1	**1,150,109,359**	955,476,803
Deferred tax liability	22.3	**2,598,184,712**	2,509,084,323
		3,748,294,071	3,464,561,126

22.1. Provision for staff gratuity scheme - unfunded

In accordance with the requirements of IAS-19 "Employee Benefits", actuarial valuation was carried out as at June 30, 2026 using the "Projected Unit Credit Method". Provision has been made in these unconsolidated financial statements to cover obligations in accordance with the actuarial recommendations. Details of significant assumptions used for the valuation and disclosures in respect of above-mentioned schemes are as follows:

22.1.1. Risk on account of staff gratuity scheme - unfunded

The Company faces the following risk on account of staff gratuity scheme.

22.1.2. Final salary risk (linked to inflation risk)

The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

22.1.3. Mortality risk

The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

22.1.4. Withdrawal risk

The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

22.2. Significant actuarial assumptions	Notes	2026	2025
Financial assumptions		--------- Percentage ---------	
Discount rate (per annum)		**11.75%**	11.75%
Expected rate of increase in salaries (per annum)		**11.75%**	11.75%
Demographic assumptions			
Mortality rates (for death in service)		**Adjusted SLIC 2001-2005**	Adjusted SLIC 2001-2005
Retirement assumption		**60 years**	60 years

22.2.1. Statement of Financial Position reconciliation		--------- Rupees ---------	
Present value of defined benefit obligation Rupees	22.2.3	**1,150,109,359**	955,476,803

22.2.2. Maturity profile		
1-5 Years	**776,977,118**	639,931,260
6-10 Years	**1,166,658,922**	915,866,200
10 Years onwards	**15,643,622,396**	13,284,109,980
Weighted average duration	**8 Years**	8 Years

22.2.3. Movement in the staff gratuity scheme			
Present value of defined benefit obligation as at July 1		**955,476,803**	828,185,577
Current service cost	22.2.5	**180,689,454**	160,372,400
Interest cost	22.2.5	**105,544,684**	110,459,492
Remeasurement on obligation	22.2.6	**22,846,770**	15,074,668
Payments during the year		**(100,109,985)**	(144,931,024)
Benefits payable transferred to short term liability		**(14,338,367)**	(13,684,310)
Present value of defined benefit obligation as at June 30		**1,150,109,359**	955,476,803

22.2.4. Movement in the net liability at reporting date is as follows:			
Opening balance of net liability		**955,476,803**	828,185,577
Charge for the year	22.2.5	**286,234,138**	270,831,892
Remeasurements recognized in 'OCI'	22.2.6	**22,846,770**	15,074,668
Payments during the year		**(100,109,985)**	(144,931,024)
Benefits payable transferred to short term liability		**(14,338,367)**	(13,684,310)
Closing balance of net liability		**1,150,109,359**	955,476,803

22.2.5. **The amounts recognized in the unconsolidated statement of profit or loss account against staff gratuity scheme are as follows:**

	2026	2025
	--------- Rupees ---------	
Current service cost	**180,689,454**	160,372,400
Interest cost	**105,544,684**	110,459,492
Charge for the year	**286,234,138**	270,831,892

22.2.6. **Remeasurement recognized in 'other comprehensive income**

Experience losses	**22,846,770**	15,074,668
Related deferred tax	**(8,453,305)**	(5,879,121)
	14,393,465	9,195,547

22.2.7. **Amounts for the current and previous four years are as follows:**

Comparison for five years	**2026**	2025	2024	2023	2022
	----------Rupees ----------				
Present value of the staff gratuity scheme	**1,150,109,359**	995,476,803	828,185,577	696,630,495	565,497,677

22.2.8. **The sensitivity of the staff gratuity scheme to changes in the weighted principal assumption is:**

Change in assumptions	Impact on defined benefit obligation	
	Increase in assumption	Decrease in assumption
	----------Rupees ----------	
Discount rate	1%	1,066,114,344	1,066,114,344
Salary growth rate	1%	1,248,087,260	1,248,087,260

22.2.9. 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 staff gratuity scheme 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 staff retirement gratuity recognized within the unconsolidated statement of financial position.

22.3. **Deferred taxation**

	2026	2025
	--------- Rupees ---------	
The details of deferred tax on temporary differences are as follows:		
- accelerated tax depreciation allowances	**2,772,877,224**	2,826,829,659
- provision for gratuity	**(435,356,625)**	(380,859,734)
- allowance for expected credit loss	**(99,924,582)**	(97,480,453)
- investment in associates at fair value through OCI	**396,303,566**	447,530,864
- STI - Term finance certificates	**(2,960,000)**	(12,316,565)
- provision for stores and spares	**(3,178,825)**	(3,350,654)
- provision for stock in trade	**(15,516,046)**	(658,699)
- provision for finished good	**(14,060,000)**	-
- Excess of minmum tax over NTR	**-**	(270,610,095)
Deferred tax liability	**2,598,184,712**	2,509,084,323

22.3.1. The movement in temporary differences is as follows:

	Balance as at July 1, 2024	Recognized in Statement of profit or loss	Recognized in Statement of other comprehensive income	Balance as at June 30, 2025	Recognized in Statement of profit or loss	Recognized in statement of other comprehensive income	Balance as at June 30, 2026
	----------Rupees ----------						
Provision for gratuity	(252,630,320)	(122,350,294)	(5,879,121)	**(380,859,735)**	**(46,043,585)**	**(8,453,305)**	**(435,356,625)**
Allowance for expected credit loss	(60,716,216)	(36,764,236)	-	**(97,480,452)**	**(2,444,130)**	**-**	**(99,924,582)**
Investment in associates at fair value through OCI	264,091,357	155,350,400	28,089,107	**447,530,864**	**7,731,359**	**(58,958,657)**	**396,303,566**
Provision for stores & spares	(2,491,512)	(859,142)	-	**(3,350,654)**	**171,829**	**-**	**(3,178,825)**
Provision for stock in trade	(45,084,593)	44,425,894	-	**(658,699)**	**(14,857,347)**	**-**	**(15,516,046)**
Provision for finished good	(2,627,474)	2,627,474	-	**-**	**(14,060,000)**	**-**	**(14,060,000)**
Accelerated tax depreciation allowances	2,926,265,855	(99,436,196)	-	**2,826,829,659**	**(53,952,435)**	**-**	**2,772,877,224**
Short term investment	783,680	366,455	(13,466,700)	**(12,316,565)**	**(6,470,185)**	**15,826,750**	**(2,960,000)**
Excess of min tax over NTR	(486,280,162)	215,670,067	-	**(270,610,095)**	**270,610,095**	**-**	**-**
	2,341,310,615	159,030,422	8,743,286	**2,509,084,323**	**140,685,601**	**(51,585,212)**	**2,598,184,712**

23. TRADE AND OTHER PAYABLES

	Notes	2026	2025
		--------- Rupees ---------	
Trade creditors		**11,826,097,931**	8,439,014,260
Accrued liabilities		**2,250,224,484**	1,770,999,485
Gratuity payable	23.1	**26,530,168**	21,086,616
Workers' profit participation fund	23.2	**169,572,844**	258,771,275
Workers' welfare fund		**111,203,585**	127,326,034
Other liabilities		**6,347,660**	34,544,439
		14,389,976,672	10,651,742,109

23.1. This represents benefits payable transferred to short term liability (note 22.2.3).

23.2. **Workers' profit participation fund**

	Notes	2026	2025
		--------- Rupees ---------	
Balance at the beginning of the year		**258,771,275**	327,812,206
Contribution for the year	33	**292,641,012**	335,068,509
Interest on funds utilized in the Company's business	35	**4,599,287**	14,873,056
		556,011,574	677,753,771
Less: Payments made during the year		**(386,438,730)**	(418,982,496)
Balance at the end of the year		**169,572,844**	258,771,275

24. ACCRUED MARK-UP

	Notes	2026	2025
		--------- Rupees ---------	
Accrued mark-up on:			
Conventional			
- long term finances - secured		**97,079,708**	214,697,448
- short term finances - secured		**234,288,341**	298,436,829
Islamic			
- long term finances - secured		**38,014,957**	65,071,726
- short term finances - secured		**361,577,810**	298,569,391
		730,960,816	876,775,394

25. SHORT TERM FINANCES - secured

From banking companies			
Term finances - conventional	25.1	**2,900,000,000**	149,992,469
Term finances - islamic	25.2	**300,000,000**	724,952,500
Export refinances	25.3	**7,101,500,000**	13,301,499,996
Finance against discounting of export bills / receivables		**-**	228,808,308
Running finance utilized under mark-up arrangements	25.4	**5,240,136,215**	3,409,343,597
		15,541,636,215	17,814,596,870

25.1. These represent facilities for term finances arranged from various conventional banks. These are secured against pari-passu / ranking hypothecation charge over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 10.51% to 12.14% per annum (June 2025: 10.84% to 19.45% per annum).

25.2. These represent facilities for term finances arranged from various islamic banks. These are secured against pari-passu / ranking hypothecation charge over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 10.99% to 12.28% per annum (June 2025: 8.85% to 21.89% per annum).

25.3. These represent facilities for export refinance arranged from various banks. These were secured against pari-passu / ranking hypothecation charge of stocks, book debts and lien on export letters of credits of the Company along with the personal guarantees of the directors. These carried mark-up at the State Bank of Pakistan (SBP) Policy Rate minus 3% to minus 6% per annum (June 2025: minus 3% SBP rate per annum).

25.4. These represent facilities for running finances available from various banks aggregated to Rs. 15,044.50 million (June 2025: Rs. 13,044.50 million). These are secured against pari-passu/ ranking hypothecation charge of stocks and book debts and personal guarantees of the directors. These carry mark-up at the rates ranging from 10.75% to 12.36% per annum (June 2025: 9.75% to 21.10% per annum).

26. ISLAMIC REDEEMABLE SUKUK

During the year, the Company has raised short term financing in the form of privately placed Islamic Redeemable Sukuk to meet the working capital requirements. This carries profit ranges from 10.35% to 12.00% (June 2025: 11.10% to 22.35%) per annum having maturity of six months from the date of its drawdown.

27. CONTINGENCIES AND COMMITMENTS

27.1. Contingencies

27.1.1. The Ministry of Industries has declared the BOPET film manufacturing project of the Company as Pioneer Industry due to which import of capital goods shall be duty free. The Company approached the Board of Investment (BOI) for the permission of imports who entertained the request and was in the process of evaluating the permission of import vide SRO 41(I)/2009. In the meantime, the Company imported some capital goods and as per section 81 of the Customs Act, 1969, issued post-dated cheques in favour of Collector of Custom amounting to Rs. 557.403 million (2025: Rs. 557.403 million) for provisional clearance of goods. However, due to delay on the part of Federal Board of Revenue, the formal SRO to endorse the decision of Ministry of Industries is still awaited. The Company had filed the subject Constitutional Petition in the High Court of Sindh vide D2666 on May 13, 2015 to refrain FBR and Pakistan Customs to encash the securities submitted against the provisional release of the plant and machineries, and also to issue formal notification to endorse the earlier decision of the Ministry of Industries dated August 15, 2012. The High Court has passed interim order dated May 13, 2015, in favour of the Company which is still operative and last hearing was set up on April 28, 2026 which was adjourned without proceeding. The management of the Company is confident that exemption shall be granted on duties related to import of capital goods against BOPET project retrospectively based on legal counsel's opinion.

27.1.2. The Company has filed various Suits/Petitions in the High Court of Sindh against the Federation of Pakistan and others against the orders of Commissioner (Inland Revenue) who refused to issue exemption certificates under section 148 of the Income Tax Ordinance 2001 (the Ordinance) on 22 October, 2018, in order to avail the benefit of exemption from advance tax at import stage on plant and machineries as per SRO 947 of 2008, and the Company would not pay any tax on income from business under the ordinance on the basis of brought forward assessed losses available to the Company, advance taxes deducted during the financial years and carried forward tax refunds from fiscal year 2015-16 and onwards. The High Court had allowed the Company and ordered the concerned authorities to release the goods on furnishing of bank guarantees with the Nazir of the High Court and the concerned collectorate against all consignments which were released under similar grounds. The total quantum of bank guarantees involved in above suits/ petitions was Rs. 463.632 million (June 2025: Rs.463.632 million), few suits/petitions have already been decided in favor of the Company and an amount of Rs. 28.67 million Bank Guarantees have been released. The remaining cases are also likely to be decided in favor of the Company and the Company's legal counsel is of the opinion that Company has a good prima facie case and there will be no financial liability on the Company.

27.1.3. During the fiscal year 2017, Federal Board of Revenue had issued a show cause notice (SCN) on the basis of scrutiny of sales tax returns of various tax periods which revealed that the Company has claimed the input tax of Astro Plastics (Private) Limited (APL) amounting to Rs. 477.804 million (June 2025: Rs. 477.804 million) in their sales tax returns. In response to SCN, the Company has given the reference of the letter dated: October 2016 sent to the Federal Board of Revenue in which it has categorically mentioned that the High Court of Sindh, has sanctioned the petition no. J.Misc. 13/ 2016 for amalgamation by way of merger of APL and its members with and into Ismail Industries Limited and its members and the Company has claimed the input sales tax on that basis. However, the Company has filed Suit in the High Court of Sindh vide No.1539/2017 on June 13, 2017 and obtained the stay order from the Court. In the year 2020, subject suit was withdrawn by the Company, to pursue the remedy available under section 47A of the sales tax act, 1990 i.e., Alternative Dispute Resolution Committee which is still in process. As per the legal counsel, the Company has reasonable grounds to believe that it will not have to incur any financial liability.

27.1.4. The Company had filed sale tax reference no. A.823 of 2015 on August 28, 2015 with the High Court of Sindh upon the dismissal of appeal filed by the Company before the Appellate Tribunal for tax year 2013 regarding sales tax audit. The High Court has restrained the Commissioner Inland Revenue from initiating the proceeding on the basis of the order passed by the Appellate Tribunal as well as operation of the Order/ Judgement passed by the Tribunal has also been suspended. In the year 2020, subject suit was withdrawn by the Company, to pursue the remedy available under section 47A of the sales tax act, 1990 i.e., Alternative Dispute Resolution Committee which is still in process. The Company's legal counsel is confident that the case will be decided in favour of the Company.

27.1.5. Through Finance Act, 2019, the Government had reduced tax credit available on new investments under Section 65-B from 10% to 5% in FY-2019 and Nil from onward. The Company challenged the said provision and obtained an interim relief of claiming 10% tax credit on all investments already planned including its ancillary costs. The case was disposed off by the Honourable High Court of Sindh during the year in favour of the Company. However, subsequently, the same was challenged by the Department before Honorable Supreme Court of Pakistan. Accordingly, the matter was decided against the whole industry where the benefit of section 65-B on purchase of machinery and other fixed assets, was allowed up till the June 30, 2019. Thereafter, the Company through its legal council has filed a review petition against the aforementioned decision of Supreme Court, for which our legal council is confident that the said matter will ultimately be decided in favour of the Company.

27.1.6. In September 2014, the Federal Government promulgated Gas Infrastructure Development Cess (GIDC) Ordinance No. VI of 2014 to circumvent earlier decision of the Supreme Court on the subject, where it had up held that the earlier introduction of GIDC Act 2011 was unconstitutional and ultra vires on the ground, amongst others, that GIDC was a 'Fee' and not a 'Tax' and the same suit was also filed against Federation of Pakistan, OGRA , SSGC and SNGPL in different Honourable High Courts of Pakistan by Industry at Large. In May 2015, 'the Government passed the GIDC Act, 2015 and the Company has challenged that GIDC Act 2015 and filed a writ petition in the High Court of Sindh including retrospective treatment of the provisions of the GIDC 'Act, 2015. In October 2015, Sindh High Court (SHC) decided this suit in favour of the Company. However, the Government filed an appeal in Honorable Supreme Court of Pakistan, where the Company was not party to such litigation. The Honorable Supreme Court of Pakistan has disposed off the case on 13 August, 2020 and instructed the gas distribution companies to recover the outstanding amount in 24 equal instalments only from those consumers who have already passed the burden of GIDC cost to their customers. Based on the judgement of the Supreme Court, the Company has obtained the stay order from the High Court of Sindh on 16th September, 2020 against the gas distribution companies for recovering of outstanding GIDC and disconnection of gas supply. The last hearing of this case was held on February 24, 2026.

The cumulative differential amount of GIDC not yet recognised in these books amount to Rs 826 million (June 2025: Rs 826 million) (inclusive of Sales Tax). The management and its legal counsel are of the view that there is no need to maintain any provision against this liability and has a good prima facie case.

27.1.7. The Company had filed a Suit (-2123/2023) before the High Court of Sindh and challenged the OGRA notification bearing no. OGRA-(10)-3(8)/2023 dated November 08, 2023 for increase in the price of natural gas and different prices for industrial and captive connection where the same is used for self-consumption by industrial undertaking. The Court vide its order dated December 18, 2023 passed an interim stay order in favour of the Company and suspended the afore-mentioned notification by allowing to pay monthly gas charges as per previous notification and directed the Company to pay the differential amount to the Nazir appointed by the SHC, amounting to Rs. 481.64 million (June 2025: Rs 393.38 million) (inclusive of sales tax), the amounts paid to Nazir, has been classified as Other Receivable, as mentioned in note no.16.2 of these unconsolidated financial statements.

27.1.8. The Company filed a Suit No. 1863/2025 on May 08, 2025 before Honorable Sindh High Court against imposition of levy amounting to Rs. 791 / mmbtu (effective for the month of February 2025) vide OGRA Notification issued under Off Grid Captive Power Plant Levy Ordinance, 2025 dated March 07, 2025. The Company filed the petition on legal grounds, that any levy or tax or collection cannot be made retrospectively, such action is considered as void / invalid as per the Constitution of Pakistan. A general stay has already been granted by the esteemed court; however, the Company has already been proceeded to deposit the disputed amount, in to the relevant account of SSGC. During the period, the Honourable Sindh High Court decided the matter in favour of the Company on January 12, 2026 and the disputed amount of Rs 57.99 million (inclusive of sales tax) was adjusted from the SSGC bill for the month of December 2025 which is paid in January 2026. Thereafter, the concerned department has filed an appeal against the said judgment before the Honourable Federal Constitutional Court of Pakistan, and the matter is currently sub judice. The Company's legal counsel is of the view that no adverse or coercive action is expected to be initiated by the Court in respect of this matter.

27.1.9. The Company has challenged the levy imposed under the Off-Grid (Captive Power Plant) Levy Act, 2025 by the Ministry of Energy through Constitutional Petition No. CP 99/2025 on August 04, 2025 before the Honourable High Court of Baluchistan ("BHC"). The petition was principally filed on the grounds that imposition of the levy in Baluchistan is ultra vires, particularly considering the absence of a National Grid infrastructure for supplying electricity to industrial consumers in the province, resulting in industries relying on alternative sources of energy, including gas-based generation. The BHC initially granted a stay against recovery of the levy, subject to the Company depositing post-dated cheques equivalent to the applicable levy amount with the Nazir appointed by the Court. Subsequently, the petition was dismissed on a jurisdictional ground without adjudication on the merits. The Company thereafter pursued the matter before the Federal Constitutional Court through FCPLA No. 1/2025, which was subsequently withdrawn following the filing of a fresh constitutional petition no. 871/2026 before the Islamabad High Court ("IHC"), challenging the imposition of the levy. The IHC has granted a stay against recovery of the levy, subject to the deposit of post-dated cheques for the applicable levy amount with Sui Southern Gas Company Limited (SSGC). The said stay remains operative as at the reporting date. As at June 30, 2026, the aggregate amount of post-dated cheques furnished in respect of the disputed levy amounted to Rs. 196.88 million (inclusive of sales tax). Based on the advice of the Company's legal counsel, management is confident of a favorable outcome in the matter.

27.1.10. The Company is involved in various legal proceedings concerning the Infrastructure & Development Cess imposed by provincial authorities on imported goods. In respect of the Sindh Infrastructure Cess, the Company filed Constitutional Petition No. 2752/2011 before the Honourable High Court of Sindh on August 9, 2011, challenging the legality and applicability of the levy. The Honourable High Court subsequently directed the Customs authorities to release imported goods against the furnishing of bank guarantees. The petition was disposed of in 2021. The Company, together with other industry participants, challenged the said order before the Honourable Supreme Court of Pakistan through Civil Petition No. 4978 of 2021, pursuant to which interim relief was granted, subject to the furnishing of bank guarantees. The matter is now subject to the jurisdiction of the Honourable Federal Constitutional Court. Separately, the Company also challenged the Infrastructure & Development Cess under the Khyber Pakhtunkhwa Infrastructure Development Cess Act, 2022 through Constitutional Petition No. CP-811/2025 before the Honourable High Court of Peshawar, on grounds relating to legal and constitutional infirmities in the legislation. The High Court initially granted interim relief against recovery of the Cess, subject to furnishing post-dated cheques equivalent to the disputed amount. The petition was subsequently disposed of against the Company. The Company has challenged the matter before the Federal Constitutional Court of Pakistan through FCPLA No. 649/2025, where leave has been granted and the matter remains pending for hearing.
Pursuant to the order of the Federal Constitutional Court dated February 23, 2026, whereby post-dated cheques are to be furnished in lieu of bank guarantees, while existing security arrangements remain subject to the Court directions. The total quantum of bank guarantees involved is Rs. 2,018 million (June 2025: Rs. 1,513 million).

Based on the advice of the Company's legal counsel, management remains confident of a favorable outcome in these matters.

27.1.11. With reference to the contingency in associated company, The Bank of Khyber (BOK), please refer the note 22 of condensed interim financial statement of June 30, 2026.

		2026	2025
		--------- Rupees ---------	
27.2.	**Commitments**		
27.2.1.	Outstanding letters of guarantee	**5,147,162,700**	4,816,119,550
27.2.2.	Cross Corporate guarantees issued by the Company on behalf of Subsidiary companies	**27,238,229,644**	27,518,299,894
27.2.3.	Outstanding letters of credit for:		
	- Capital expenditure	**2,206,871,920**	275,968,280
	- Raw material	**4,488,761,382**	4,118,203,188
27.2.4.	The Company's share of commitments of associated companies.		
	- Guarantees	**31,049,486,000**	43,488,857,000
	- Commitments	**45,458,569,000**	31,823,660,000

28. OPERATING RESULTS

	Notes	Reportable segment					
		Food segment		Plastic segment		Total	
		2026	2025	2026	2025	2026	2025
		----------Rupees ----------					
Disaggregation of revenue							
Local sales		**92,060,720,343**	67,785,602,604	**15,915,440,263**	14,890,578,713	**107,976,160,606**	82,676,181,317
Export sales		**10,309,359,187**	32,419,152,854	**2,286,042,043**	3,301,636,965	**12,595,401,230**	35,720,789,819
		102,370,079,530	100,204,755,458	**18,201,482,306**	18,192,215,678	**120,571,561,836**	118,396,971,136
Sales returns, discounts and direct expenses		**(4,069,049,418)**	(3,169,014,774)	**(26,354,707)**	(34,533,418)	**(4,095,404,125)**	(3,203,548,192)
		98,301,030,112	97,035,740,684	**18,175,127,599**	18,157,682,260	**116,476,157,711**	115,193,422,944
Add: Export rebate		**239,137,097**	54,232,602	**-**	-	**239,137,097**	54,232,602
		98,540,167,209	97,089,973,286	**18,175,127,599**	18,157,682,260	**116,715,294,808**	115,247,655,546
Sales tax		**(9,972,066,251)**	(7,750,053,384)	**(2,439,341,842)**	(2,305,003,040)	**(12,411,408,093)**	(10,055,056,424)
Sales - net		**88,568,100,958**	89,339,919,902	**15,735,785,757**	15,852,679,220	**104,303,886,715**	105,192,599,122
Cost of sales	30	**(69,548,905,802)**	(68,933,338,661)	**(13,544,734,698)**	(14,425,492,472)	**(83,093,640,500)**	(83,358,831,133)
Gross profit		**19,019,195,156**	20,406,581,241	**2,191,051,059**	1,427,186,748	**21,210,246,215**	21,833,767,989
Selling and distribution expenses	31	**(9,328,848,941)**	(8,234,578,677)	**(693,165,626)**	(920,297,122)	**(10,022,014,567)**	(9,154,875,799)
Administrative expenses	32	**(1,569,685,784)**	(1,617,371,263)	**(279,359,416)**	(238,353,465)	**(1,849,045,200)**	(1,855,724,728)
		(10,898,534,725)	(9,851,949,940)	**(972,525,042)**	(1,158,650,587)	**(11,871,059,767)**	(11,010,600,527)
Operating profit		**8,120,660,431**	10,554,631,301	**1,218,526,017**	268,536,161	**9,339,186,448**	10,823,167,462
Unallocated items							
Other operating expenses	33					**(685,075,525)**	(759,900,275)
Other income	34					**1,462,842,225**	1,222,940,052
Finance cost	35					**(4,666,031,439)**	(5,047,231,594)
Share of profit from associated company - net	7.3					**956,671,903**	1,516,519,377
Profit before levies and taxation						**6,407,593,612**	7,755,495,022
Levies and taxation						**(2,453,103,352)**	(2,006,003,857)
Profit for the year						**3,954,490,260**	5,749,491,165

	Reportable segment					
	Food segment		Plastic segment		Total	
	2026	2025	2026	2025	2026	2025
	----------Rupees ----------					
28.1. Segment assets	**60,624,458,565**	59,540,085,076	**15,219,572,759**	14,573,921,992	**75,844,031,324**	74,114,007,068
28.2. Unallocated assets	**-**	-	**-**	-	**30,370,530,089**	27,990,597,025
	60,624,458,565	59,540,085,076	**15,219,572,759**	14,573,921,992	**106,214,561,413**	102,104,604,093
28.3. Segment liabilities	**16,479,747,210**	11,743,351,767	**1,622,441,217**	1,635,405,369	**18,102,188,427**	13,378,757,136
28.4. Unallocated liabilities	**-**	-	**-**	-	**55,387,490,845**	59,302,126,105
	16,479,747,210	11,743,351,767	**1,622,441,217**	1,635,405,369	**73,489,679,272**	72,680,883,241
28.5. Major Non-cash items						
- Depreciation	**2,633,326,405**	2,639,697,134	**649,983,815**	680,915,888	**3,283,310,220**	3,320,613,022
- Gratuity	**238,863,291**	228,583,110	**47,370,847**	42,248,782	**286,234,138**	270,831,892
	2,872,189,696	2,868,280,244	**697,354,662**	723,164,670	**3,569,544,358**	3,591,444,914
28.6. Capital expenditure	**2,928,867,896**	2,813,887,581	**388,901,614**	314,283,489	**3,317,769,510**	3,128,171,070

28.7. The Company's export sales have been primarily made to continents in the Asia, Africa, Europe, North America and Australia.

The Company's export sales include sale to related party amounting to Rs. 2,054,537,237 (June 2025: Rs.896,884,351).

28.8. World food program is the major customer of the Company which constituted 10 percent or more of the Company's revenue.

29. RECONCILIATION OF REPORTABLE SEGMENT SALES, COST OF SALES, ASSETS AND LIABILITIES

	Notes	2026	2025
		----------Rupees ----------	
29.1. Assets			
Total assets for reportable segments	28.1	**75,844,031,324**	74,114,007,068
Administrative capital assets		**3,114,301,218**	2,517,923,429
Long-term investments	7	**14,403,148,251**	14,244,663,562
Loans to subsidiaries and associate - unsecured	13	**9,762,000,000**	9,412,000,000
Short term investments	15	**3,091,080,620**	1,816,010,034
Total assets		**106,214,561,413**	102,104,604,093
29.2. Liabilities			
Total liabilities for reportable segments	28.3	**18,102,188,427**	13,378,757,136
Deferred tax liabilities	22	**2,598,184,712**	2,509,084,323
Long term finances - secured	21	**29,247,669,918**	30,978,444,912
Short term finances - secured	25	**15,541,636,215**	17,814,596,870
Islamic redeemable sukuk	26	**8,000,000,000**	8,000,000,000
Total liabilities		**73,489,679,272**	72,680,883,241

30. COST OF SALES

	Notes	Food segment		Plastic segment		Total	
		2026	2025	2026	2025	2026	2025
		----------Rupees ----------					
Raw materials consumed		46,881,535,223	47,852,258,600	11,306,474,786	11,426,856,006	58,188,010,009	59,279,114,606
Packing materials consumed		10,676,664,698	10,632,007,358	458,692,728	461,536,174	11,135,357,426	11,093,543,532
Stores and spares consumed		1,358,708,323	979,209,738	245,713,528	210,536,269	1,604,421,851	1,189,746,007
Salaries, wages and other benefits	30.1	5,707,698,015	4,596,456,088	630,216,157	499,450,088	6,337,914,172	5,095,906,176
Electricity, gas, fuel and lubricants		2,895,941,169	2,848,575,419	1,118,304,811	1,205,691,762	4,014,245,980	4,054,267,181
Repairs and maintenance		267,859,554	272,140,035	59,482,688	49,705,254	327,342,242	321,845,289
Printing and stationery		30,287,906	32,893,303	4,459,708	2,456,110	34,747,614	35,349,413
Insurance		85,342,995	78,732,245	24,917,107	24,096,128	110,260,102	102,828,373
Rent, rates and taxes		13,050,614	11,142,841	7,426,374	3,682,825	20,476,988	14,825,666
Water charges		87,177,962	73,386,473	40,739,409	10,832,308	127,917,371	84,218,781
Postage and telephone		8,260,662	9,606,171	2,250,462	3,088,656	10,511,124	12,694,827
Travelling and conveyance		22,313,730	18,180,503	4,258,914	3,044,518	26,572,644	21,225,021
Vehicle running and maintenance		57,462,470	47,715,673	26,539,649	21,812,143	84,002,119	69,527,816
Depreciation	6.3	2,330,212,001	2,389,712,396	610,300,596	649,147,317	2,940,512,597	3,038,859,713
Laboratory expenses		96,605,247	85,783,097	533,782	148,500	97,139,029	85,931,597
Fees and subscription		-	6,332,036	-	461,140	-	6,793,176
Legal and professional charges		3,442,762	4,655,031	1,358,092	41,850	4,800,854	4,696,881
Cartage inward		64,085,263	34,798,495	5,409,718	4,848,290	69,494,981	39,646,785
Other manufacturing expenses		36,316,561	21,123,744	4,153,016	3,221,644	40,469,577	24,345,388
		70,622,965,155	69,994,709,246	14,551,231,525	14,580,656,982	85,174,196,680	84,575,366,228
Work-in-process at the beginning of the year		344,579,845	198,267,364	269,189,522	196,994,412	613,769,367	395,261,776
Work-in-process at the end of the year		(320,345,035)	(344,579,845)	(349,970,872)	(269,189,522)	(670,315,907)	(613,769,367)
		24,234,810	(146,312,481)	(80,781,350)	(72,195,110)	(56,546,540)	(218,507,591)
Cost of goods manufactured		70,647,199,965	69,848,396,765	14,470,450,175	14,508,461,872	85,117,650,140	84,356,858,637
Stock of finished goods at the beginning of the year		4,166,304,884	3,098,520,487	273,333,589	194,188,039	4,439,638,473	3,292,708,526
Purchase of finished goods		201,594,568	155,436,516	-	-	201,594,568	155,436,516
Insurance claim		(880,547)	(2,710,223)	333,412	(3,823,850)	(547,135)	(6,534,073)
Stock of finished goods at year end		(5,465,313,068)	(4,166,304,884)	(1,199,382,478)	(273,333,589)	(6,664,695,546)	(4,439,638,473)
		(1,098,294,163)	(915,058,104)	(925,715,477)	(82,969,400)	(2,024,009,640)	(998,027,504)
		69,548,905,802	68,933,338,661	13,544,734,698	14,425,492,472	83,093,640,500	83,358,831,133

30.1 This includes expense recognised in respect of staff gratuity fund amounting to Rs. 110.16 million (June 2025:Rs. 105.36 million)

31. SELLING AND DISTRIBUTION EXPENSES

	Notes	Food segment		Plastic segment		Total	
		2026	2025	2026	2025	2026	2025
		----------Rupees ----------					
Salaries and other benefits	31.1	2,807,638,393	2,356,072,835	78,373,547	88,331,352	2,886,011,940	2,444,404,187
Cartage outward		2,304,753,873	1,369,256,514	318,046,446	254,936,110	2,622,800,319	1,624,192,624
Export expenses		1,124,523,785	1,970,264,291	253,441,659	496,283,916	1,377,965,444	2,466,548,207
Advertisements		1,876,613,128	1,463,747,448	130,000	340,550	1,876,743,128	1,464,087,998
Entertainment		17,126,221	13,560,088	820,572	655,642	17,946,793	14,215,730
Vehicle running and maintenance		653,603,954	528,254,352	4,655,203	4,333,126	658,259,157	532,587,478
Printing and stationery		1,470,229	1,862,540	226,426	504,790	1,696,655	2,367,330
Postage and telephone		35,814,571	62,083,201	8,266,943	9,749,921	44,081,514	71,833,122
Conveyance and travelling		65,537,230	63,945,343	15,222,693	12,477,068	80,759,923	76,422,411
Utilities		6,826,525	7,725,357	1,631,243	2,887,832	8,457,768	10,613,189
Repairs and maintenance		3,731,923	780,290	1,158,810	3,592,680	4,890,733	4,372,970
Rent, rates and taxes		237,797,319	210,160,996	-	6,803,390	237,797,319	216,964,386
Depreciation	6.3	126,738,516	118,900,234	8,919,982	8,636,558	135,658,498	127,536,792
Fees and subscription		-	2,130	-	5,018,500	-	5,020,630
Insurance		42,330,814	35,930,128	1,602,821	2,149,121	43,933,635	38,079,249
Allowance for expected credit loss	11.3	20,116,560	21,103,481	-	19,480,136	20,116,560	40,583,617
Other selling expenses		4,225,900	10,929,449	669,281	4,116,430	4,895,181	15,045,879
		9,328,848,941	8,234,578,677	693,165,626	920,297,122	10,022,014,567	9,154,875,799

31.1 This includes expense recognised in respect of staff gratuity fund amounting to Rs 118.00 million (June 2025: Rs 115.02 million)

32. ADMINISTRATIVE EXPENSES

	Notes	Food segment		Plastic segment		Total	
		2026	2025	2026	2025	2026	2025
		----------Rupees ----------					
Salaries and other benefits including director's remuneration	32.1	779,544,951	769,388,911	136,040,075	119,087,230	915,585,026	888,476,141
Conveyance and travelling		128,445,526	205,038,512	9,213,592	9,308,982	137,659,118	214,347,494
Postage and telephone		31,215,114	32,570,774	5,444,029	5,747,490	36,659,143	38,318,264
Printing and stationery		7,776,876	6,618,970	1,356,432	1,168,054	9,133,308	7,787,024
Repairs and maintenance		31,071,904	54,698,922	5,419,519	9,652,751	36,491,423	64,351,673
Electricity and utilities		20,306,051	24,572,810	3,541,752	4,336,278	23,847,803	28,909,088
Insurance		16,847,272	17,870,525	2,931,747	3,155,398	19,779,019	21,025,923
Entertainment		10,130,189	8,591,753	1,771,032	1,516,192	11,901,221	10,107,945
Vehicle running and maintenance		86,920,401	73,057,172	15,161,049	12,877,082	102,081,450	85,934,254
Rent, rates and taxes		32,563,036	11,020,820	22,938,588	1,854,184	55,501,624	12,875,004
Fee and subscription		194,831,324	242,002,540	33,950,665	39,092,153	228,781,989	281,094,693
Legal and professional charges		49,671,265	32,137,794	6,593,513	5,854,581	56,264,778	37,992,375
Depreciation	6.3	176,375,888	131,084,504	30,763,237	23,132,013	207,139,125	154,216,517
Miscellaneous		3,985,987	8,717,256	4,234,186	1,571,077	8,220,173	10,288,333
		1,569,685,784	1,617,371,263	279,359,416	238,353,465	1,849,045,200	1,855,724,728

32.1 This includes expense recognised in respect of staff gratuity fund amounting to Rs 58.07 million (June 2025: Rs 50.45 million)

33. OTHER OPERATING EXPENSE

	Notes	2026	2025
		--------- Rupees ---------	
Contribution to:			
- workers' profits participation fund		**292,641,012**	335,068,509
- workers' welfare fund		**111,203,585**	127,326,034
Auditors' remuneration	33.1	**7,648,500**	7,248,500
Donations	33.2	**260,119,079**	281,569,840
Other		**13,463,349**	8,687,392
		685,075,525	759,900,275

33.1. Auditor's remuneration

Audit fee - unconsolidated	**4,100,000**	3,800,000
Audit fee - consolidated	**1,600,000**	1,500,000
Fee for statutory certification	**500,000**	500,000
Fee for half yearly review	**1,000,000**	1,000,000
Out-of-pocket expense	**448,500**	448,500
	7,648,500	7,248,500

33.2. Donation to the following organizations exceed 10% of total donation

- Al Mustafa Welfare Trust	**99,151,240**	85,455,589

33.2.1. None of the donations were made to any donee in which a director or his spouse had any interest at any time during the year.

34. OTHER INCOME

	Notes	2026	2025
		--------- Rupees ---------	
Income from financial assets			
Exchange gain - net		**92,838,250**	233,050,779
Income from short term investments		**725,311,048**	530,948,844
Income from non financial assets			
Recovery from the sale of production scrap		**280,323,757**	276,458,415
Gain on disposal of property, plant and equipment-net		**110,124,412**	51,184,274
Processing income		**158,829,287**	64,913,306
Others		**95,415,471**	66,384,434
		1,462,842,225	1,222,940,052

35. FINANCE COST

Mark up on:		
- long term finances - conventional	**920,867,383**	1,667,454,288
- long term finances - islamic	**1,999,212,481**	1,098,724,879
- short term finances - conventional	**611,349,359**	696,795,948
- short term finances - islamic	**1,007,579,581**	1,355,952,018
Interest on workers' profits participation fund	**4,599,287**	14,873,056
Bank charges	**122,423,348**	213,431,405
	4,666,031,439	5,047,231,594

36. REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

	2026			2025		
	Chief executive officers	Directors	Executives	Chief executive officers	Directors	Executives
	----------Rupees ----------					
Managerial remuneration	**21,600,000**	**18,000,000**	**1,543,569,714**	21,600,000	18,000,000	1,199,078,729
Gratuity	**1,132,133**	**-**	**78,588,322**	1,132,133	-	57,468,056
Bonus	**-**	**-**	**113,591,171**	-	-	83,064,042
Leave encashment	**-**	**-**	**69,455,167**	-	-	49,219,955
Reimbursement of expenses						
Utilities	**1,800,000**	**1,500,000**	**-**	1,800,000	1,500,000	-
	24,532,133	**19,500,000**	**1,805,194,374**	24,532,133	19,500,000	1,388,830,782
Number of Persons	**1**	**1**	**368**	1	1	264

In addition to the above, Company maintained cars are provided to the chief executive officer, director and executives.

36.1. The remuneration has been allocated as follows:

	2026			2025		
	Chief executive officers	Directors	Executives	Chief executive officers	Directors	Executives
	----------Rupees ----------					
Cost of goods sold	**-**	**-**	**549,940,205**	-	-	443,192,248
Selling and distribution expenses	**-**	**-**	**719,003,482**	-	-	557,694,063
Administrative expenses	**24,532,133**	**19,500,000**	**536,250,687**	24,532,133	19,500,000	387,944,472
	24,532,133	**19,500,000**	**1,805,194,374**	24,532,133	19,500,000	1,388,830,783
Number of Persons	**1**	**1**	**368**	1	1	264

36.2. Bonus is given to employees as per the Company's policy.

37. TAXATION

	2026	2025
	--------- Rupees ---------	
- Current	**832,368,949**	665,530,984
- Prior year	**256,792,593**	(9,469,526)
- Deferred	**140,685,601**	159,030,422
	1,229,847,143	815,091,880

37.1. Relationship between income tax expense and accounting profit:

Accounting profit before taxation	**6,407,593,612**	7,755,495,022
Tax on accounting profit at applicable rate (29%)	**1,858,202,147**	2,249,093,556
Tax effect of:		
Super Tax under Section 4C	**519,552,361**	593,403,477
Minimum Tax under Section 113	**(1,223,256,209)**	(1,300,776,365)
Income assessed under Final Tax Regime (FTR)	**(141,665,427)**	(367,663,112)
Inadmissible expenses - net	**(6,125,978)**	(53,930,294)
Income exempt from tax or taxed at reduced rates	**(67,934,048)**	-
Carried forward tax losses	**(106,403,897)**	(454,596,278)
Prior year tax adjustments / finalized assessments	**256,792,593**	(9,469,526)
Effect of deferred tax	**140,685,601**	159,030,422
Tax expense recognized in profit or loss	**1,229,847,143**	815,091,880

38. EARNINGS PER SHARE - Basic and diluted

	Notes	2026	2025
		--------- Rupees ---------	
Basic earnings per share			
Profit for the year		**3,954,490,260**	5,749,491,165
		Number of shares	
Weighted average number of shares outstanding as at year end		**66,356,940**	66,356,940
Basic earnings per share		**59.59**	86.64

Diluted earnings per share

There is no dilutive potential ordinary shares outstanding as at June 30, 2026 & June 30, 2025.

39. NUMBER OF EMPLOYEES

	2026	2025
	--------- Numbers ---------	
Number of employees as at the year end	**3,154**	2,984
Average number of employees during the year	**3,075**	2,902

40. CASH GENERATED FROM OPERATIONS

	Notes	----------Rupees ----------	
Profit before levies and taxation		**6,407,593,612**	7,755,495,022
Adjustments for non-cash and other items:			
Depreciation	6.3	**3,283,310,220**	3,320,613,022
Gain on disposal of property, plant and equipment-net	34	**(110,124,412)**	(51,184,274)
Provision for staff gratuity scheme - unfunded	22.2.5	**286,234,138**	270,831,892
Finance cost	35	**4,666,031,439**	5,047,231,594
Share of profit from associated company - net	7.3	**(956,671,903)**	(1,516,519,377)
Provision for slow moving - stock in trade		**181,780,346**	83,000,000
Allowance for expected credit loss		**20,116,560**	40,583,617
Unrealized exchange loss		**51,933,610**	1,444,491
Unrealized gain on short term investment		**(18,441,973)**	(19,194,064)
		13,811,761,637	14,932,301,923
Working capital changes			
Increase in current assets			
Stores and spares		**(128,460,818)**	(161,745,346)
Stock-in-trade		**(861,253,052)**	(4,412,937,339)
Trade debts		**117,119,256**	(186,334,713)
Loans and advances		**(333,789,478)**	757,602,659
Loans to subsidiaries and associate		**(350,000,000)**	(540,200,000)
Trade deposits and short term prepayments		**858,008**	6,910,039
Other receivables		**(1,021,447,664)**	(1,959,886,383)
		(2,576,973,748)	(6,496,591,083)
(Decrease) / Increase in current liabilities			
Trade and other payables		**3,696,963,594**	44,315,048
Advances from customers - unsecured		**936,033,762**	(365,449,362)
		4,632,997,356	(321,134,314)
Net increase/(decrease) in working capital		**2,056,023,608**	(6,817,725,397)
Cash generated from operations		**15,867,785,245**	8,114,576,525

41. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

		Notes	2026	2025
			--------- Rupees ---------	
41.1.	**Financial instruments by category**			
	Financial assets			
	At amortized cost			
	Long term deposits	8	**32,116,134**	24,213,915
	Trade debts	11	**13,159,386,723**	13,317,024,257
	Loans and advances	12	**169,791,741**	132,870,929
	Loans to subsidiaries and associate	13	**9,762,000,000**	9,412,000,000
	Trade deposits - unsecured	14	**19,834,580**	23,410,402
	Other receivables	16	**1,457,208,102**	720,101,547
	Cash and bank balances	18	**1,141,914,384**	592,185,730
	Short term investments	15	**1,145,229,900**	593,282,197
	At fair value through OCI			
	Short term investments	15	**976,084,925**	918,419,065
	At fair value through profit and loss			
	Short term investments	15	**969,765,795**	304,308,772
	Total financial assets		**28,833,332,283**	26,037,816,814
	Financial liabilities			
	At amortized cost			
	Long term finances	21	**29,247,669,918**	30,978,444,912
	Trade and other payables	23	**14,252,242,919**	10,503,329,459
	Accrued mark-up	24	**730,960,816**	876,775,394
	Short term finances	25	**15,541,636,215**	17,814,596,870
	Islamic redeemable sukuk	26	**8,000,000,000**	8,000,000,000
	Unclaimed dividend		**6,310,574**	5,965,586
	Total financial liabilities		**67,778,820,442**	68,179,112,221

41.2. Fair value of financial assets and liabilities

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

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the:

a. Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

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

c. Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred.

The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of the following factors:

- changes in market and trading activity (e.g. significant increases / decreases in activity)
- changes in inputs used in valuation techniques (e.g. inputs becoming / ceasing to be observable in the market)

There are no transfers during the year.

The valuation techniques used are as follows:
Level 1: Quoted prices (unadjusted) in active markets
Level 2: Non active markets the fair value of financial instruments of non active market is based on inputs available in the market.

The fair value of financial instruments traded in active markets is based on market value of financial instrument at the reporting date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The following table analysis within the fair value hierarchy of the Company's financial assets (by class) measured at fair value at June 30, 2026:

Financial assets	2026			
	Level 1	Level 2	Level 3	Total
	----------Rupees ----------			
Financial investments: fair value through OCI	976,084,925	-	-	976,084,925
Financial investments: fair value through profit and loss	969,765,795	-	-	969,765,795
	2025			
	Level 1	Level 2	Level 3	Total
	----------Rupees ----------			
Financial investments: fair value through OCI	918,419,065	-	-	918,419,065
Financial investments: fair value through profit and loss	304,308,772	-	-	304,308,772

41.2.1. Valuation techniques used in determination of fair values

Item	Valuation approach and input used
Listed Securities	The Valuation has been determined through closing rates of Pakistan Stock Exchange.
Term finance certificates	The Valuation has been determined from PSX debt valuation sheet. The closing rates are announced by PSX daily on its website

41.3. Financial risk management

The board of directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Price risk

41.3.1. 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 for 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.

Credit risk of the Company arises principally from the trade debts, loans and advances, trade deposits, other receivables and deposits with financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

Trade debts

The Company's exposure to credit risk arising from trade debtors is mainly influenced by the individual characteristics of each customer. The majority of the customers have been transacting with the company for several years. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

Bank balances

The Company limits its exposure to credit risk by investing in liquid securities and maintaining bank accounts only with counter-parties that have stable credit rating. Given these high credit ratings, management does not expect that any counter party will fail to meet their obligations.

The bank balances along with the credit ratings are tabulated below:

	Short- term Ratings	2026	2025
		----------Rupees ----------	
Allied Bank Limited	A1+	**35,580,382**	184,093
Bank Al Falah Limited	A1+	**24,473,433**	2,378,157
Bank Al Habib Limited	A1+	**60,778,605**	344,687
Bank Islami Pakistan Limited	A1	**1,836,087**	323,092
Dubai Islamic Bank Pakistan Limited	A1+	**5,994,051**	98,447,409
Habib Bank Limited	A1+	**106,590,237**	450,685
Habib Metropolitan Bank Limited	A1+	**35,894,098**	3,252,539
JS Bank Limited	A1+	**42,568,724**	139,991,090
MCB Bank Limited	A1+	**2,493,245**	368,908
MCB Islamic Bank Limited	A1	**3,020,432**	6,649,593
Meezan Bank Limited	A1+	**671,174,348**	85,974,215
National Bank Of Pakistan	A1+	**1,034,569**	53,620
United Bank Limited	A1+	**543,912**	-
Soneri Bank Limited	A1+	**1,803,655**	508,889
Bank Makramah Limited	A2	**1,655,541**	210,971
Standard Chartered Bank Limited	A1+	**76,379,444**	1,838,529
Bank of Punjab	A1+	**62,732,022**	38,357,182
Askari Bank Limited	A1+	**2,842,176**	206,971,291
Industrial & Commercial Bank of China	N/A	**120,830**	124,695
Faysal Bank Limited	A1+	**122,709**	
Al Baraka Bank Limited	A1	**2,383,790**	283,852
		1,140,022,290	586,713,497

Exposure to credit risk

The carrying amount of remaining financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Notes	2026	2025
		----------Rupees ----------	
Long term deposits	8	**32,116,134**	24,213,915
Trade debts	11	**13,159,386,723**	13,317,024,257
Loans and advances	12	**169,791,741**	132,870,929
Loans to subsidiaries and associate	13	**9,762,000,000**	9,412,000,000
Trade deposits - unsecured	14	**19,834,580**	23,410,402
Short term investments	15	**969,765,795**	304,308,772
Other receivables	16	**1,457,208,102**	720,101,547
		25,570,103,075	23,933,929,822

To reduce the exposure to credit risk, the Company has developed a formal approval process whereby credit limits are applied to its customers. The management continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery.

The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit rating.

As at June 30, 2026 the Company has certain trade debts that are past due but are not considered to be impaired. The amounts as at June 30, 2026 are as follows:

	Notes	2026	2025
		----------Rupees ----------	
Due but not more than 3 months		**1,183,654,505**	822,827,693
Due more than 3 months but not more than 6 months		**705,249,599**	833,938,993
Due more than 6 months but not more than 1 year		**367,997,134**	230,531,954
Due more than 1 year		**165,151,226**	137,086,618
	11.4	**2,422,052,464**	2,024,385,258

In respect of trade debts, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade debts consists of a large number of customers. Based on historical information about customer default rates management consider the credit quality of trade debts that are not past due and impaired to be good. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

41.3.2. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Based on the above, management believes the liquidity risk is insignificant.

As at the reporting date the Company's financial liabilities have contractual maturities as summarized below:

Effective rates of return/mark-up on financial liabilities are as follows:

	Notes	2026			
		Effective rate of interest / Profit	Carrying amount	Maturity upto one year	Maturity after one year
		----------Rupees ----------			
Financial liabilities - Interest bearing					
Long term finances - secured Conventional	21	**7.02%**	**11,027,853,511**	**3,899,401,228**	**7,128,452,283**
Short term finances - secured - Conventional	25	**10.51% to 12.14%**	**15,241,636,215**	**15,241,636,215**	**-**
Financial liabilities - Islamic					
Long term finances - secured Islamic	21	**11.77%**	**18,219,816,407**	**4,708,105,014**	**13,511,711,393**
Short term finances - secured - Islamic	25	**10.99% to 12.28%**	**300,000,000**	**300,000,000**	**-**
Islamic redeemable sukuk	26	**10.35% to 12.00%**	**8,000,000,000**	**8,000,000,000**	**-**
Non - interest bearing					
Trade and other payables	23	**-**	**14,252,242,919**	**14,252,242,919**	**-**
Accrued mark-up	24	**-**	**730,960,816**	**730,960,816**	**-**
Unclaimed dividend			**6,310,574**	**6,310,574**	**-**
			67,778,820,442	**47,138,656,766**	**20,640,163,676**

	Notes	2025			
		Effective rate of interest / Profit	Carrying amount	Maturity upto one year	Maturity after one year
		----------Rupees ----------			
Financial liabilities - Interest bearing					
Long term finances - secured Conventional	21	10.54%	15,215,550,263	4,344,885,249	10,870,665,014
Short term finances - secured - Conventional	25	10.84% to 19.45%	17,089,644,370	17,089,644,370	-
Financial liabilities - Islamic					
Long term finances - secured Islamic	21	9.46%	15,762,894,649	1,828,282,783	13,934,611,866
Short term finances - secured - Islamic	25	8.85% to 21.89%	724,952,500	724,952,500	-
Islamic redeemable sukuk	26	11.10% to 22.35%	8,000,000,000	8,000,000,000	-
Non - interest bearing					
Trade and other payables	23	-	10,503,329,459	10,503,329,459	-
Accrued mark-up	24	-	876,775,394	876,775,394	-
Unclaimed dividend			5,965,586	-	-
			68,179,112,221	43,367,869,755	24,805,276,880

Cash flow sensitivity analysis for variable rate instruments

At June 30, 2026, if interest rates on long term financing had been 1% higher / lower with all other variables held constant, pre tax profit for the year would have been affected by Rs. 292.47 million (June 2025: Rs. 309.78 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate borrowings.

At June 30, 2026, if interest rates on short term borrowings had been 1% higher / lower with all other variables held constant, pre tax profit for the year would have been affected by Rs. 155.54 million (June 2025: Rs. 178.15 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate borrowings.

At June 30, 2026, if profit rates on islamic redeemable sukuk had been 1% higher / lower with all other variables held constant, pre tax profit for the year would have been affected by Rs. 80 million (June 2025: Rs. 80 million) higher / lower, mainly as a result of higher / lower profit on floating rate borrowings.

41.3.3. Market risk

Market risk is the risk that fair value of future cash flows of the financial instrument may fluctuate as a result of changes in market prices. Market prices comprise of three types of risks namely foreign currency risk, interest rate risk and other price risk, such as equity risk.

a) Foreign currency risk

Currency risk is the risk that the fair value of future cash flows of financial asset or a liability may fluctuate due to changes in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies. The Company primarily has foreign currency exposures in US Dollars.

Exposure to Foreign currency risk
The Company is exposed to foreign exchange risk arising from currency value fluctuations due to the following:

	2026	2025
	-------- Amount in USD --------	
Trade debts	**7,470,964**	13,613,069
Cash and bank balances	**337,011**	337,011
Trade and other payables	**(5,990,163)**	(4,649,064)
Loans and advances	**-**	374
Advance from customer	**(4,052,570)**	(352,199)
	(2,234,758)	8,949,191
Off balance sheet exposures		
Letter of credit	**(24,037,456)**	(15,466,989)
Net Exposure	**(26,272,214)**	(6,517,797)

The following significant exchange rates were applied during the year.

	2026	2025
	-------- Rupee per USD --------	
Average rate	**281.33**	281.45
Reporting date rate	**278.55**	284.10

Foreign currency sensitivity analysis
A 10% strengthening of the PKR against the USD at June 30, 2025 would have effect on the equity and profit and loss of the company as shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for June 30, 2026.

	2026	2025
	--------- Rupees ---------	
Strengthening of PKR against respective currencies	**731,812,509**	185,170,627
Weakening of PKR against respective currencies	**(731,812,509)**	(185,170,627)

As at 30 June 2026, if the Pakistani Rupee had weakened / strengthened by 10% against the US Dollar with all other variables being constant, profit before tax for the year would have been lower / higher by Rs. 731.81 million (June 2025:Rs.185.17 million) mainly as a result of foreign exchange gains / losses on translation of dollar denominated financial assets.

The maximum exposure to foreign currency risk in Pakistani rupee at the reporting date is as follows:

	Notes	2026	2025
		--------- Rupees ---------	
Export debtors	11	**2,081,037,057**	3,867,472,990
Import creditors		**1,668,559,816**	1,320,799,056
		3,749,596,873	5,188,272,046

b) Interest rate risk
Interest rate risk is the risk that the fair value of the future cash flows of a financial instrument may fluctuate because of the changes in market interest rates. Majority of the interest rate exposure arises from short and long term borrowings from banks and running finance facilities. At the reporting date the interest rate profile of the Company's mark-up bearing financial instruments is as follows:

	Carrying amount	
	2026	2025
	---------- Rupees ----------	
Variable rate instruments		
Financial liabilities	**29,620,305,193**	30,000,576,876
	29,620,305,193	30,000,576,876

As at 30 June 2026, if KIBOR had been 100 bps lower/higher with all other variables held constant, profit before tax for the year would have been higher/lower by Rs. 300.01 million. (June 2025: Rs. 296.2 million) mainly because of higher/ lower interest expense on variable rate instruments.

c) Equity risk
It is the risk that the listed equity securities are susceptible to market price risk, arising from uncertainties about future values of the investment securities.

	2026	2025
	---------- Rupees ----------	
Fair value through profit and loss	**969,765,795**	304,308,772

41.3.4. Price Risk
Price risk represents the risk that the fair value of a financial instrument will fluctuate as a result of changes in market price. The following table summarises the impact on the Company's profit before tax assuming a 10% increase or decrease in market prices at the reporting date, with all other variables held constant would be Rs. 96,976,580 (June 2025: 30,430,877).

42. CAPITAL RISK MANAGEMENT

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to 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 dividend paid to the shareholders or issue bonus / right shares. There were no changes in the Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements.

The Company's capital includes share capital and reserves. As at reporting date the capital of the Company is as follows:

	2026	2025
	---------- Rupees ----------	
Share capital	**663,569,400**	663,569,400
Reserves	**32,061,312,741**	28,760,151,452
	32,724,882,141	29,423,720,852

The Company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investments requirements and expectations of the shareholders. Debt is calculated as total borrowings (long term finances). The Company's capital signifies equity as reported in statement of financial position and includes share capital and reserves.

The Company's strategy was to maintain leveraged gearing. The gearing ratios as at June 30, 2026 and 2025 were as follows:

	2026	2025
	--------- Rupees ---------	
Total borrowings	**29,247,669,918**	30,978,444,912
Total equity	**32,724,882,141**	29,423,720,852
Total equity and debt	**61,972,552,059**	60,402,165,764
Net gearing ratio (%)	**47.19%**	**51.29%**

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix amongst various sources of finance to minimize risk.

43. SHARIAH COMPLIANT DISCLOSURE

		Notes	2026	2025
			--------- Rupees ---------	
43.1.	**Statement of Financial Position (Islamic Mode)**			
	- Bank deposit and bank balances		**686,186,958**	191,889,132
	Term Finance			
	- Long term finance		**18,219,816,407**	15,762,894,649
	- Short term finance		**300,000,000**	724,952,500
	- Redeemable sukuk		**8,000,000,000**	8,000,000,000
	- Running finance		**4,713,126,325**	2,806,779,838
	Accrued Markup			
	- Long term finance		**38,014,957**	65,071,726
	- Short term finance		**16,214,079**	17,955,355
	- Redeemable sukuk		**345,363,731**	280,614,036
	- Running finance		**98,497,647**	102,111,573
43.2.	**Statement of Comprehensive Income**			
	- Revenue earned from a Shariah-compliant business segment		**120,571,561,836**	118,396,971,136
	- Profit paid on Islamic mode of financing		**3,006,792,062**	2,454,676,897

44. PLANT CAPACITY AND ACTUAL PRODUCTION

	2026 Metric Ton		2025 Metric Ton	
	Rated Capacity	Actual Production	Rated Capacity	Actual Production
Food processing	**320,946**	**203,575**	316,416	201,769
Plastic film	**63,000**	**37,521**	63,000	36,435

Production utilization was as per the market demand.

45. TRANSACTION WITH RELATED PARTIES

Related parties comprise associated undertakings, directors of the Company and key management personnel. The Company continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions.

Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these unconsolidated financial statements, are as follows:

Key Management Personnel (KMP)	
Name	**Direct shareholding %**
Mr. Ahmed Muhammad	15.22
Mr. Munsarim Saif	0.000009
Mr. Ahmed Raza Parekh	Nil

	2026	2025
	--------- Rupees ---------	
Hudson Pharma (Private) Limited		
(Subsidiary Company - 78.53% shareholding)		
- Purchase of raw material	**(1,974,614,478)**	-
- Payment against purchases	**1,974,614,478**	-
- Markup received during the period	**188,519,995**	141,211,431
Ismail Resin (Private) Limited.		
(Subsidiary Company - 77.17% shareholding)		
- Purchase of raw material	**(5,361,583,700)**	(6,310,651,800)
- Payment against purchases	**5,385,431,500**	6,286,804,000
- Payable to subsidiary	**-**	(23,847,800)
- Markup received during the period	**332,700,000**	1,749,851,062
Salaries & benefits to KMP	**55,500,000**	47,200,000
Post employment benefit to KMP	**1,792,545**	1,729,648
Innovita Labs (Private) Limited		
(Associated Company - Common Directorship)		
- Service availed	**(10,469,060)**	-
- Payments for services	**42,241,024**	-
- Advance against services	**31,771,964**	-
Innovita Nutrition (Private) Limited		
(Associated Company - Common Directorship)		
- Markup received during the period	**21,040,629**	65,985,560
VMI Trading Inc.		
(Associated Company - Common Directorship)		
- Collections received against sales	**1,960,536,736**	432,818,389
Plastiflex Films (Private) Limited		
(Associated Company - Common Directorship)		
- Purchase of raw & packing material	**(24,495,750)**	(19,577,739)
- Metallization of raw material	**3,862,335**	4,966,144
- Sales of raw & packing material	**47,901**	539,261
- Recovery against Sales	**(3,928,810)**	(6,065,119)
- Payment against purchases	**18,454,452**	19,577,739
- (Payable) /receivable from associate	**(6,041,298)**	18,574

46. NON- ADJUSTING EVENT

46.1. The board of directors in its meeting held on August 28, 2026 has proposed the final dividend of Rs. 5 per share (2025: Rs.5 per share) in respect of the year ended June 30, 2026 for approval of the members at the annual general meeting. The unconsolidated financial statements for the year ended June 30, 2026 do not include the effect of the proposed dividend, which will be accounted for in the unconsolidated financial statements for the year ending June 30, 2027.

47. DATE OF AUTHORIZATION

These unconsolidated financial statements were authorized for issue on August 28, 2026 by the board of directors of the Company.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Ahmed Raza Parekh
Chief Financial Officer

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MEASURING OUR STRENGTH

FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S REPORT

To the members of Ismail Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Ismail 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 policies and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 Matter	How the matter was addressed in our audit
1.	**Revenue Recognition** (Refer note 29 to the consolidated financial statements) The Group is engaged in the production and sale of consumer food products, polyester resin, pharmaceutical products in the local and export market. Revenue from the sale of goods is recognized when performance obligations are satisfied by transferring control of the promised goods to the customer. Control is transferred at a point in time, either upon shipment or delivery of goods, depending on the terms of sale. We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Group, large number of revenue transactions with a large number of customers in various geographical locations and inherent risk of material misstatement.	• In response to this matter, our audit procedures included the following: • Obtained an understanding of, and evaluating, the design and implementation of controls over revenue recognition; • Tested, on a sample basis, revenue transactions recorded during the year by comparing them with supporting documents such as sales orders, invoices, delivery documents, and other relevant records; • Performed cut-off testing by selecting a sample of revenue transactions recorded before and after year end to assess whether revenue was recognized in the appropriate accounting period; • Evaluated the appropriateness of the Group's accounting policies for revenue recognition in line with the applicable accounting and reporting standards; and • Assessed the adequacy of the related disclosures in the financial statements in accordance with the applicable accounting and reporting requirements in Pakistan.
2.	**Valuation of Stock-in-trade** Valuation of Stock-in-trade (Refer note 10 to the consolidated financial statements) As at June 30, 2026 the Group's total stock-in-trade balance amounting to Rs. 26.48 billion which represents 38.84% of the total current assets of the Group. The value of stock-in-trade is based on the lower of weighted average cost and net realizable value for raw materials, packing materials, work in process and finished goods, and invoice value plus other charges for stock in transit. The Group is required to measure its stock-in-trade at the lower of cost and NRV. There is an element of judgement involved relating to the valuation, which is required for the estimation of the net realizable value and allowance for slow-moving and obsolete stock-in-trade. Such estimation is made after taking into consideration factors such as movement in prices, current and expected future market demands and pricing competitions. This was the key audit matter because of its materiality and significance in terms of judgements involved in estimating the NRV of underlying stock-in-trade.	In response to this matter, our audit procedures included the following: • Reviewed the management procedure for valuation of stock-in-trade and evaluating the NRV of stock in trade. • Observed physical counts at major locations to ascertain the condition and existence of stock-in-trade. • Tested the valuation method used by the management in valuation of stock in trade. • Reviewed stock-in-trade turnover ratios, understood and evaluated the appropriateness of the basis of identification of the obsolete stock-in- trade, tested the accuracy of the aging analysis of stock-in-trade on a sample basis, tested the cost of goods with underlying invoices and expenses incurred in accordance with stock-in- trade valuation method and reviewed the minutes of the relevant meetings at the board and management level to identify any indicators of obsolescence. • Compared the NRV to the cost of stock in trade whether any adjustment is required to value stock in trade in accordance with the accounting policy; and • Assessed the adequacy of the disclosures on stock-in-trade in these consolidated financial statements.

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

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

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

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

Responsibilities of Management and 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.

Board of directors are 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 **Khurram Jameel.**

Chartered Accountants
Karachi
Date: September 11, 2026
UDIN:AR202610093bw0iEPzgB

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

ASSETS	Notes	2026	2025
		--------- Rupees ---------	
Non-current assets			
Property, plant and equipment	6	**53,359,535,427**	46,290,003,286
Right-of-use assets	6.1	**1,182,804,351**	1,204,363,692
Goodwill		**12,173,553**	12,173,553
Long term Investments	7	**4,911,671,429**	5,253,186,740
Long term deposits	8	**37,675,816**	31,876,598
Total non-current assets		**59,503,860,576**	52,791,603,869
Current assets			
Stores and spares	9	**1,282,613,793**	992,390,389
Stock-in-trade	10	**26,481,242,036**	22,969,311,101
Trade debts	11	**16,642,367,684**	15,758,507,990
Loans and advances	12	**4,485,599,598**	4,045,414,448
Loan to associate		**-**	350,000,000
Trade deposits and short term prepayments	13	**74,856,565**	50,770,912
Short term investments	14	**3,709,072,141**	3,546,270,096
Other receivables	15	**9,822,641,684**	8,810,958,369
Taxation and levies - net	16	**3,807,004,424**	3,493,212,032
Cash and bank balances	17	**1,877,855,163**	1,471,877,809
Total current assets		**68,183,253,088**	61,488,713,146
Total assets		**127,687,113,664**	114,280,317,015

The annexed notes from 1 to 47 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

EQUITY AND LIABILITIES	Notes	2026	2025
		--------- Rupees ---------	
Share capital and reserves			
Authorized share capital			
250,000,000 (2025: 250,000,000) ordinary shares of Rs. 10 each		**2,500,000,000**	2,500,000,000
Issued, subscribed and paid-up share capital	18	**663,569,400**	663,569,400
Reserves	20	**27,999,145,290**	24,821,458,913
Attributable to the shareholders of the Holding Company		**28,662,714,690**	25,485,028,313
Non-controlling interest	19	**743,793,721**	700,200,615
Total shareholders' equity		**29,406,508,411**	26,185,228,928
Non-current liabilities			
Long term finances - secured	21	**30,091,358,411**	30,573,078,878
Lease liabilities	22	**1,221,803,175**	1,217,553,405
Deferred liabilities	23	**3,877,842,355**	3,539,092,076
Total non-current liabilities		**35,191,003,941**	35,329,724,359
Current liabilities			
Trade and other payables	24	**21,420,904,685**	14,085,361,914
Accrued mark-up	25	**928,204,510**	1,055,710,443
Short term finances - secured	26	**20,208,618,354**	21,020,018,369
Islamic redeemable sukuk	27	**8,000,000,000**	8,000,000,000
Current portion of:			
- long term finances - secured	21	**10,149,807,929**	6,973,105,660
- lease liabilities	22	**84,596,817**	9,516,997
Unclaimed dividend		**6,310,574**	5,965,586
Advances from customers - unsecured		**2,291,158,443**	1,615,684,759
Total current liabilities		**63,089,601,312**	52,765,363,728
Total liabilities		**98,280,605,253**	88,095,088,087
Total equity and liabilities		**127,687,113,664**	114,280,317,015
Contingencies and commitments	28		

The annexed notes from 1 to 47 form an integral part of these consolidated financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Ahmed Raza Parekh
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Notes	2026	2025
		--------- Rupees ---------	
Sales	29	**150,223,176,047**	140,073,497,081
Sales returns, discounts and direct expenses		**(4,352,603,708)**	(3,707,783,546)
Export rebate		**239,137,097**	54,232,602
		(4,113,466,611)	(3,653,550,944)
		146,109,709,436	136,419,946,137
Sales tax		**(17,772,808,817)**	(13,853,753,478)
Sales - net		**128,336,900,619**	122,566,192,659
Cost of sales	31	**(103,209,438,770)**	(99,428,054,774)
Gross profit		**25,127,461,849**	23,138,137,885
Selling and distribution expenses	32	**(11,150,802,043)**	(9,937,718,584)
Administrative expenses	33	**(2,208,217,026)**	(2,078,354,638)
Operating profit		**11,768,442,780**	11,122,064,663
Other operating expenses	34	**(718,923,722)**	(773,296,298)
Other income	35	**1,578,763,879**	1,355,990,900
Finance cost	36	**(6,770,980,490)**	(7,235,424,827)
Share of profit from associated company - net	7.1	**956,671,903**	1,516,519,377
Profit before levies and taxation		**6,813,974,350**	5,985,853,815
Levies		**(1,564,349,973)**	(1,480,775,041)
Taxation	38	**(1,298,235,040)**	(805,063,453)
Profit for the year		**3,951,389,337**	3,700,015,321
Profit / (loss) for the year attributable to:			
Shareholders of the Holding Company		**3,966,865,770**	4,206,163,975
Non-controlling interest		**(15,476,433)**	(506,148,654)
		3,951,389,337	3,700,015,321
Earnings per share - basic and diluted	39	**59.78**	63.39

The annexed notes from 1 to 47 form an integral part of these consolidated financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Ahmed Raza Parekh
Chief Financial Officer

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

	Notes	2026	2025
		--------- Rupees ---------	
Profit for the year		**3,951,389,337**	3,700,015,321
Other comprehensive income:			
Items that may be reclassified to consolidated statement of profit or loss in subsequent periods			
Items that will not be reclassified to consolidated statement of profit or loss in subsequent periods:			
Loss on remeasurements of defined benefit obligation - net of tax	23.2.6	**(22,993,878)**	(7,219,169)
Unrealized gain / (loss) on remeasurement of investment classified as fair value through OCI - net of tax		**26,948,250**	(21,063,300)
Exchange difference on translation of foreign operations		**(68,180,470)**	43,970,663
Share of other comprehensive (loss) / income from associate - net of tax		**(334,099,056)**	159,171,604
Other comprehensive (loss) / income		**(398,325,154)**	174,859,798
Total comprehensive income for the year		**3,553,064,183**	3,874,875,119
Total comprehensive income / (loss) for the year attributable to :			
Shareholders of the Holding Company		**3,570,410,452**	4,380,665,064
Non-controlling interest		**(17,346,269)**	(505,789,945)
		3,553,064,183	3,874,875,119

The annexed notes from 1 to 47 form an integral part of these consolidated financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Ahmed Raza Parekh
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Notes	2026	2025
		--------- Rupees ---------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	41	**18,286,929,655**	13,312,044,645
Gratuity paid	23.2.3	**(102,577,964)**	(155,661,338)
Income tax and levies paid - net		**(3,035,691,804)**	(3,529,296,555)
Long term deposits - net		**(5,799,218)**	1,847,275
Net cash generated from operating activities		**15,142,860,669**	9,628,934,027
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure (including CWIP)		**(10,854,880,101)**	(5,371,603,819)
Short-term investment made - net	14	**1,107,239,913**	(1,783,720,475)
Receipts from associated company against dividend - net		**905,129,501**	480,850,047
Proceeds from disposal of property, plant and equipment	6.5	**311,482,851**	291,209,956
Net cash used in investing activities		**(8,531,027,836)**	(6,383,264,291)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from long term finances - net		**2,694,981,801**	6,238,080,442
Issuance of shares to non-controlling interest		**-**	312,500,000
Lease repayments		**(17,798,949)**	(15,867,791)
Short term finance (repaid)/obtained		**(2,603,753,273)**	4,261,176,828
Payments to Islamic redeemable sukuk		**-**	(2,000,000,000)
Interest / mark-up paid		**(7,242,403,455)**	(8,691,856,947)
Dividend paid		**(331,439,712)**	(662,832,107)
Net cash used in financing activities		**(7,500,413,588)**	(558,799,575)
Net (decrease) / increase in cash and cash equivalents		**(888,580,755)**	2,686,870,161
Cash and cash equivalents at the beginning of the year		**(2,642,887,287)**	(5,340,922,165)
Effects of exchange rate changes on value of foreign operations		**(68,180,470)**	11,164,717
Cash and cash equivalents at the end of the year		**(3,599,648,512)**	(2,642,887,287)
Cash and cash equivalents at the end of the year comprise of:			
Cash and bank balances	17	**1,877,855,163**	1,471,877,809
Short term investment having maturity up to 3 months	14	**429,614,679**	-
Running finance utilized under mark-up arrangements	26.4	**(5,907,118,354)**	(4,114,765,096)
		(3,599,648,512)	(2,642,887,287)

The annexed notes from 1 to 47 form an integral part of these consolidated financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Ahmed Raza Parekh
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2026

	Issued, subscribed and paid-up share capital	Capital reserve			Total Reserves					Non-controlling Interest	Total shareholders' equity
		Share premium	Amalgamation reserves	Remeasurement of investment in associate	Revenue reserve				Total reserves		
					Foreign Currency Translation Reserve	Remeasurement of investments at fair value through OCI	Statutory Reserve	Unappropriated profit			
	---------- Rupees ----------										
Balance as at July 01, 2024	663,569,400	1,472,531,500	916,862,067	(206,233,725)	-	(12,466,400)	-	18,933,669,807	21,104,363,249	893,490,560	22,661,423,209
Profit for the year	-	-	-	-	-	-	-	4,206,163,975	4,206,163,975	(506,148,654)	3,700,015,321
Loss on remeasurement of defined benefit obligation - net of tax - note 23.2.6	-	-	-	-	-	-	-	(7,577,878)	(7,577,878)	358,709	(7,219,169)
Unrealised loss on remeasurement of investment classified as fair value through OCI - net of tax	-	-	-	-	-	(21,063,300)	-	-	(21,063,300)	-	(21,063,300)
Equity attributable to non-controlling interests	-	-	-	-	-	-	-	-	-	312,500,000	312,500,000
Share of other comprehensive income from associate - net of tax	-	-	-	-	-	-	-	-	-	-	-
Effects of exchange rate changes of value of foreign operations	-	-	-	159,171,604	43,970,663	-	-	-	159,171,604	-	159,171,604
Other comprehensive income / (loss)	-	-	-	-	43,970,663	(21,063,300)	-	(7,577,878)	174,501,089	312,858,709	487,359,798
Total comprehensive income / (loss)	-	-	-	-	43,970,663	(21,063,300)	-	4,198,586,097	4,380,665,064	(193,289,945)	4,187,375,119
Final cash dividend for the year ended June 30, 2024 @ Rs. 10 per share	-	-	-	-	-	-	-	(663,569,400)	(663,569,400)	-	(663,569,400)
Balance as at June 30, 2025	663,569,400	1,472,531,500	916,862,067	(47,062,121)	43,970,663	(33,529,700)	-	22,468,686,504	24,821,458,913	700,200,615	26,185,228,928
Profit for the year	-	-	-	-	-	-	-	3,966,865,770	3,966,865,770	(15,476,433)	3,951,389,337
Loss on remeasurement of defined benefit obligation - net of tax - note 23.2.6	-	-	-	-	-	-	-	(21,124,042)	(21,124,042)	(1,869,836)	(22,993,878)
Unrealised gain on remeasurement of investment classified as fair value through OCI - net of tax	-	-	-	-	-	26,948,250	-	-	26,948,250	-	26,948,250
Share of other comprehensive loss from associate-net of tax	-	-	-	-	-	-	-	-	-	-	-
Transferred during the year	-	-	-	(334,099,056)	-	-	1,620,031	(1,620,031)	(334,099,056)	-	(334,099,056)
Effects of exchange rate changes on value of foreign operations	-	-	-	-	(68,180,470)	-	-	-	(68,180,470)	-	(68,180,470)
Other comprehensive income / (loss)	-	-	-	(334,099,056)	(68,180,470)	26,948,250	1,620,031	(22,744,073)	(396,455,318)	(1,869,836)	(398,325,154)
Total comprehensive income / (loss)	-	-	-	(334,099,056)	(68,180,470)	26,948,250	1,620,031	3,944,121,697	3,570,410,452	(17,346,269)	3,553,064,183
Final cash dividend paid for the year ended June 30, 2025 @ Rs.5 per share	-	-	-	-	-	-	-	(331,784,700)	(331,784,700)	-	(331,784,700)
Allocation of net assets to NCI due to right issue	-	-	-	-	-	-	-	(60,939,375)	(60,939,375)	60,939,375	-
Balance as at June 30, 2026	663,569,400	1,472,531,500	916,862,067	(381,161,177)	(24,209,807)	(6,581,450)	1,620,031	26,020,084,126	27,999,145,290	743,793,721	29,406,508,411

The annexed notes from 1 to 47 form an integral part of these consolidated financial statements.

Ahmed Raza Parekh
Chief Financial Officer

Maqsood Ismail Ahmed
Director

Munsarim Saifullah
Chief Executive Officer

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

1. LEGAL STATUS AND OPERATIONS

1.1. The Group consist of:

Holding Company : Ismail Industries Limited

Subsidiary Companies : Hudson Pharma (Private) Limited, Ismail Resin (Private) Limited and Bisconni Middle East Manufacturing LLC.

a. Ismail Industries Limited

Ismail Industries Limited (the Holding Company) was incorporated in Karachi, Pakistan as a private limited company on June 21, 1988. On November 01, 1989 the Company was converted into a public limited company. The registered office of the Holding Company is situated at 17 - Bangalore Town, Shahrah-e-Faisal, Karachi, Pakistan. The shares of the company are quoted on Pakistan Stock Exchange Limited. Principal activities of the Holding Company are manufacturing and trading of sugar confectionery items, biscuits, snacks, nutritional products, flour, cast polypropylene (CPP) and biaxially-oriented polyethylene terephthalate (BOPET) film under the brands of 'CandyLand', 'Bisconni', 'Snackcity', 'Ismail Nutrition', Ghiza' and 'Astro Films' respectively.

In addition to above registered office, geographical location and addresses of manufacturing units of the Holding Company are as under:

Units	Factory Addresses
Unit-1	C-230, Hub H.I.T.E., Balochistan.
Unit-2	B-140, Hub H.I.T.E., Balochistan.
Unit-3	G-1, Hub H.I.T.E., Balochistan.
Unit-4	G-22, Hub H.I.T.E., Balochistan.
Unit-5:	38-C, Sundar Industrial Estate, Raiwind Road, Lahore.
Unit-6:	D-91, D-92 & D-94, North Western Zone, Port Qasim.
Unit-7:	E164-168, North Western Zone, Port Qasim.
Unit-8:	E154-157, North Western Zone, Port Qasim.
Unit-9:	G-1A, Hub H.I.T.E., Balochistan.
Unit-10:	E164-168, North Western Zone, Port Qasim.

Further, the Holding Company's liaison offices and warehouses are situated in Karachi, Hyderabad, Sukkur, Multan, Lahore, Islamabad, Faisalabad and Peshawar.

b. Hudson Pharma (Private) Limited

Hudson Pharma (Private) Limited (HPPL) (The Subsidiary Company) was incorporated in Pakistan as a private limited company on May 5, 2010. The registered office of the Subsidiary Company is located at 17, Bangalore Town, Main Shahrah-e-Faisal, Karachi. Principal activities of the Company are manufacturing, processing, compounding, formulating, importing, exporting, packaging, marketing, wholesale and retail trading and selling of all kinds of pharmaceutical, animal health, allied consumer products, drugs, dermatology products, medicines, food products and supplements.

In addition to above, geographical location and addresses of manufacturing units of the Subsidiary Company are as under:

Factory:	Administrative office:
D-93, North Western Industrial Zone, Port Qasim.	24/1 - Bangalore Co-operative Housing Society, Block 7/8, Bangalore Town, Karachi.

c. Ismail Resin (Private) Limited

Ismail Resin (Private) Limited (IRPL) (The Subsidiary Company) was incorporated in Karachi, Pakistan on January 13, 2021. The registered office of the Subsidiary Company is situated at 17 - Bangalore Town, Shahrah-e-Faisal, Karachi, Pakistan. Principal activities of the Company are manufacturing and selling of Polyester Resin.

In addition to above, geographical location and addresses of manufacturing units of the Subsidiary Company are as under:

Units	Addresses
Unit-1	A-39 North Western Zone, Port Qasim, Karachi.
Unit-2	A-40 North Western Zone, Port Qasim, Karachi.

Further the Subsidiary Company's liaison offices and warehouses are situated in Karachi and Lahore.

d. Bisconni Middle East Manufacturing LLC

Bisconni Middle East Manufacturing – L.L.C – S.P.C (The Subsidiary Company) was formed and registered with the Department of Economic Development as a - L.L.C - S.P.C on 6 November 2024 in the Emirate of Abu Dhabi, U.A.E. under Industrial License Number : IN-2007110. The registered office address is 85B, KHIA8-82A, KIZAD A (Non-Free Zone), Al Taweelah, Abu Dhabi, U.A.E. The Licensed activity of the Subsidiary Company is manufacturing of chocolate and chocolate confectionery, sugar confectionery and dry bakery product. However, the Subsidiary Company did not engage in any licensed activity during the year.

2. SIGNIFICANT EVENTS AND TRANSACTIONS

2.1. During the year, Hudson Pharma (Private) Limited, the Subsidiary Company started commercial production and sale of nutritional, vitamins premix, minerals and other food supplements and products.

During the year, Ismail Resin (Private) Limited, the Subsidiary Company issued 50,000,000 right shares of Rs. 10 each, amounting to Rs. 500,000,000 and has invested in a 24,000 tonnes per annum R-Pet line, enabling bottle-to-bottle recycling and supporting circular economy goals.

3. BASIS OF PREPARATION

3.1. Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

3.2. Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policies.

3.3. Functional and presentation currency

Items included in these consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. These consolidated financial statements are presented in Pakistani Rupee, which is the Group's functional and presentation currency. The figures have been rounded off to the nearest Rupee.

3.4. Basis of Consolidation

These consolidated financial statements include the financial statements of the Holding Company and its Subsidiary Companies.

A company is a subsidiary, if the Holding Company directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its directors. The Holding company can govern the financial & operating policies of subsidiary.

Subsidiary Company is consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiary company are prepared for the same reporting period as the Holding Company, using consistent accounting policies.

All intra-group balances, transactions and unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Where the ownership of a subsidiary is less than hundred percent and therefore, a non controlling interest (NCI) exists, the NCI is allocated its share of the total comprehensive income for the year, even if that results in a deficit balance.

The assets, liabilities, income and expenses of Subsidiary Companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the Subsidiary Companies shareholders' equity in these consolidated financial statements.

3.5. Reclassification for better presentation

Prior year figures have been rearranged and/or reclassified, wherever necessary, for better presentation.

3.6. Standard, Amendments and Interpretations to Approved Accounting Standards

3.6.1. Standards, amendments and interpretations to the published standards that may be relevant to the Group and adopted in the current year

There were certain amendments to accounting and reporting standards which became effective for the Group for the current year. However, these are considered not to be relevant or to have any significant impact on the Group's financial reporting and, therefore, have not been disclosed in these consolidated financial statements.

3.6.2. Standards, amendments and interpretations to the published standards that may be relevant but not yet effective and not early adopted by the Group

		Effective date (annual reporting periods beginning on or after)
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2026
IAS 21	The effects of changes in foreign exchange rates (Amendments)	January 1, 2027
IAS 28	Investments in Associates and Joint Ventures (Amendments)	January 1, 2027
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 9	Financial Instruments (Amendments)	January 1, 2026
IFRS 10	Consolidated Financial Statements (Amendments)	January 1, 2026
IFRS 17	Insurance Contracts (Amendments)	January 1, 2027
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027

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

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

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 20	Regulatory Assets and Regulatory Liabilities
IFRIC 12	Service Concession Arrangement

3.6.3. Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Further, certain IFRS have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

4. USE OF CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated financial statements in conformity with the approved accounting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Group's accounting policies, management has made the following accounting estimates and judgments which are significant to the consolidated financial statements:

Property, plant and equipment	4.1 & 5.1
Right-of-use assets	5.1.2
Intangible assets	5.2
Stock-in-trade, stores and spares	4.2, 5.6 & 5.7
Taxation & levies - net	4.4 & 5.14
Staff retirement benefits	4.5 & 5.12
Provisions	5.15
Impairment of non-financial assets	5.3
Contingent liabilities	5.23
Impairment of financial assets	4.3 & 5.25.5

4.1. Property, plant and equipment

The Group reviews appropriateness of the rate of depreciation, useful life and residual value used in the calculation of depreciation. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Group uses the technical resources available with the Group. Any change in 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. Stock-in-trade, stores and spares

The Group's management reviews the net realizable value (NRV) of stock-in-trade, stores and spares to assess any diminution in the respective carrying values and wherever required, provision for impairment is made.

4.3. Trade debts and other receivables

Impairment loss against doubtful trade and other debts is recorded in accordance with basis mentioned in note 5.25.5 of these consolidated financial statements.

4.4. Taxation

In making the estimate for taxation and levies made by the Company, the management refers to the current income tax laws and the decisions of appellate authorities on certain issues in the past.

4.5. Staff retirement benefits

Certain actuarial assumptions have been adopted as disclosed in note 23.1 to these consolidated financial statements for valuation of present value of staff gratuity scheme. Any changes in these assumptions in future years might affect the amounts recognized in those years.

5. MATERIAL ACCOUNTING POLICY INFORMATION

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

5.1. Property, plant and equipment

5.1.1. Owned

Property, plant and equipment including leasehold land and all additions except capital work-in-progress are stated at cost less accumulated depreciation and accumulated impairment losses. Cost of property, plant and equipment comprises acquisition cost and directly attributable cost of bringing the assets to its working condition. Borrowing cost including the exchange risk fee (if any) that are directly attributable to the acquisition, construction and production of a qualifying asset is capitalized as part of the cost during the period in which activities that are necessary to prepare the asset for its intended use are carried out.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognized. Normal repairs and maintenance are charged to the consolidated statement of profit or loss as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

Depreciation on assets other than leasehold land is calculated so as to write-off the assets over their expected economic lives under the diminishing balance method at rates given in note no. 6 to the consolidated financial statements.

Depreciation on leasehold land is charged to the consolidated statement of profit or loss, applying the straight-line method at rates given in note no. 6 to these consolidated financial statements whereby the cost is written off over the lease term. Depreciation is charged from the month when the asset is available for use and ceased from the month of disposal. Impairment loss if any are recorded on the basis as defined in note. 5.3.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as other income or expense.

5.1.2. Right-of-use assets

The right-of-use asset is initially measured based on the initial amount of the lease liability, any lease payments made at or before the commencement date, plus any initial direct costs incurred, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a diminishing balance method. The right-of-use assets is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Group has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognized as an expense on a straight line basis over the lease term.

5.1.3. Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment if any. All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. These expenditures are transferred to relevant category of property, plant and equipment as and when the assets start operation. Impairment losses, if any, are recorded on the basis as defined in note 5.3.

5.2. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are recognized when it is probable that the expected future economic benefits will flow to the entity and the cost of the asset can be measured reliably. Cost of the intangible asset (i.e. computer software) includes purchase cost and directly attributable expenses incidental to bring the asset for its intended use.

Costs associated with maintaining computer software are recognized as an expense as and when incurred.
Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged over the estimated useful life of the asset on a systematic basis applying straight line method and impairment losses if any are recorded on the basis as defined in note 5.3.

Useful lives of intangible operating assets are reviewed, at each reporting date and adjusted if the impact of amortization is significant.

The Holding Company's intangible assets consisting of software's having cost of Rs. 99,973,357/- which are fully amortized.

5.3. Impairment of non-financial assets

Assets that are subject to depreciation/amortization including capital work-in-progress are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable (cash-generating units).

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

5.4. Investments in associates

Associates are all entities over which the Group has significant influence but not control, generally Grouping a shareholding between 20% and 50% of the voting rights or common directorship. Investments in associates are accounted for using the equity method of accounting unless other law and regulations prescribe different criteria. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the Group's share of the profit or loss and other comprehensive income / loss of the associate after the date of acquisition.

5.5. Long term deposits

These are stated at amortized cost which represents the fair value of consideration given.

5.6. Stores and spares

All stores, spares and loose tools either imported or purchased locally are charged to the consolidated statement of profit or loss when consumed and are valued at lower of weighted moving average cost or estimated NRV except for items-in-transit which are stated at invoice value plus other incidental charges paid thereon up to the reporting date. Provision is made for obsolete and slow moving items where necessary and is recognized in the consolidated statement of profit or loss.

5.7. Stock-in-trade

These are valued at the lower of cost or net realizable value. Cost is determined as follows:

Types of stock	Valuation method
Raw and packing materials	lower of weighted average cost or net realizable value
Work-in-process	lower of weighted average cost or net realizable value
Finished goods	lower of weighted average cost or net realizable value
Goods in-transit	invoice value plus other charges incurred thereon
Trading goods	lower of weighted average cost or net realizable value

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realizable value and an allowance is recorded against the inventory balances for any such declines.

5.8. Trade debts and other receivables

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

5.9. Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprise of cash in hand and bank balances, short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and short term running finances under mark up arrangements.

5.10. Interest / Mark-up bearing loans and borrowings

All loans and borrowings are initially recognized at the fair value of the consideration received less directly attributable transaction costs.

Loans and borrowings are subsequently stated at amortized cost with any difference between the proceeds (net of transaction cost) and the redemption value is recognized in the consolidated statement of profit or loss except for any amount included in the cost of property, plant and equipment over the period of the borrowing using the effective interest method.

5.11. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (those that take a substantial period of time to get ready for their intended use) are capitalized as part of the cost of the relevant asset. All other borrowing costs are charged to the consolidated statement of profit or loss in the year in which they are incurred.

5.12. Staff retirement benefits - staff gratuity scheme

The Group operates an unfunded gratuity scheme covering all its permanent employees with one or more years of service with the Group. Provision for gratuity is made to cover obligation under the scheme in respect of employees who have completed the minimum qualifying period. Provision has been made in accordance with actuarial recommendations summarized in note no. 23.1 using the projected unit credit method.

5.13. Lease Liabilities

Leases are recognized as a right-of-use assets and a corresponding liability at the date at which the leased asset is available for use. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group incremental borrowing rate.

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

The lease liability is subsequently measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Group estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

5.14. Taxation and levies

5.14.1. Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or minimum tax on turnover or Alternate Corporate Tax whichever is higher and tax paid on final tax regime basis. Alternate Corporate Tax is calculated in accordance with the provisions of Section 113C of the Income Tax Ordinance, 2001.

5.14.2. Levies

Tax charged under the Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the income tax amount calculated based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss in accordance with the "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes" issued by Institute of Chartered Accountant of Pakistan (ICAP) and accounted for in accordance with requirement of IFRIC 21/IAS-37.

5.14.3. Deferred

Deferred tax is recognized using the statement of financial position liability method on all temporary differences between the carrying amount of the assets and liabilities and their tax bases.

Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets are recognized for all major deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

The carrying amount of the deferred tax asset is reviewed at each reporting date and is recognized only to the extent that it is probable that future taxable profits will be available against which the assets may be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it becomes probable that future taxable profit will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the year when the asset is utilized or the liability is settled, based on the tax rates that have been enacted or substantially enacted at the reporting date.

5.15. Provisions

Provisions are recognized in these consolidated statement of financial position when the Group has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

5.16. Trade and other payables

Liabilities for trade and other payables are measured at cost which is the fair value of the consideration to be paid in future for goods and services received.

5.17. Foreign currency translation

Transactions in foreign currencies are accounted for in Pakistani Rupee at the rate of exchange prevailing at the date of transaction. Monetary assets and monetary liabilities in foreign currencies as at the reporting date are expressed in Pakistani Rupee at rates of exchange prevailing on that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences are taken to the consolidated statement of profit or loss.

5.18. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker for allocating resources and assessing performance of the operating segments. Operating segment comprises of food, plastic and pharmaceutical division.

5.19. Dividend distribution

Dividend distribution to the shareholders is recognized as a liability in the period in which it is approved by the shareholders.

5.20. Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the board of directors, it is in the interest of the Group to do so.

5.21. Share Capital

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

5.22. Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and weighted average number of ordinary shares for the effects of all dilutive potential ordinary shares.

5.23. Contingent liabilities

Contingent liability is disclosed when:

a. 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

b. 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.

5.24. Operating, administrative and selling expenses

These expenses are recognized in the consolidated statement of profit or loss upon utilization of the services or as incurred except as specifically stated in these consolidated financial statements.

5.25. Financial Instruments - Initial recognition and subsequent measurement

5.25.1. Initial recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortized cost as the case may be.

5.25.2. Classification of financial assets

The Group classifies its financial assets in the following categories:

- at fair value through profit or loss ("FVTPL")
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortized cost.

The Group determines the classifications of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Group's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortized cost:

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

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

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

By default, all other financial assets are subsequently measured at FVTPL.

5.25.3. Classification of financial liabilities

The Group classifies its financial liabilities at amortized cost.

5.25.4. Subsequent measurement

i) Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in other comprehensive income / (loss).

ii) Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus the transaction cost that are directly attributable to the acquisition or issue of the financial assets or financial liabilities and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets and liabilities held at FVTPL are included in the consolidated statement of profit or loss in the period in which they arise.

Where the management has opted to recognize a financial liability at FVTPL, any changes associated with the Group's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

5.25.5. Impairment of financial assets

The Group recognizes loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortized cost and FVTOCI at an amount equal to life time ECLs except for the financial assets in which there is no significant increase in credit risk since initial recognition or financial assets which are determine to have low credit risk at the reporting date, in which case twelve months' ECL is recorded. The following were either determine to have low or there was no credit risk since initial recognition and at the reporting date:

- long term investment;
- long term deposits;
- loans and advances;
- trade deposits;
- short term investment;
- other receivables; and
- bank balances

Loss allowance for trade debts are always measured at an amount equal to life time ECLs.
Life time ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Twelve months ECLs are portion of ECL that result from default events that are possible within twelve months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured at the present value of all cash short falls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Group expects to receive).

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectation of recovering a financial asset in entirety or a portion thereof.

5.25.6. Derecognition

i) Financial assets

The Group derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfer the financial assets and substantially all the associated risks and reward of ownership to another entity. On derecognition of financial assets measured at amortized cost, the difference between the assets carrying value and the sum of the consideration received and receivable, is recognized in the consolidated statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve reclassified to the consolidated statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to the consolidated statement of profit or loss, but is transferred to retain earnings.

ii) Financial liabilities

The Group derecognizes its financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liabilities derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of profit or loss.

5.25.7. Off-setting of financial assets and liabilities

Financial assets and liabilities are off set and the net amount is reported in these consolidated statement of financial position if the Group has a legal right to set-off the transactions and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.26. Revenue

The Group is in the business of manufacturing and sale of goods. Revenue from contracts with customers is recognized 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 net of discount and sales related indirect taxes. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

The following are the specific recognition criteria that must be met before revenue is recognized:

a. Revenue from local sale of goods is recognized when the goods are dispatched and in case of export sales, when the goods are shipped i.e. when performance obligation are satisfied.
b. Processing income is recognized when services are rendered.
c. Gain or loss on sale of investments is taken to income in the period in which it arises.
d. Interest income is recognized on an accrual basis using the effective interest method.
e. Dividend is recognized when the right to receive is established.
f. Other income is recognized when the right to receive is established, and the amount and timing of related receipt is virtually certain.

5.27. Goodwill

Goodwill represents the excess of the cost of acquisition over the fair value of the Holding Company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested for impairment annually and whenever there is an indication that the value may be impaired, and carried at cost less accumulated impairment losses, if any. Impairment losses on goodwill are not reversed.

6. PROPERTY, PLANT AND EQUIPMENT

	Notes	2026	2025
		Rupees	
Operating assets	6.2	43,796,773,001	43,434,300,549
Capital work in progress - at cost	6.8	9,562,762,426	2,855,702,737
		53,359,535,427	46,290,003,286
6.1. Right-of-use assets	6.2	1,182,804,351	1,204,363,692

6.2. Detailed movement of operating assets and right-of-use assets are as follows;

	Operating assets										Right-of-use assets		
Year ended June 30, 2026	Leasehold land	Freehold land	Building on lease-hold land	Plant and machinery	Furniture and fittings	Equipments	Computers	Vehicles	Cooling tower & chillers	Grand total	Land	Vehicles	Grand total
	Rupees												
As at June 30, 2025													
Cost	3,274,135,142	88,688,580	13,859,349,929	44,060,066,910	372,309,130	1,514,835,839	258,500,559	1,993,791,767	29,400,000	65,451,077,856	1,188,303,203	46,899,398	1,235,202,601
Accumulated depreciation	(135,177,344)	-	(4,379,732,541)	(16,195,693,009)	(116,979,506)	(384,965,798)	(106,092,753)	(668,736,356)	(29,400,000)	(22,016,777,307)	(10,411,130)	(20,427,779)	(30,838,909)
Net book value	**3,138,957,798**	**88,688,580**	**9,479,617,388**	**27,864,373,901**	**255,329,624**	**1,129,870,041**	**152,407,806**	**1,325,055,411**	**-**	**43,434,300,549**	**1,177,892,073**	**26,471,619**	**1,204,363,692**
July 01, 2025													
Opening net book value	3,138,957,798	88,688,580	9,479,617,388	27,864,373,901	255,329,624	1,129,870,041	152,407,806	1,325,055,411	-	43,434,300,549	1,177,892,073	26,471,619	1,204,363,692
Additions / Transfers from CWIP	260,749,830	-	508,047,961	2,449,403,846	30,299,408	299,777,719	129,407,308	901,668,343	-	4,579,354,415	29,579,206	30,348,472	59,927,678
Transfer from right-of-use assets													
to owned assets													
Cost	-	-	-	-	-	-	-	46,899,400	-	46,899,400	-	(46,899,400)	(46,899,400)
Accumulated depreciation	-	-	-	-	-	-	-	(25,768,398)	-	(25,768,398)	-	25,768,398	25,768,398
	-	-	-	-	-	-	-	21,131,002	-	21,131,002	-	(21,131,002)	(21,131,002)
Disposal													
Cost	-	-	-	(16,782,626)	-	(4,267,075)	(15,594,325)	(362,133,914)	-	(398,777,940)	-	-	-
Accumulated depreciation	-	-	-	9,844,229	-	2,449,760	8,993,686	181,590,094	-	202,877,769	-	-	-
	-	-	-	(6,938,397)	-	(1,817,315)	(6,600,639)	(180,543,820)	-	(195,900,171)	-	-	-
Depreciation charge for the year	(34,164,240)	-	(965,831,207)	(2,523,539,364)	(26,829,804)	(121,958,533)	(34,932,544)	(334,857,102)	-	(4,042,112,794)	(23,911,135)	(5,340,617)	(29,251,752)
Foreign currency translation difference	-	-	-	-	-	-	-	-	-	-	(31,104,265)	-	(31,104,265)
Closing net book value	**3,365,543,388**	**88,688,580**	**9,021,834,142**	**27,783,299,986**	**258,799,228**	**1,305,871,912**	**240,281,931**	**1,732,453,834**	**-**	**43,796,773,001**	**1,152,455,879**	**30,348,472**	**1,182,804,351**
As at June 30, 2026													
Cost	3,534,884,972	88,688,580	14,367,397,890	46,492,688,130	402,608,538	1,810,346,483	372,313,542	2,580,225,596	29,400,000	69,678,553,731	1,217,882,409	30,348,472	1,248,230,879
Accumulated depreciation	(169,341,584)	-	(5,345,563,748)	(18,709,388,144)	(143,809,310)	(504,474,571)	(132,031,611)	(847,771,762)	(29,400,000)	(25,881,780,730)	(65,426,530)	-	(65,426,528)
Net book value	**3,365,543,388**	**88,688,580**	**9,021,834,142**	**27,783,299,986**	**258,799,228**	**1,305,871,912**	**240,281,931**	**1,732,453,834**	**-**	**43,796,773,001**	**1,152,455,879**	**30,348,472**	**1,182,804,351**
Depreciation rate (%)	1	-	10	*5 - 10	10	10	20	20	33		5.7	20	

***During the year, the depreciation rate of certain assets of Plant and machinery of the Group has been reassessed from 10% to 5%.**

	Operating assets										Right-of-use assets		
Year ended June 30, 2025	Leasehold land	Freehold land	Building on leasehold land	Plant and machinery	Furniture and fittings	Equipments	Computers	Vehicles	Cooling tower & chillers	Grand total	Land	Vehicles	Grand total
	Rupees												
As at June 30, 2024													
Cost	2,661,689,992	88,688,580	12,918,921,402	42,695,823,483	361,464,428	1,337,523,900	191,024,627	1,658,023,528	29,400,000	61,942,559,940	-	46,899,399	46,899,399
Accumulated depreciation	(106,888,024)	-	(3,373,339,749)	(13,188,010,119)	(89,286,268)	(277,842,338)	(87,576,160)	(544,199,776)	(21,233,335)	(17,688,375,769)	-	(13,841,762)	(13,841,762)
Net book value	**2,554,801,968**	**88,688,580**	**9,545,581,653**	**29,507,813,364**	**272,178,160**	**1,059,681,562**	**103,448,467**	**1,113,823,752**	**8,166,665**	**44,254,184,171**	**-**	**33,057,637**	**33,057,637**
July 01, 2024													
Opening net book value	2,554,801,968	88,688,580	9,545,581,653	29,507,813,364	272,178,160	1,059,681,562	103,448,467	1,113,823,752	8,166,665	44,254,184,171	-	33,057,637	33,057,637
Additions / Transfers from CWIP	612,445,150	-	940,428,527	1,364,243,427	10,844,702	177,797,164	91,893,047	689,686,072	-	3,887,338,089	1,188,303,204	-	1,188,303,204
Transfer from leased assets													
to owned assets											-		
Cost	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposal											-		
Cost	-	-	-	-	-	(485,225)	(24,417,115)	(353,917,833)	-	(378,820,173)	-	-	-
Accumulated depreciation	-	-	-	-	-	383,720	7,480,034	137,651,265	-	145,515,019	-	-	-
	-	-	-	-	-	(101,505)	(16,937,081)	(216,266,568)	-	(233,305,154)	-	-	-
Depreciation charge for the year	(28,289,320)	-	(1,006,392,792)	(3,007,682,890)	(27,693,238)	(107,507,180)	(25,996,627)	(262,187,845)	(8,166,665)	(4,473,916,555)	(10,236,257)	(6,586,018)	(16,822,275)
Foreign currency translation difference	-	-	-	-	-	-	-	-	-	-	(174,874)	-	(174,874)
Closing net book value	**3,138,957,798**	**88,688,580**	**9,479,417,388**	**27,864,373,901**	**255,329,624**	**1,129,870,041**	**152,407,806**	**1,325,055,411**	**-**	**43,434,100,551**	**1,177,892,073**	**26,471,619**	**1,204,363,692**
As at June 30, 2025													
Cost	3,274,135,142	88,688,580	13,859,349,929	44,060,066,910	372,309,130	1,514,835,839	258,500,559	1,993,791,767	29,400,000	65,451,077,856	1,188,303,203	46,899,398	1,235,202,602
Accumulated depreciation	(135,177,344)	-	(4,379,732,541)	(16,195,693,009)	(116,979,506)	(384,965,798)	(106,092,753)	(668,736,356)	(29,400,000)	(22,016,777,307)	(10,411,130)	(20,427,779)	(30,838,910)
Net book value	**3,138,957,798**	**88,688,580**	**9,479,617,388**	**27,864,373,901**	**255,329,624**	**1,129,870,041**	**152,407,806**	**1,325,055,411**	**-**	**43,434,300,549**	**1,177,892,073**	**26,471,619**	**1,204,363,692**
Depreciation rate (%)	1	-	10	10	10	10	20	20	33		5.7	20	

6.3. Property plant and equipment of the Company is under charge against long term finances as mentioned in note no. 21.

6.4. The expenses have been allocated to the consolidated statement of profit or loss as follows:

	Notes	2026	2025
		Rupees	
Depreciation charge of operating assets			
Cost of sales	31	3,675,459,581	4,174,451,542
Selling and distribution expenses	32	154,349,516	142,559,286
Administrative expenses	33	212,303,697	156,905,729
		4,042,112,794	4,473,916,557
Depreciation relating to right-of-use assets			
Cost of sales	31	1,878,715	503,943
Selling and distribution expenses	32	2,986,950	3,733,685
Administrative expenses	33	474,952	2,348,390
		5,340,617	6,586,018
Depreciation capitalized		23,911,135	10,236,257
		29,251,752	16,822,275

6.5 Particulars of immovable property (i.e. land and building) in the name of the Group companies are as follows:

Locations		* Total area
17 - Bangalore Town, Shahrah-e-Faisal, Karachi.	Registered office / Head office	1000 sq. yd
C-230, Hub H.I.T.E., Balochistan.	Manufacturing facility - Unit 1	7.54 acres
B-140, Hub H.I.T.E., Balochistan.	Manufacturing facility - Unit 2	4.59 acres
G-1, Hub H.I.T.E., Balochistan.	Manufacturing facility - Unit 3	3.486 acres
G-22, Hub H.I.T.E., Balochistan.	Manufacturing facility - Unit 4	9.00 acres
38-C, Sundar Industrial Estate, Raiwind Road, Lahore.	Manufacturing facility - Unit 5	4.02 acres
D-91, D-92 & D-94 North Western Zone, Port Qasim, Karachi.	Manufacturing facility - Unit 6	7.50 acres
E164-168, North Western Zone, Port Qasim, Karachi.	Manufacturing facility - Unit 7	2.74 acres
E154-157, North Western Zone, Port Qasim, Karachi.	Manufacturing facility - Unit 8	5.04 acres
G-1A, Hub H.I.T.E., Balochistan.	Manufacturing facility - Unit 9	3.185 acres
E164-168, North Western Zone, Port Qasim, Karachi.	Manufacturing facility - Unit 10	3.50 acres
D-101/M, D-101/N, S.I.T.E area, Nooriabad, District Jamshoro, Sindh.	For future expansion	20.50 acres
PT2-24-2402, Pearl Tower, Plot # 7 (R9) Cresent Bay, Karachi.	Administrative purpose	2,209.57 sq. ft
Sabzi mandi road, Chak no. 241 Dist. Faisalabad.	For future expansion	0.88 acres
39-B, Sundar Industrial Estate, Raiwind Road, Lahore.	For future expansion	1.138 acres
EIZ/1/P-II-B, Eastern industrial Zone, Port Qasim, Karachi.	For future expansion	15 acres
Plot 1,2,3 Hub H.I.T.E Balochistan	For future expansion	8.37 acres
D-93, North Western Industrial Zone, Port Qasim.	Manufacturing facility - HPPL	2.5 acres
Unit 1 : A-39 North Western Zone, Port Qasim, Karachi.	Manufacturing facility - IRPL	4.7 acres
Unit 2 : A-40 North Western Zone, Port Qasim, Karachi.	Manufacturing facility - IRPL	4.7 acres
Unit 1 : 85B, KHIA8-82A, KIZAD A, Abu Dhabi, U.A.E.	Manufacturing facility - BMEM	37,743.66 sq . mt

* The covered area includes multi-storey buildings.

6.6 Following are the particulars of the disposed assets having a book value exceed five hundred thousand rupees.

Description	Cost	Accumulated depreciation	Net book amount	Sale proceeds	Gain / (loss)	Particulars of buyer	Relationship	Mode of disposal
	..... Rupees							
Plant & Machinery	4,807,309	4,225,958	581,351	4,000,000	3,418,649	-	-	-
Vehicles	28,575,000	17,585,944	10,989,056	28,800,000	17,810,944	Mustafa Dhedhi	Independent	Negotiable
Vehicles	22,634,494	12,175,547	10,458,947	25,000,000	14,541,053	Mustafa Dhedhi	Independent	Negotiable
Vehicles	19,877,100	18,032,271	1,844,829	23,300,000	21,455,171	Mustafa Dhedhi	Independent	Negotiable
Vehicles	17,939,000	2,043,053	15,895,947	15,700,000	(195,947)	Toyota Highway Motor	Independent	Negotiable
Vehicles	7,620,225	5,456,162	2,164,063	3,537,000	1,372,937	Faisal Aheed	Employee	Company Policy
Vehicles	7,620,325	5,409,415	2,210,910	3,536,800	1,325,890	Aqeel Kamal	Employee	Company Policy
Vehicles	7,620,225	5,497,779	2,122,446	3,536,760	1,414,314	Jawwad Ali Tipu	Employee	Company Policy
Vehicles	17,878,350	7,342,042	10,536,308	13,000,000	2,463,692	Mustafa Dedhi	Independent	Negotiable
Vehicles	7,620,484	5,411,262	2,209,222	10,500,000	8,290,778	Gagai Motors	Independent	Negotiable
Vehicles	3,562,364	1,505,376	2,056,988	3,115,162	1,058,174	Umber Jawed	Employee	Company Policy
Vehicles	3,297,354	1,597,385	1,699,969	3,049,792	1,349,823	Usman Aslam	Employee	Company Policy
Vehicles	4,932,400	1,433,684	3,498,716	3,940,720	442,004	Haider Nawab Akhtar	Employee	Company Policy
	153,984,630	**87,715,878**	**66,268,752**	**141,016,234**	**74,747,482**			

Description	Cost	Accumulated depreciation	Net book amount	Sale proceeds	Gain / (loss)	Particulars of buyer	Relationship	Mode of disposal
	..... Rupees							
Vehicles	5,103,900	2,153,846	2,950,054	4,100,000	1,149,946	Hasnain Ahmed	Independent	Negotiable
Vehicles	4,928,150	1,869,412	3,058,738	3,792,943	734,205	Usman Javed	Employee	Company Policy
Vehicles	2,866,101	1,887,398	978,703	1,571,116	592,413	Abu Asif	Employee	Company Policy
Vehicles	6,752,950	1,586,943	5,166,007	6,572,000	1,405,993	Efu General Insurance	Independent	Company Policy
Vehicles	2,419,837	1,282,062	1,137,775	1,777,986	640,211	M.Ahsan Bhutto	Employee	Company Policy
Vehicles	4,714,375	1,129,355	3,585,020	4,000,000	414,980	Ali Raza Kazmi	Employee	Company Policy
Vehicles	3,565,476	1,648,042	1,917,434	2,780,969	863,535	Shujaat Ali Ansari	Employee	Company Policy
Vehicles	2,308,590	1,516,436	792,154	1,157,775	365,621	M.Arif	Employee	Company Policy
Vehicles	2,308,590	1,531,623	776,967	1,130,850	353,883	Faizan Rizwan	Employee	Company Policy
Vehicles	2,308,490	1,518,976	789,514	1,130,808	341,294	Gohar Ishtiaque	Employee	Company Policy
Vehicles	2,308,440	1,584,929	723,511	1,076,940	353,429	Salman Muhammad	Employee	Company Policy
Vehicles	1,542,567	1,040,258	502,309	726,800	224,491	Muhammad Afzaal	Employee	Company Policy
Vehicles	1,539,222	1,038,352	500,870	726,700	225,830	Irfan Ansari	Employee	Company Policy
Vehicles	2,933,874	2,116,403	817,471	626,524	(190,947)	Waseem Gul	Employee	Company Policy
Vehicles	1,508,029	786,604	721,425	841,585	120,160	Muhammad Fahd	Employee	Company Policy
Vehicles	1,203,467	687,249	516,218	591,675	75,457	M.Shaheer Mirza	Employee	Company Policy
Vehicles	2,238,937	923,039	1,315,898	1,603,739	287,841	Muhammad Rizwan	Employee	Company Policy
Vehicles	1,779,604	788,721	990,883	1,249,725	258,842	Awais Ahmed	Employee	Company Policy
Vehicles	1,508,029	786,604	721,425	980,015	258,590	Abdullah Fakhar	Employee	Company Policy
Vehicles	2,738,870	561,468	2,177,402	2,355,428	178,026	Saad Mansoori	Employee	Company Policy
Vehicles	1,356,669	804,450	552,219	540,730	(11,489)	Jannat Gul	Employee	Company Policy
Vehicles	1,356,669	794,803	561,866	540,730	(21,136)	Mirza Ashar	Employee	Company Policy
Vehicles	2,738,400	907,323	1,831,077	1,985,630	154,553	M.Usman Khan	Employee	Company Policy
Vehicles	2,238,937	1,081,854	1,157,083	1,599,809	442,726	M.Zohaib Khan	Employee	Company Policy
Vehicles	2,238,937	1,081,854	1,157,083	1,383,619	226,536	M.Asif Asghar	Employee	Company Policy
Vehicles	2,744,500	839,360	1,905,140	2,020,603	115,463	Hasham Khan	Employee	Company Policy
Vehicles	1,775,954	970,855	805,099	743,997	(61,102)	Rizwan Ahsan	Employee	Company Policy
Vehicles	2,351,328	1,093,524	1,257,804	1,709,755	451,951	Muhammad Ahmad	Employee	Company Policy
Vehicles	2,642,280	1,174,934	1,467,346	1,717,742	250,396	Asad Mir	Employee	Company Policy
Vehicles	1,779,604	942,478	837,126	1,024,775	187,649	Hammad Ali Khan	Employee	Company Policy
Vehicles	3,035,361	404,715	2,630,646	2,994,861	364,215	Efu General Insurance	Independent	Company Policy
Vehicles	2,696,851	1,167,437	1,529,414	2,262,205	732,791	Suleman Khan	Employee	Company Policy
Vehicles	3,657,650	923,353	2,734,297	3,249,616	515,319	M.Shahzad Hussain	Employee	Company Policy
Vehicles	1,850,467	1,010,931	839,536	1,226,964	387,428	Naveed Shahzad	Employee	Company Policy
Vehicles	3,405,125	1,334,809	2,070,316	2,549,044	478,728	Syed Toufiq Hussain	Employee	Company Policy
Vehicles	2,696,811	1,193,788	1,503,023	2,136,499	633,476	Ebad Bintory	Employee	Company Policy
	95,143,041	**42,164,188**	**52,978,853**	**66,480,157**	**13,501,304**			

Description	Cost	Accumulated depreciation	Net book amount	Sale proceeds	Gain / (loss)	Particulars of buyer	Relationship	Mode of disposal
	Rupees							
Vehicles	2,642,370	1,035,809	1,606,561	1,750,835	144,274	Hameed Ullah	Employee	Company Policy
Vehicles	8,901,728	1,431,695	7,470,033	8,007,055	537,022	Qaiser Siddiqi	Employee	Company Policy
Vehicles	3,364,717	1,625,831	1,738,886	2,682,680	943,794	Pir Abdul Basit	Employee	Company Policy
Vehicles	2,696,851	1,193,806	1,503,045	3,100,000	1,596,955	Efu General Insurance	Independent	Company Policy
Vehicles	2,696,061	1,193,456	1,502,605	2,405,000	902,395	Ali Raza Kazim	Independent	Negotiable
Vehicles	2,696,261	1,193,545	1,502,716	2,405,000	902,284	Ali Raza Kazim	Independent	Negotiable
Vehicles	3,657,650	970,496	2,687,154	2,505,000	(182,154)	Ali Raza Kazim	Independent	Negotiable
Vehicles	2,256,221	1,214,950	1,041,271	1,528,489	487,218	Zakir Hussain	Employee	Company Policy
Vehicles	3,404,750	1,324,069	2,080,681	2,300,000	219,319	Abid Khan	Independent	Negotiable
Vehicles	3,405,500	1,403,066	2,002,434	2,325,000	322,566	Waqar Hussain	Independent	Negotiable
Vehicles	2,689,171	1,269,289	1,419,882	2,325,000	905,118	Waqar Hussain	Independent	Negotiable
Vehicles	3,657,650	1,159,069	2,498,581	3,610,000	1,111,419	Efu General Insurance	Independent	Company Policy
Vehicles	1,649,640	1,062,424	587,216	1,059,386	472,170	Noman Shafiq	Employee	Company Policy
Vehicles	2,696,811	1,325,632	1,371,179	1,979,403	608,224	Noman Rafiq	Employee	Company Policy
Vehicles	3,404,750	1,437,561	1,967,189	2,412,686	445,497	Muhammad Imran	Employee	Company Policy
Vehicles	2,689,061	1,446,117	1,242,944	2,800,000	1,557,056	Efu General Insurance	Independent	Company Policy
Vehicles	3,658,630	1,253,691	2,404,939	2,300,000	(104,939)	Marium Azfar	Independent	Negotiable
Vehicles	2,256,221	1,290,679	965,542	1,423,076	457,534	Abu Saeed Ashrafi	Employee	Company Policy
Vehicles	2,256,221	1,328,543	927,678	1,449,428	521,750	Muhammad Anwer	Employee	Company Policy
Vehicles	3,405,125	1,552,737	1,852,388	2,200,000	347,612	M.Waqar	Independent	Negotiable
Vehicles	3,657,650	1,253,355	2,404,295	2,300,000	(104,295)	Asjad Rana	Independent	Negotiable
Vehicles	4,165,632	1,499,627	2,666,005	3,550,000	883,995	Mehmood Suleman	Employee	Company Policy
Plant & Machinery	4,198,895	1,317,566	2,881,329	1,500,000	(1,381,329)	Technology Marchant	Independent	Negotiable
Plant & Machinery	1,947,368	577,090	1,370,278	600,000	(770,278)	Technology Marchant	Independent	Negotiable
Plant & Machinery	1,878,450	718,901	1,159,549	700,000	(459,549)	Technology Marchant	Independent	Negotiable
Equip-ments	4,267,075	2,449,760	1,817,315	1,500,000	(317,315)	Technology Marchant	Independent	Negotiable
Vehicle	3,997,000	2,514,215	1,482,785	1,640,174	157,389	Muhammad Sarfaraz	Employee	Company Policy
	88,197,459	**36,042,979**	**52,154,480**	**62,358,212**	**10,203,732**			
	337,325,130	**165,923,045**	**171,402,085**	**269,854,603**	**98,452,518**			

6.6.1. Aggregate of assets disposed off having net book value not exceeding Rs. 500,000

Description	Cost	Accumulated depreciation	Net book value	Sale proceed	Gain / (loss)
Computers	15,151,438	8,724,960	6,426,478	1,646,016	(4,780,462)
Vehicles	42,350,768	25,225,050	17,125,718	37,181,632	20,055,914
Equipments	3,950,604	3,004,714	945,890	2,800,600	1,854,710
Sub-total	**61,452,810**	36,954,724	24,498,086	41,628,248	17,130,162
2026 - total	**398,777,940**	**202,877,769**	**195,900,171**	**311,482,851**	**115,582,680**
2025 - total	**378,820,173**	**145,515,019**	**233,305,154**	**291,209,956**	**57,904,802**

6.7. All disposals are made through negotiation or otherwise specified in 6.6.1 of these consolidated financial statements.

6.8. Capital work-in-progress

	Notes	2026	2025
		Rupees	
Civil works		**2,032,346,418**	1,320,201,587
Plant and machinery		**6,663,654,797**	1,153,650,232
Equipment and fittings		**278,054,939**	115,064,134
	6.8.1	**8,974,056,154**	2,588,915,953
Advance for capital expenditure		**588,706,272**	266,786,784
		9,562,762,426	2,855,702,737

6.8.1. Movement of Capital work-in-progress

	Civil works	Plant and machinery	Equipment and fittings	Total
	Rupees			
Balance as at July 1, 2024	541,779,418	528,909,048	51,100,870	1,121,789,336
CAPEX incurred during the year	2,286,296,396	1,839,494,174	205,451,473	4,331,242,043
Expenses capitalized	-	135,000,000	-	135,000,000
Transferred to operating fixed assets	(1,507,874,227)	(1,349,752,990)	(141,488,209)	(2,999,115,426)
Balance as at June 30, 2025	**1,320,201,587**	**1,153,650,232**	**115,064,134**	**2,588,915,953**
CAPEX incurred during the year	**1,185,918,974**	**8,039,687,439**	**465,177,682**	**9,690,784,095**
Transferred to operating fixed assets	**(473,774,143)**	**(2,409,999,307)**	**(302,186,877)**	**(3,185,960,327)**
Deletions	**-**	**(119,683,567)**	**-**	**(119,683,567)**
Balance as at June 30, 2026	**2,032,346,418**	**6,663,654,797**	**278,054,939**	**8,974,056,154**

6.8.2. This includes amount of borrowing cost capitalized during the year at average incremental borrowing rate of the Group.

6.8.3. Items of plant & machinery held in capital work in progress are sold to associated Company Ismail Global Pakistan (SMC-Private) limited at cost amounting to Rs. 119,683,567.

7. LONG TERM INVESTMENTS

	Notes	2026	2025
		Rupees	
Investment in associated company			
The Bank of Khyber	7.1	**4,911,671,429**	5,253,186,740
		4,911,671,429	5,253,186,740

7.1. The Bank of Khyber

The total shareholding of the Holding Company in the Bank of Khyber (the Bank) is 282,852,970 (June 2025: 282,852,970) shares which represents 24.43% of paid-up capital of the Bank (June 2025: 24.43%). The Bank concludes its annual financial results on December 31 as required by the State Bank of Pakistan for financial institutions. Amounts in these consolidated financial statements have been taken from unaudited financial statements of the Bank for the period ended June 30, 2026 (June 2025: period ended June 30, 2025). Adjustment to conform to the Bank's accounting policies is not warranted as the Bank is not engaged in like transaction under similar circumstances.

The market value of holding in the Bank as at June 30, 2026 was Rs. 9,520.83 million (June 30, 2025: Rs. 5,003.67 million), which is placed in level 1 of the fair value hierarchy and is based on quoted market price.

	The Bank of Khyber	
	2026	2025
	--------- Rupees ---------	
Balance as at July 1	**5,253,186,740**	4,030,256,700
Share of profit for the year / period	**956,671,903**	1,516,519,377
Share of other comprehensive (loss) / income for the year / period	**(393,057,713)**	187,260,710
Dividend received	**(905,129,501)**	(480,850,047)
Balance as at June 30	**4,911,671,429**	5,253,186,740

Summarized financial information in respect of the Company's associate is set out below:

	The Bank of Khyber	
	June 30, 2026	June 30, 2025
	Un-audited	Un-audited
	--------- Rupees ---------	
Total assets	**597,417,626,000**	537,205,029,000
Total liabilities	**575,537,253,000**	513,940,919,000
Revenue	**20,182,108,000**	22,820,941,000
Profit for the year / period	**3,916,378,000**	6,208,255,000
Other comprehensive (loss) / income for the period / year	**(1,626,932,000)**	81,155,000
Total comprehensive income for the year / period	**2,289,446,000**	6,289,410,000

8. LONG TERM DEPOSITS

	2026	2025
	--------- Rupees ---------	
Utility companies	**19,584,472**	16,479,953
Deposit against lease	**-**	3,478,000
Others	**18,091,344**	11,918,645
	37,675,816	31,876,598

9. STORES AND SPARES

Stores	**136,332,464**	156,778,570
Spare parts	**1,072,511,447**	774,063,640
Others	**73,769,882**	61,548,179
	1,282,613,793	992,390,389

9.1. This includes provision for slow moving amounting to Rs 8,591,420 (June 2025: Rs 8,591,420)

10. STOCK-IN-TRADE

	Notes	**2026**	2025
		--------- Rupees ---------	
Raw materials	10.2&10.3	**13,807,029,756**	11,717,309,152
Packing materials		**2,724,682,216**	2,018,333,780
Work-in-process	31	**930,040,844**	646,949,545
Finished goods	31	**9,019,489,220**	8,586,718,624
		26,481,242,036	22,969,311,101

10.1. Stock-in-trade of the Group is under hypothecation charge against short term finances as mentioned in note no. 26.

10.2. This includes provision for slow moving amounting to Rs 181,780,346 (June 2025: Rs 83,000,000)

10.3. This includes raw material in transit amounting to Rs. 2,471,933,176 (June 2025: Rs. 1,085,799,895).

11. TRADE DEBTS

	Notes	**2026**	2025
		--------- Rupees ---------	
Considered good			
- export - secured	11.1&11.2	**2,211,568,225**	3,992,602,693
- local - unsecured	11.1	**14,715,865,898**	12,015,855,176
		16,927,434,123	16,008,457,869
Allowance for expected credit loss	11.2	**(285,066,439)**	(249,949,879)
Trade debts - net		**16,642,367,684**	15,758,507,990

11.1. Trade debts of the Group is under hypothecation charge against short term finances as mentioned in note no. 26.

11.2. Allowance for expected credit loss

	Notes	**2026**	2025
		--------- Rupees ---------	
Balance at the beginning of the year		**(249,949,879)**	(209,366,262)
Charge during the year	32	**(35,116,560)**	(40,583,617)
Balance at the end of the year		**(285,066,439)**	(249,949,879)

11.3. Age analysis of trade debts

	2026	2025
Not Due	**14,285,607,309**	13,114,590,257
Due but not more than 3 months	**1,257,115,073**	1,591,768,511
Due more than 3 months but not more than 6 months	**756,736,400**	905,894,511
Due more than 6 months but not more than 1 year	**427,572,865**	263,000,218
Due more than 1 year	**200,402,476**	133,204,372
	16,927,434,123	16,008,457,869

11.4. Age analysis of expected credit loss

	2026	2025
	--------- Rupees ---------	
Not Due	**39,510,941**	34,368,614
Due but not more than 3 months	**27,080,732**	18,767,440
Due more than 3 months but not more than 6 months	**20,500,656**	23,406,848
Due more than 6 months but not more than 1 year	**32,822,884**	16,374,965
Due more than 1 year	**165,151,226**	157,032,012
	285,066,439	249,949,879

12. LOANS AND ADVANCES

	Notes	2026	2025
		--------- Rupees ---------	
Loans - secured - employees	12.1	**179,006,677**	135,343,958
Advances - unsecured			
- suppliers		**4,306,592,921**	3,909,964,256
- LC margins held with Allied Bank Limited		**-**	106,234
		4,485,599,598	4,045,414,448

12.1. These represents interest free loan that are to be paid within a period of one year in equal monthly installments as per policy. Any outstanding loan due from an employee at the time of leaving the service is adjustable against the final settlement of staff.

13. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS

	Notes	2026	2025
		--------- Rupees ---------	
Trade deposits - unsecured		**65,772,834**	44,404,995
Short term prepayments		**9,083,731**	6,365,917
		74,856,565	50,770,912

14. SHORT TERM INVESTMENTS

		2026	2025
Held at:			
Amortized cost	14.1	**1,763,221,422**	2,323,542,259
Fair value through other comprehensive income	14.2	**976,084,924**	918,419,065
Fair value through profit and loss	14.3	**969,765,795**	304,308,772
		3,709,072,141	3,546,270,096

14.1. These investments are made in term deposit receipts and T- bills of various banks at the rates range from 9.00% to 13.45% (June 2025: 14% to 23%). These investments include TDR having maturity upto 3 months amounting to Rs. 429.61 millions.

14.2. These investments are made in term finance certificates in various banks. The fair value of these certificates range from 96% to 100% of their face value (June 2025: 95% to 99.13%).

14.3. This investment are made in listed equity securities.

15. OTHER RECEIVABLES

	Notes	2026	2025
		--------- Rupees ---------	
Export rebate		**147,450,587**	92,472,969
Sales tax carry forward		**9,051,979,643**	5,894,708,573
Markup receivable	15.1	**341,342**	14,540,628
Other receivables	15.2&15.3	**622,870,112**	2,809,236,199
		9,822,641,684	8,810,958,369

15.1. This represents markup receivable from associated company.

15.2. These includes advance to the Nazir of Court as mentioned in note no. 28.1.7 of this consolidated financial statements for the year ended June 30, 2026.

15.3. These includes receivable from associate Company against sales of fixed asset.

16. TAXATION AND LEVIES - net

	2026	2025
	--------- Rupees ---------	
Advance income tax / levies	**6,272,111,243**	5,620,020,105
Provision for levies and taxation	**(2,465,106,819)**	(2,126,808,073)
	3,807,004,424	3,493,212,032

17. CASH AND BANK BALANCES

	2026	2025
Cash in hand	**3,460,998**	8,055,170
Cash at banks:		
- current accounts - conventional	**1,122,314,130**	552,341,133
- current accounts - Islamic	**752,080,035**	911,481,506
	1,877,855,163	1,471,877,809

18. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2026	2025		2026	2025
Number of Shares			--------- Rupees ---------	
53,072,940	53,072,940	Ordinary shares of Rs. 10 each fully paid in cash	**530,729,400**	530,729,400
13,284,000	13,284,000	Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash under scheme of arrangement for amalgamation	**132,840,000**	132,840,000
66,356,940	66,356,940		**663,569,400**	663,569,400

19. NON-CONTROLLING INTEREST

Below is summarized financial information of Hudson Pharma (Private) Limited, Ismail Resin (Private) Limited that has a non-controlling interest of 21.47% (2025: 21.47%) and 22.83% (2025: 25%) respectively which is material to the Group. The amounts disclosed are before inter-group eliminations.

Summarised Statement of Financial Position	2026	2025
	--------- Rupees ---------	
Current assets	**18,213,222,052**	12,842,856,036
Non-current assets	**19,215,328,069**	13,766,945,800
Current liabilities	**(24,207,919,020)**	(17,601,634,688)
Non-current liabilities	**(9,599,194,773)**	(5,842,332,946)
	3,621,436,328	3,165,834,202
Accumulated NCI	**743,793,721**	700,200,615

Summarised Statement of Profit or Loss and Other Comprehensive Income	Notes	2026	2025
		--------- Rupees ---------	
Net Sales		**(35,797,461)**	(2,052,489,504)
Loss for the year		**(44,397,874)**	(2,050,513,126)
Total comprehensive loss		**(15,476,433)**	(506,148,654)
Loss allocated to NCI			
Summarised Statement of Cash Flows			
Cash flow from operating activities		**938,937,372**	3,639,555,185
Cash flow from investing activities		**(6,435,318,099)**	(2,142,511,781)
Cash flow from financing activities		**5,550,448,921**	711,504,570
Net increase in cash and cash equivalents		**54,068,194**	2,208,547,974

20. RESERVES

Capital reserve			
- Share premium	20.1	**1,472,531,500**	1,472,531,500
- Reserve arising due to amalgamation	20.2	**916,862,067**	916,862,067
Revenue Reserve			
- Remeasurement of investment in associate		**(381,161,177)**	(47,062,121)
- Unrealized loss on remeasurement of investment classified as fair value through OCI - net of tax		**(6,581,450)**	(33,529,700)
- Foreign currency translation reserve		**(24,209,807)**	43,970,663
- Transfer due to statutory reserve		**1,620,031**	-
- Unappropriated profit		**26,020,084,126**	22,468,686,504
Total reserves	20.3	**27,999,145,290**	24,821,458,913

20.1. This represents share premium amount pertains to issue of shares at premium. This reserve can be utilized by the Group for the purpose specified in section 81(2) of the Companies Act, 2017.

20.2. This represents reserve created under scheme of arrangement for amalgamation of an Astro Plastics (Private) Limited with the Group.

20.3. Movement of the total reserves have been reflected in the consolidated statement of changes in equity.

21. LONG TERM FINANCES - secured

	June 30, 2026			June 30, 2025		
	----------Rupees ----------					
	Conventional	Islamic	Total	Conventional	Islamic	Total
At beginning of the year	**20,793,289,887**	**16,752,894,649**	**37,546,184,536**	24,187,636,341	7,120,467,455	31,308,104,096
Obtained during the year	**3,283,856,844**	**6,478,030,753**	**9,761,887,597**	1,684,069,964	11,623,463,740	13,307,533,704
Repaid during the year	**(5,115,796,967)**	**(1,951,108,826)**	**(7,066,905,793)**	(5,078,416,418)	(1,991,036,846)	(7,069,453,264)
	18,961,349,764	**21,279,816,576**	**40,241,166,340**	20,793,289,887	16,752,894,649	37,546,184,536
Less: Current maturity	**(4,811,702,911)**	**(5,338,105,018)**	**(10,149,807,929)**	(5,114,822,877)	(1,858,282,783)	(6,973,105,660)
	14,149,646,853	**15,941,711,558**	**30,091,358,411**	15,678,467,010	14,894,611,866	30,573,078,876

21.1. Conventional

Long Term Financing Facility (LTFF)	Notes	2026	2025
Askari Bank Limited	21.1.1	**750,000,000**	-
Habib Bank Limited	21.1.1	**788,994,859**	1,038,129,627
Bank Al-Habib Limited	21.1.1	**105,270,290**	162,358,290
MCB Bank Limited	21.1.1	**1,495,269,097**	337,443,770
Allied Bank Limited	21.1.1	**1,209,606,219**	1,489,539,500
Pak Brunei Investment Company Limited	21.1.1	**259,908,700**	346,415,500
Pak Oman Investment Company Limited	21.1.1	**396,241,685**	491,377,317
Bank Al falah Limited	21.1.1	**76,141,738**	129,984,401
JS Bank Limited	21.1.1	**479,758,961**	558,478,196
Habib Metropolitan Bank Limited	21.1.1	**39,305,429**	-
National Bank of Pakistan	21.1.1	**1,540,149,244**	526,250,972
PAIR Investment Company Limited	21.1.1	**138,734,189**	22,765,625
	21.1.1	**7,279,380,411**	5,102,743,198
Temporary Economic Refinance Facility (TERF)			
Habib Bank Limited	21.1.2	**1,013,922,326**	1,200,297,835
MCB Bank Limited	21.1.2	**237,497,826**	284,997,634
Habib Metropolitan Bank Limited	21.1.2	**761,552,609**	898,763,531
Bank Alfalah Limited	21.1.2	**174,948,904**	206,466,064
The Bank of Punjab	21.1.2	**1,025,065,678**	1,212,566,914
National Bank of Pakistan	21.1.2	**891,923,136**	1,093,642,735
		4,104,910,479	4,896,734,713
Term finance			
Habib Bank Limited	21.1.3	**1,135,789,778**	1,562,031,585
MCB Bank Limited	21.1.3	**483,333,337**	683,333,342
Allied Bank Limited	21.1.3	**1,576,820,501**	1,836,301,343
Bank Al falah Limited	21.1.3	**-**	150,000,000
The Bank of Punjab	21.1.3	**91,666,672**	191,666,667
Pak Libya Holding Company (Pvt) Ltd	21.1.3	**165,277,782**	281,944,446
Askari Bank Limited	21.1.3	**396,257,495**	521,257,500
Askari Bank Limited **(Syndicated)**	21.1.3	**2,124,999,995**	2,974,999,991
Soneri Bank Limited	21.1.3	**141,666,679**	241,666,675
		6,115,812,239	8,443,201,549
Balance carried forward		**17,500,103,129**	18,442,679,460
PAIR Investment Company Limited	21.1.3	**112,500,000**	187,500,000
National Bank of Pakistan		**527,343,750**	590,625,000
Pak Kuwait Investment Company (Private) Limited **(Syndicated)**	21.1.3	**334,047,624**	1,002,142,860
		973,891,374	1,780,267,860

Renewable Energy Financing Facility	Notes	2026	2025
Bank Al falah Limited	21.1.4	**164,939,775**	184,932,475
Askari Bank Limited	21.1.4	**97,897,475**	120,932,175
PAIR Investment Company Limited	21.1.4	**154,663,921**	174,663,917
		417,501,171	480,528,567
Financing Facility for Storage of Agricultural Produce			
National Bank of Pakistan	21.1.5	**69,854,090**	89,814,000
		69,854,090	89,814,000
Total long term loan - secured		**18,961,349,764**	20,793,289,887
Less: Current portion of long term finances shown under current liabilities		**(4,811,702,911)**	(5,114,822,877)
		14,149,646,853	15,678,467,010

21.1.1. These finances carry markup ranging from 3.25% to 8.50%. These loans are fully repayable in 32 to 40 quarterly installments and 18 semi annual installments (June 2025: 3.25% to 8.50%)

21.1.2. These finances carry markup ranging from 2% to 2.25%. These loans are fully repayable in 32 to 36 quarterly installments and 16 semi annual installments (June 2025: 2% to 2.25%)

21.1.3. These finances carry multiple markup rate ranging from 1 & 3 month KIBOR +0.10% to +0.85% and 3 month KIBOR + 1.25% (June 2025: 11.83% to 13.42%) These loans are fully repayable in 16 to 60 quarterly installments.

21.1.4. These finances carry markup of 2.50% to 3.50% (June 2025: 2.50% to 3.50%). These loans are fully repayable in 40 quarterly installments.

21.1.5. This finance carry markup of 3.25% (June 2025: 3.25%). These loans are fully repayable in 28 quarterly installments.

21.2. Islamic

Islamic Long Term Financing Facility (ILTFF)	Notes	2026	2025
Dubai Islamic Bank Pakistan Limited	21.2.1	**270,873,420**	401,596,390
Faysal Bank Limited	21.2.1	**259,570,750**	237,538,619
United Bank Limited	21.2.1	**186,610,470**	-
		717,054,640	639,135,009
Islamic Temporary Economic Refinance Facility (TERF)			
MCB Bank Limited	21.2.2	**220,249,298**	263,997,546
		220,249,298	263,997,546
Islamic Financing Facility			
MCB Bank Limited	**21.2.3**	**90,000,000**	150,000,000
Meezan Bank Limited	**21.2.3**	**410,000,000**	680,625,013
Meezan Bank Limited (Syndicated)	**21.2.3**	**1,600,000,000**	2,400,000,010
Faysal Bank Limited	**21.2.3**	**12,067,512,638**	7,844,137,071
Bank Islami Pakistan Limited	**21.2.3**	**6,175,000,000**	4,775,000,000
		20,342,512,638	15,849,762,094
Total long term loan - secured		**21,279,816,576**	16,752,894,649
Less: Current portion of long term finances shown under current liabilities		**(5,338,105,018)**	(1,858,282,783)
		15,941,711,558	14,894,611,866

21.2.1. These finances carry markup ranging 4% to 8.50% (June 2025: 4%) . These loans are fully repayable in 20 to 36 quarterly installments.

21.2.2. This finance carry markup 1.75% (June 2025: 1.75%). These loans are fully repayable in 32 quarterly installments.

21.2.3. These finances carry multiple markup rate ranging from 1 month KIBOR + 0.10% to 3 month KIBOR + 0.80% (June 2025: 11.83% to 12.92%. These loans are fully repayable in 16 to 60 quarterly installments.

21.3. These represent financings for property, plant and equipment. The above mentioned facilities are secured by way of creation of equitable mortgage and first pari-passu / ranking charge over present and future fixed assets of the Group and personal guarantees of directors.

21.4. The Group's total limit for long term loan amounting to Rs. 63,369 million. (June 2025: Rs. 58,299 million)

22. 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.

The net carrying amount of right-of-use assets held under lease arrangement is Rs. 1,182.80 million (June 2025: Rs.1,204.36) (refer note 6.1).

	Notes	2026	2025
		--------- Rupees ---------	
Present value of lease liabilities		**1,306,399,992**	1,227,070,402
Less : Current portion		**(84,596,817)**	(9,516,997)
	22.1	**1,221,803,175**	1,217,553,405

22.1.	As at July 1	**1,227,070,402**	22,697,663
	Addition	**59,927,678**	1,188,303,204
	Interest expense relating to lease liabilities	**70,163,162**	31,937,326
	Payment (lease and interest)	**(17,798,949)**	(15,867,791)
	Foreign currency translation difference	**(32,962,301)**	-
	As at June 30	**1,306,399,992**	1,227,070,402
	Less : Current portion	**(84,596,817)**	(9,516,997)
		1,221,803,175	1,217,553,405

	2026			2025		
	Minimum lease payments	Financial charges allocated	Present value of minimum lease payments	Minimum lease payments	Financial charges allocated	Present value of minimum lease payments
Conventional	----------Rupees ----------					
Up to one year	**85,119,186**	**522,369**	**84,596,817**	10,039,366	522,369	9,516,997
Later than one year but not later than five years	**3,734,469,159**	**2,512,665,984**	**1,221,803,175**	3,720,219,389	2,512,665,984	1,217,553,405
	3,819,588,345	**2,513,188,353**	**1,306,399,992**	3,730,258,755	2,513,188,353	1,227,070,402

23. DEFERRED LIABILITIES

	Notes	2026	2025
		--------- Rupees ---------	
Provision for staff gratuity scheme - unfunded	23.1	**1,279,657,643**	1,030,007,753
Deferred tax liability	23.3	**2,598,184,712**	2,509,084,323
		3,877,842,355	3,539,092,076

23.1. Provision for staff gratuity scheme - unfunded

In accordance with the requirements of IAS-19 "Employee Benefits", actuarial valuation was carried out as at June 30,

2025 using the "Projected Unit Credit Method". Provision has been made in these consolidated financial statements to cover obligations in accordance with the actuarial recommendations. Details of significant assumptions used for the valuation and disclosures in respect of above-mentioned schemes are as follows:

23.1.1. Risk on account of staff gratuity scheme - unfunded
The Group faces the following risk on account of staff gratuity scheme.

23.1.2. Final salary risk (linked to inflation risk)
The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

23.1.3. Mortality risk
The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

23.1.4. Withdrawal risk
The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

23.2. Significant actuarial assumptions	**2026**	2025
Financial assumptions		
Discount rate (per annum)	**11.75%**	11.75%
Expected rate of increase in salaries (per annum)	**11.75%**	11.75%
Demographic assumptions		
Mortality rates (for death in service)	**Adjusted SLIC 2001-2005**	Adjusted SLIC 2001-2005
Retirement assumption	**60 years**	60 years

23.2.1. Statement of Financial Position reconciliation	Notes	--------- Rupees ---------	
Present value of defined benefit obligation	23.2.3	**1,279,657,643**	1,030,007,753
Net liability in statement of financial position	23.2.4	**1,279,657,643**	1,030,007,753
23.2.2. Maturity profile			
1-5 Years		**946,224,157**	726,391,596
6-10 Years		**1,333,178,497**	1,008,951,753
10 Years onwards		**16,959,139,488**	14,129,880,564
Weighted average duration		**8 Years**	8 Years
23.2.3. Movement in the staff gratuity scheme			
Present value of staff gratuity scheme as at July 1		**1,030,007,753**	881,479,840
Current service cost	23.2.5	**224,735,718**	190,167,652
Interest cost	23.2.5	**111,309,915**	115,467,864
Remeasurement on staff gratuity scheme	23.2.6	**31,447,183**	13,098,290
Payments during the year		**(102,577,964)**	(155,661,338)
Benefits payable transferred to short term liability		**(15,264,962)**	(14,544,555)
Present value of staff gratuity scheme as at June 30		**1,279,657,643**	1,030,007,753

23.2.4. Movement in the net liability at reporting date is as follows:	Notes	**2026**	2025
Opening balance of net liability		**1,030,007,753**	881,479,840
Charge for the year	23.2.5	**336,045,633**	305,635,516
Remeasurements recognized in 'OCI'	23.2.6	**31,447,183**	13,098,290
Payments during the year		**(116,946,507)**	(155,661,338)
Benefits payable transferred from associated company		**14,368,543**	-
Benefits payable transferred to short term liability		**(15,264,962)**	(14,544,555)
Closing balance of net liability		**1,279,657,643**	1,030,007,753

23.2.5. The amounts recognized in the consolidated statement of profit or loss account against defined benefit scheme are as follows:		
Current service cost	**224,735,718**	190,167,652
Past service cost	**-**	-
Interest cost	**111,309,915**	115,467,864
Charge for the year	**336,045,633**	305,635,516
23.2.6. Remeasurement recognized in 'other comprehensive income'		
Experience losses	**31,447,183**	13,098,290
Related deferred tax	**(8,453,305)**	(5,879,121)
	22,993,878	7,219,169

23.2.7. Amounts for the current and previous four years are as follows:

Comparison for five years	**2026**	2025	2024	2023	2022
	----------Rupees ----------				
Present value of defined benefit obligation	**1,279,657,643**	1,030,007,753	881,479,840	741,713,640	599,355,750

23.2.8. The sensitivity of the staff gratuity scheme to changes in the weighted principal assumption is:

	Impact on defined benefit obligation		
	Change in assumptions	Increase in assumption	Decrease in assumption
		----------Rupees ----------	
Discount rate	1%	1,174,894,470	1,185,597,718
Salary growth rate	1%	1,367,953,390	1,356,415,565

23.2.9. 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 staff gratuity scheme 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 staff gratuity scheme recognized within the consolidated statement of financial position.

23.3. Deferred taxation

	2026	2025
	--------- Rupees ---------	
The details of deferred tax on temporary differences are as follows:		
- accelerated tax depreciation allowances	**2,772,877,224**	2,826,829,659
- provision for gratuity	**(435,356,625)**	(380,859,734)
- allowance for expected credit loss	**(99,924,582)**	(97,480,453)
- investment in associates at fair value through OCI	**396,303,566**	447,530,864
- STI - Term finance certificates	**(2,960,000)**	(12,316,565)
- provision for stores and spares	**(3,178,825)**	(3,350,654)
- provision for stock in trade	**(15,516,046)**	(658,699)
- provision for finished good	**(14,060,000)**	-
- Excess of min tax over NTR	**-**	(270,610,095)
Deferred tax liability	**2,598,184,712**	2,509,084,323

23.3.1. The movement in temporary differences is as follows:

	Balance as at July 1, 2024	Recognized in Statement of profit or loss	Recognized in Statement of other comprehensive income	Balance as at June 30, 2025	Recognized in Statement of profit or loss	Recognized in statement of other comprehensive income	Balance as at June 30, 2026
	----------Rupees----------						
Provision for gratuity	(252,630,320)	(122,350,294)	(5,879,121)	**(380,859,735)**	**(46,043,585)**	**(8,453,305)**	**(435,356,625)**
Allowance for expected credit loss	(60,716,216)	(36,764,236)	-	**(97,480,452)**	**(2,444,130)**	**-**	**(99,924,582)**
Investment in associates at fair value through OCI	264,091,357	155,350,400	28,089,107	**447,530,864**	**7,731,359**	**(58,958,657)**	**396,303,566**
Provision for stores & spares	(2,491,512)	(859,142)	-	**(3,350,654)**	**171,829**	**-**	**(3,178,825)**
Provision for stock in trade	(45,084,593)	44,425,894	-	**(658,699)**	**(14,857,347)**	**-**	**(15,516,046)**
Provision for finished good	(2,627,474)	2,627,474	-	**-**	**(14,060,000)**	**-**	**(14,060,000)**
Accelerated tax depreciation allowances	2,926,265,855	(99,436,196)	-	**2,826,829,659**	**(53,952,435)**	**-**	**2,772,877,224**
Short term investment	783,680	366,455	(13,466,700)	**(12,316,565)**	**(6,470,185)**	**15,826,750**	**(2,960,000)**
Excess of min tax over NTR	(486,280,162)	215,670,067	-	**(270,610,095)**	**270,610,095**	**-**	**-**
	2,341,310,615	159,030,422	8,743,286	**2,509,084,323**	**140,685,601**	**(51,585,212)**	**2,598,184,712**

24. TRADE AND OTHER PAYABLES

	Notes	2026	2025
		--------- Rupees ---------	
Trade creditors		**18,524,043,870**	11,704,691,863
Accrued liabilities		**2,546,580,765**	1,789,570,108
Gratuity payable	24.1	**26,530,168**	21,086,616
Workers' profit participation fund	24.2	**191,149,889**	258,771,275
Workers' welfare fund		**119,713,987**	271,212,682
Other liabilities		**12,886,006**	40,029,370
		21,420,904,685	14,085,361,914

24.1. This includes benefits payable transferred to short term liability (note 23.2.3).

24.2. Workers' profit participation fund

	Notes	2026	2025
		--------- Rupees ---------	
Balance at the beginning of the year		**258,771,275**	327,812,206
Contribution for the year	34	**314,218,057**	335,068,509
Interest on funds utilized in the Group's business	36	**4,599,287**	14,873,056
		577,588,619	677,753,771
Less: Payments made during the year		**(386,438,730)**	(418,982,496)
Balance at the end of the year		**191,149,889**	258,771,275

25. ACCRUED MARK-UP

Accrued mark-up on:		
Conventional		
- long term finances - secured	**229,548,265**	288,958,953
- short term finances - secured	**253,529,509**	348,438,447
Islamic		
- long term finances - secured	**68,964,398**	65,101,734
- short term finances - secured	**376,162,338**	353,211,309
	928,204,510	1,055,710,443

26. SHORT TERM FINANCES - secured

From banking companies			
Term finances - conventional	26.1	**4,400,000,000**	149,992,469
Term finances - islamic	26.2	**2,300,000,000**	2,724,952,500
Export refinances	26.3	**7,601,500,000**	13,801,499,996
Finance against discounting of export bills / receivables		**-**	228,808,308
Running finance utilized under mark-up arrangements	26.4	**5,907,118,354**	4,114,765,096
		20,208,618,354	21,020,018,369

26.1. These represent facilities for term finances arranged from various conventional banks. These are secured against pari-passu / ranking hypothecation charge over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 10.51% to 12.14% per annum (June 2025: 10.84% to 19.45% per annum).

26.2. These represent facilities for term finances arranged from various islamic banks. These are secured against pari-passu / ranking hypothecation charge over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 10.56% to 12.84% per annum (June 2025: 8.85% to 21.89% per annum).

26.3. These represent facilities for export refinance arranged from various banks. These were secured against pari-passu / ranking hypothecation charge of stocks, book debts and lien on export letters of credits of the Company along with the personal guarantees of the directors. These carried mark-up at the State Bank of Pakistan (SBP) Policy Rate minus 3% to minus 6% per annum (June 2025: minus 3% SBP rate per annum).

26.4. These represent facilities for running finances available from various banks aggregated to Rs. 15,844.50 million (June 2025: Rs. 15,344.50 million). These are secured against pari-passu/ ranking hypothecation charge of stocks and book debts and personal guarantees of the directors. These carry mark-up at the rates ranging from 10.75% to 12.43% per annum (June 2025: 9.75% to 21.10% per annum).

27. ISLAMIC REDEEMABLE SUKUK

During the year, the Company has raised short term financing in the form of privately placed Islamic Redeemable Sukuk to meet the working capital requirements. This carries profit ranges from 10.35% to 12.00% (June 2025: 11.10% to 22.35%) per annum having maturity of six months from the date of its drawdown.

28. CONTINGENCIES AND COMMITMENTS

28.1. Contingencies

28.1.1. The Ministry of Industries has declared the BOPET film manufacturing project of the Holding Company as Pioneer Industry due to which import of capital goods shall be duty free. The Holding Company approached the Board of Investment (BOI) for the permission of imports who entertained the request and was in the process of evaluating the permission of import vide SRO 41(I)/2009. In the meantime, the Holding Company imported some capital goods and as per section 81 of the Customs Act, 1969, issued post-dated cheques in favor of Collector of Custom amounting to Rs. 557.403 million (2025: Rs. 557.403 million) for provisional clearance of goods. However, due to delay on the part of Federal Board of Revenue, the formal SRO to endorse the decision of Ministry of Industries is still awaited. The Holding Company had filed the subject Constitutional Petition in the High Court of Sindh vide D2666 on May 13, 2015 to refrain FBR and Pakistan Customs to encash the securities submitted against the provisional release of the plant and machineries, and also to issue formal notification to endorse the earlier decision of the Ministry of Industries dated August 15, 2012. The High Court has passed interim order dated May 13, 2015, in favor of the Holding Company which is still operative and last hearing was set up on April 28, 2026 which was adjourned without proceeding. The management of the Holding Company is confident that exemption shall be granted on duties related to import of capital goods against BOPET project retrospectively based on legal counsel's opinion.

28.1.2. The Holding Company has filed various Suits/Petitions in the High Court of Sindh against the Federation of Pakistan and others against the orders of Commissioner (Inland Revenue) who refused to issue exemption certificates under section 148 of the Income Tax Ordinance 2001 (the Ordinance) on 22 October, 2018, in order to avail the benefit of exemption from advance tax at import stage on plant and machineries as per SRO 947 of 2008, and the Holding Company would not pay any tax on income from business under the ordinance on the basis of brought forward assessed losses available to the Holding Company, advance taxes deducted during the financial years and carried forward tax refunds from fiscal year 2015-16 and onwards. The High Court had allowed the Holding Company and ordered the concerned authorities to release the goods on furnishing of bank guarantees with the Nazir of the High Court and the concerned collectorate against all consignments which were released under similar grounds. The total quantum of bank guarantees involved in above suits/ petitions was Rs. 463.632 million (June 2025: Rs.463.632 million), few suits/petitions have already been decided in favor of the Holding Company and an amount of Rs. 28.67 million Bank Guarantees have been released. The remaining cases are also likely to be decided in favor of the Holding Company and the Holding Company's legal counsel is of the opinion that Company has a good prima facie case and there will be no financial liability on the Holding Company.

28.1.3. During the fiscal year 2017, Federal Board of Revenue had issued a show cause notice (SCN) on the basis of scrutiny of sales tax returns of various tax periods which revealed that the Holding Company has claimed the input tax of Astro Plastics (Private) Limited (APL) amounting to Rs. 477.804 million (June 2025: Rs. 477.804 million) in their sales tax returns. In response to SCN, the Holding Company has given the reference of the letter dated: October 2016 sent to the Federal Board of Revenue in which it has categorically mentioned that the High Court of Sindh, has sanctioned the petition no. J.Misc. 13/ 2016 for amalgamation by way of merger of APL and its members with and into Ismail Industries Limited and its members and the Holding Company has claimed the input sales tax on that basis. However, the Holding Company has filed Suit in the High Court of Sindh vide No.1539/2017 on June 13, 2017 and obtained the stay order from the Court. In the year 2020, subject suit was withdrawn by the Holding Company, to pursue the remedy available under section 47A of the sales tax act, 1990 i.e., Alternative Dispute Resolution Committee which is still in process. As per the legal counsel, the Holding Company has reasonable grounds to believe that it will not have to incur any financial liability.

28.1.4. The Holding Company had filed sale tax reference no. A.823 of 2015 on August 28, 2015 with the High Court of Sindh upon the dismissal of appeal filed by the Holding Company before the Appellate Tribunal for tax year 2013 regarding sales tax audit. The High Court has restrained the Commissioner Inland Revenue from initiating the proceeding on the basis of the order passed by the Appellate Tribunal as well as operation of the Order/ Judgement passed by the Tribunal has also been suspended. In the year 2020, subject suit was withdrawn by the Holding Company, to pursue the remedy available under section 47A of the sales tax act, 1990 i.e., Alternative Dispute Resolution Committee which is still in process. The Holding Company's legal counsel is confident that the case will be decided in favor of the Holding Company.

28.1.5. Through Finance Act, 2019, the Government had reduced tax credit available on new investments under Section 65-B from 10% to 5% in FY-2019 and Nil from onward. The Holding Company challenged the said provision and obtained an interim relief of claiming 10% tax credit on all investments already planned including its ancillary costs. The case was disposed off by the Honourable High Court of Sindh during the year in favor of the Holding Company. However, subsequently, the same was challenged by the Department before Honorable Supreme Court of Pakistan. Accordingly, the matter was decided against the whole industry where the benefit of section 65-B on purchase of machinery and other fixed assets, was allowed up till the June 30, 2019. Thereafter, the Holding Company through its legal council has filed a review petition against the aforementioned decision of Supreme Court, for which our legal council is confident that the said matter will ultimately be decided in favor of the Holding Company.

28.1.6. In September 2014, the Federal Government promulgated Gas Infrastructure Development Cess (GIDC) Ordinance No. VI of 2014 to circumvent earlier decision of the Supreme Court on the subject, where it had up held that the earlier introduction of GIDC Act 2011 was unconstitutional and ultra vires on the ground, amongst others, that GIDC was a 'Fee' and not a 'Tax' and the same suit was also filed against Federation of Pakistan, OGRA , SSGC and SNGPL in different Honourable High Courts of Pakistan by Industry at Large. In May 2015, 'the Government passed the GIDC Act, 2015 and the Holding Company has challenged that GIDC Act 2015 and filed a writ petition in the High Court of Sindh including retrospective treatment of the provisions of the GIDC 'Act, 2015. In October 2015, Sindh High Court (SHC) decided this suit in favor of the Holding Company. However, the Government filed an appeal in Honorable Supreme Court of Pakistan, where the Holding Company was not party to such litigation. The Honorable Supreme Court of Pakistan has disposed off the case on 13 August, 2020 and instructed the gas distribution companies to recover the outstanding amount in 24 equal installments only from those consumers who have already passed the burden of GIDC cost to their customers. Based on the judgement of the Supreme Court, the Holding Company has obtained the stay order from the High Court of Sindh on 16th September, 2020 against the gas distribution companies for recovering of outstanding GIDC and disconnection of gas supply. The last hearing of this case was held on February 24, 2026. The cumulative differential amount of GIDC not yet recognized in these books amount to Rs 826 million (June 2025: Rs 826 million) (inclusive of Sales Tax). The management and its legal counsel are of the view that there is no need to maintain any provision against this liability and has a good prima facie case.

28.1.7. The Holding Company had filed a Suit (-2123/2023) before the High Court of Sindh and challenged the OGRA notification bearing no. OGRA-(10)-3(8)/2023 dated November 08, 2023 for increase in the price of natural gas and different prices for industrial and captive connection where the same is used for self-consumption by industrial undertaking. The Court vide its order dated December 18, 2023 passed an interim stay order in favor of the Holding Company and suspended the afore-mentioned notification by allowing to pay monthly gas charges as per previous notification and directed the Holding Company to pay the differential amount to the Nazir appointed by the SHC, amounting to Rs. 481.64 million (June 2025: Rs 393.38 million) (inclusive of sales tax), the amounts paid to Nazir, has been classified as Other Receivable, as mentioned in note no.15.2 of these Consolidated financial statements.

28.1.8. The Holding Company filed a Suit No. 1863/2025 on May 08, 2025 before Honorable Sindh High Court against imposition of levy amounting to Rs. 791 / mmbtu (effective for the month of February 2025) vide OGRA Notification issued under Off Grid Captive Power Plant Levy Ordinance, 2025 dated March 07, 2025. The Holding Company filed the petition on legal grounds, that any levy or tax or collection cannot be made retrospectively, such action is considered as void / invalid as per the Constitution of Pakistan. A general stay has already been granted by the esteemed court; however, the Holding Company has already been proceeded to deposit the disputed amount, in to the relevant account of SSGC. During the period, the Honourable Sindh High Court decided the matter in favor of the Holding Company on January 12, 2026 and the disputed amount of Rs 57.99 million (inclusive of sales tax) was adjusted from the SSGC bill for the month of December 2025 which is paid in January 2026. Thereafter, the concerned department has filed an appeal against the said judgment before the Honourable Federal Constitutional Court of Pakistan, and the matter is currently sub judice. The Holding Company's legal counsel is of the view that no adverse or coercive action is expected to be initiated by the Court in respect of this matter.

28.1.9. The Group has challenged the levy imposed under the Off-Grid (Captive Power Plant) Levy Act, 2025 by the Ministry of Energy through Constitutional Petition No. CP 99/2025 on August 04, 2025 before the Honourable High Court of Baluchistan ("BHC"). The petition was principally filed on the grounds that imposition of the levy in Baluchistan is ultra vires, particularly considering the absence of a National Grid infrastructure for supplying electricity to industrial consumers in the province, resulting in industries relying on alternative sources of energy, including gas-based generation. The BHC initially granted a stay against recovery of the levy, subject to the Group depositing post-dated cheques equivalent to the applicable levy amount with the Nazir appointed by the Court. Subsequently, the petition was dismissed on a jurisdictional ground without adjudication on the merits. The Group thereafter pursued the matter before the Federal Constitutional Court through FCPLA No. 1/2025, which was subsequently withdrawn following the filing of a fresh constitutional petition no. 871/2026 before the Islamabad High Court ("IHC"), challenging the imposition of the levy. The IHC has granted a stay against recovery of the levy, subject to the deposit of post-dated cheques for the applicable levy amount with Sui Southern Gas Company Limited (SSGC). The said stay remains operative as at the reporting date. As at June 30, 2026, the aggregate amount of post-dated cheques furnished in respect of the disputed levy amounted to Rs. 223.08 million (inclusive of sales tax). Based on the advice of the Group's legal counsel, management is confident of a favorable outcome in the matter.

28.1.10. The Holding Company is involved in various legal proceedings concerning the Infrastructure & Development Cess imposed by provincial authorities on imported goods. In respect of the Sindh Infrastructure Cess, the Holding Company filed Constitutional Petition No. 2752/2011 before the Honourable High Court of Sindh on August 9, 2011, challenging the legality and applicability of the levy. The Honourable High Court subsequently directed the Customs authorities to release imported goods against the furnishing of bank guarantees. The petition was disposed of in 2021. The Holding Company, together with other industry participants, challenged the said order before the Honourable Supreme Court of Pakistan through Civil Petition No. 4978 of 2021, pursuant to which interim relief was granted, subject to the furnishing of bank guarantees. The matter is now subject to the jurisdiction of the Honourable Federal Constitutional Court. Separately, the Holding Company also challenged the Infrastructure & Development Cess under the Khyber Pakhtunkhwa Infrastructure Development Cess Act, 2022 through Constitutional Petition No. CP-811/2025 before the Honourable High Court of Peshawar, on grounds relating to legal and constitutional infirmities in the legislation. The High Court initially granted interim relief against recovery of the Cess, subject to furnishing post-dated cheques equivalent to the disputed amount. The petition was subsequently disposed of against the Holding Company. The Holding Company has challenged the matter before the Federal Constitutional Court of Pakistan through FCPLA No. 649/2025, where leave has been granted and the matter remains pending for hearing. Pursuant to the order of the Federal Constitutional Court dated February 23, 2026, whereby post-dated cheques are to be furnished in lieu of bank guarantees, while existing security arrangements remain subject to the Court's directions. The total quantum of bank guarantees involved is Rs. 2,018 million (June 2025: Rs. 1,513 million). Based on the advice of the Holding Company's legal counsel, management remains confident of a favorable outcome in these matters.

28.1.11. During 2023, the Subsidiary Company instituted two cases 3032 and 3033 of 2023 dated 11 April 2023 against custom authorities before the Collector of Customs (Appeals) whereby the Subsidiary Company requested that the pipes and cables imported for PET Resin project should be considered as part of the plant and machinery for the purpose of custom duties. Custom authorities have treated this import as industrial and not part of the project and assessed levies accordingly. The Subsidiary Company approached the Honorable Sindh High Court (SHC) via petition number C.P. 1952 and C.P 1953 of 2023 dated 14 April 2023 and prayed that the consignments should be released against bank guarantees which SHC has accepted and consignments released. Subject petitions are pending at SHC and the management and its legal counsel believe that the matter will be decided in favor of the Subsidiary Company. Further during 2024, three additional cases were instituted before Collector of Customs (Appeals) of which two cases have been referred to Customs Appellate Tribunal, Karachi. The advisor expects a favorable verdict in these cases. Bank Guarantee involved is Rs. 145.924 million (2025: 145.924 million).

28.1.12. In 2024, the Deputy Commissioner Inland Revenue had passed an order for recovery of Rs. 30.13 million against the Subsidiary Company. The Subsidiary Company had challenged the demand in the Honorable ATIR. During the year, the Honorable ATIR has decided the case against the Subsidiary Company and confirmed the impugned sales tax demand. The Tax advisor of the Company is of the view that the matter is well contestable in the Honorable High Court of Sindh.

28.1.13. The Subsidiary Company filed Constitutional Petition No. CP 1550-K/2021 on October 21, 2021 before the Honourable High Court of Sindh ("SHC") against the Excise and Taxation Department, Government of Sindh, challenging the levy of infrastructure cess on imported goods under the Sindh Finance (Amendment) Act, 2009, on the grounds relating the legal and constitutional infirmities in the legislation. The imported goods were initially not released by the Customs Authorities without payment of the infrastructure cess imposed by the Government of Sindh. Subsequently, the Honourable SHC directed the Customs Authorities to release the goods against furnishing of bank guarantees. The petition was thereafter disposed of by the SHC in favor of the Excise and Taxation Department. The Subsidiary Company, along with other parties from the same industry, challenged the applicability of the said judgment before the Honourable Supreme Court of Pakistan through Civil Appeal No. 1633/2021. The Honourable Supreme Court, vide order dated November 10, 2021, granted a stay and restrained the authorities from taking any coercive action against the petitioners. Subsequently, pursuant to the order of the Honourable Federal Constitutional Court dated February 23, 2026, further directions were issued regarding the mode of security for future consignments, whereby post-dated cheques are to be furnished in lieu of bank guarantees, while the existing security arrangements remain subject to the directions of the Court. The constitutional matters relating to provincial infrastructure levies that were previously pending before the Honourable Supreme Court are now subject to the jurisdiction of the Honourable Federal Constitutional Court. The total amount of bank guarantees involved in the above petitions as at June 30, 2026 is Rs. 763.8 million (June 30, 2025: Rs. 470 million). The Subsidiary Company's legal advisor expects a favorable outcome in respect of the matter.

28.1.14. With reference to the contingency in associated company, The Bank of Khyber (BOK), please refer the Note 22 of condensed interim financial statement of June 30, 2026.

		2026	2025
28.2.	**Commitments**	--------- Rupees ---------	
28.2.1.	Outstanding letters of guarantee	**6,326,134,506**	5,701,291,356
28.2.2.	Cross Corporate guarantees issued by the Group on behalf of associated company	**-**	375,000,000
28.2.3.	Outstanding letters of credit for:		
	- capital expenditure	**2,426,719,879**	2,760,649,589
	- raw material	**8,941,170,048**	8,569,637,756
28.2.4.	The Group's share of commitments of associated company.		
	- Guarantees	**31,049,486,000**	10,000,506,249
	- Commitments	**45,458,569,000**	4,181,294,663

29. OPERATING RESULTS

	Notes	Reportable segment							
		Food segment		Plastic segment		Pharmaceutical segment		Total	
		2026	2025	2026	2025	2026	2025	2026	2025
		----------Rupees----------							
Disaggregation of revenue									
Local sales		**92,320,068,028**	67,785,602,604	**41,912,584,814**	32,286,821,295	**2,251,987,210**	1,723,833,825	**136,484,640,052**	101,796,257,724
Export sales		**10,338,784,250**	32,419,152,854	**3,399,751,745**	5,858,086,503	**-**	-	**13,738,535,995**	38,277,239,357
		102,658,852,278	100,204,755,458	**45,312,336,559**	38,144,907,798	**2,251,987,210**	1,723,833,825	**150,223,176,047**	140,073,497,081
Sales returns, discounts and direct expenses		**(4,069,049,418)**	(3,169,014,774)	**(35,439,807)**	(151,735,499)	**(248,114,483)**	(387,033,273)	**(4,352,603,708)**	(3,707,783,546)
		98,589,802,860	97,035,740,684	**45,276,896,752**	37,993,172,299	**2,003,872,727**	1,336,800,552	**145,870,572,339**	136,365,713,535
Add: Export rebate		**239,137,097**	54,232,602	**-**	-	**-**	-	**239,137,097**	54,232,602
		98,828,939,957	97,089,973,286	**45,276,896,752**	37,993,172,299	**2,003,872,727**	1,336,800,552	**146,109,709,436**	136,419,946,137
Sales tax		**(10,312,845,861)**	(7,750,053,384)	**(7,411,865,493)**	(6,059,005,884)	**(48,097,463)**	(44,694,210)	**(17,772,808,817)**	(13,853,753,478)
Sales - net		**88,516,094,096**	89,339,919,902	**37,865,031,259**	31,934,166,415	**1,955,775,264**	1,292,106,342	**128,336,900,619**	122,566,192,659
Cost of sales	31	**(69,077,430,499)**	(68,933,338,660)	**(33,323,679,518)**	(29,856,616,954)	**(808,328,753)**	(638,099,160)	**(103,209,438,770)**	(99,428,054,774)
Gross profit		**19,438,663,597**	20,406,581,242	**4,541,351,741**	2,077,549,461	**1,147,446,511**	654,007,182	**25,127,461,849**	23,138,137,885
Selling and distribution expenses	32	**(9,360,293,389)**	(8,234,578,677)	**(1,073,461,529)**	(1,117,044,769)	**(717,047,125)**	(586,095,138)	**(11,150,802,043)**	(9,937,718,584)
Administrative expenses	33	**(1,689,869,736)**	(1,622,154,219)	**(327,695,467)**	(301,091,532)	**(190,651,823)**	(155,108,887)	**(2,208,217,026)**	(2,078,354,638)
		(11,050,163,125)	(9,856,732,896)	**(1,401,156,996)**	(1,418,136,301)	**(907,698,948)**	(741,204,025)	**(13,359,019,069)**	(12,016,073,222)
Operating profit / (Loss)		**8,388,500,472**	10,549,848,346	**3,140,194,745**	659,413,160	**239,747,563**	(87,196,843)	**11,768,442,780**	11,122,064,663
Unallocated items									
Other operating expenses	34							**(718,923,722)**	(773,296,298)
Other income	35							**1,578,763,879**	1,355,990,900
Finance cost	36							**(6,770,980,490)**	(7,235,424,827)
Share of profit from associated company - net	7.1							**956,671,903**	1,516,519,377
Profit before levies and taxation								**6,813,974,350**	5,985,853,815
Levies and taxation								**(2,862,585,013)**	(2,285,838,494)
Profit for the year								**3,951,389,337**	3,700,015,321

	Reportable segment							
	Food segment		Plastic segment		Pharmaceutical segment		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	----------Rupees----------							
29.1. Segment assets	**65,899,824,137**	61,760,630,236	**48,643,661,666**	38,455,605,627	**1,721,961,101**	2,384,527,334	**116,265,446,904**	102,600,763,197
29.2. Unallocated assets	**-**	-	**-**	-		-	**11,421,666,760**	11,679,553,818
	65,899,824,137	61,760,630,236	**48,643,661,666**	38,455,605,627	**1,721,961,101**	2,384,527,334	**127,687,113,664**	114,280,317,015
29.3. Segment liabilities	**16,881,158,412**	8,317,617,590	**8,592,883,303**	8,768,755,963	**452,194,140**	706,354,902	**25,926,235,855**	17,792,730,455
29.4. Unallocated liabilities	**-**	-	**-**	-		-	**72,354,369,398**	70,302,357,632
	16,881,158,412	8,317,617,590	**8,592,883,303**	8,768,755,963	**452,194,140**	706,354,902	**98,280,605,253**	88,095,088,087
29.5. Major Non-cash items								
- Depreciation	**2,674,639,915**	2,639,697,134	**1,258,526,086**	1,685,321,449	**114,287,410**	155,650,668	**4,047,453,411**	4,480,669,251
- Gratuity	**245,574,336**	228,583,110	**63,525,780**	53,094,102	**26,945,517**	23,958,304	**336,045,633**	305,635,516
	2,920,214,251	2,868,280,244	**1,322,051,866**	1,738,415,551	**141,232,927**	179,608,972	**4,383,499,044**	4,786,304,767
29.6. Capital expenditure	**4,275,232,174**	4,901,495,848	**6,443,069,547**	314,283,488	**136,578,380**	155,824,483	**10,854,880,101**	5,371,603,819

29.7. The Group's export sales have been primarily made to continents in the Asia, Africa, Europe, North America and Australia.

29.8. World food program is the major customer of the Group which constituted 10 percent or more of the Group's revenue.

30. RECONCILIATION OF REPORTABLE SEGMENT SALES, COST OF SALES, ASSETS AND LIABILITIES

	Notes	2026	2025
		----------Rupees----------	
30.1. Assets			
Total assets for reportable segments	29.1	**116,265,446,904**	102,600,763,197
Administrative capital assets		**2,788,749,637**	2,517,923,429
Good will		**12,173,553**	12,173,553
Long-term investments	7	**4,911,671,429**	5,253,186,740
Loan to associates		**-**	350,000,000
Short term investments	14	**3,709,072,141**	3,546,270,096
Total assets		**127,687,113,664**	114,280,317,015
30.2. Liabilities			
Total liabilities for reportable segments	29.3	**25,926,235,855**	17,792,730,455
Deferred tax liabilities	23	**2,598,184,712**	2,509,084,323
Long term finances - secured	21	**40,241,166,340**	37,546,184,538
Lease liabilities	22	**1,306,399,992**	1,227,070,402
Short term finances - secured	26	**20,208,618,354**	21,020,018,369
Islamic redeemable sukuk	27	**8,000,000,000**	8,000,000,000
Total liabilities		**98,280,605,253**	88,095,088,087

31. COST OF SALES

	Notes	Food segment		Plastic segment		Pharmaceutical segment		Total	
		2026	2025	2026	2025	2026	2025	2026	2025
		Rupees							
Raw materials consumed		46,009,729,124	47,852,258,600	26,868,750,392	23,436,671,084	215,605,483	136,247,052	73,094,084,999	71,425,176,736
Packing materials consumed		10,715,256,930	10,632,007,358	601,903,875	594,225,780	172,509,649	80,857,863	11,489,670,454	11,307,091,001
Stores and spares consumed		1,359,613,811	979,209,738	372,686,462	310,951,407	28,022,938	13,883,561	1,760,323,211	1,304,044,706
Salaries, wages and other benefits	31.1	5,913,723,292	4,596,456,088	1,139,501,855	897,771,119	228,844,887	145,992,553	7,282,070,034	5,640,219,760
Electricity, gas, fuel and lubricants		2,970,811,558	2,848,575,418	2,056,323,424	1,905,430,569	81,799,447	39,667,430	5,108,934,429	4,793,673,417
Repairs and maintenance		279,408,858	272,140,035	112,481,185	78,677,545	48,530,464	24,034,936	440,420,507	374,852,516
Printing and stationery		30,287,906	32,893,303	15,850,959	9,359,718	4,163,551	2,068,061	50,302,416	44,321,082
Insurance		85,357,815	78,732,245	46,026,499	53,329,611	4,812,103	4,939,416	136,196,417	137,001,272
Rent, rates and taxes		13,050,614	11,142,841	122,233,188	111,825,325	147,561	618,202	135,431,363	123,586,368
Water charges		87,177,962	73,386,473	66,494,928	27,718,869	-	-	153,672,890	101,105,342
Postage and telephone		20,055,850	9,606,171	4,569,170	5,327,003	4,109,326	4,411,507	28,734,346	19,344,681
Travelling and conveyance		27,538,313	18,180,503	6,157,317	7,971,143	1,732,712	787,779	35,428,342	26,939,425
Vehicle running and maintenance		64,472,912	47,715,673	38,436,824	35,363,229	20,943,041	13,748,228	123,852,777	96,827,130
Depreciation	6.4	2,371,525,511	2,389,712,396	1,216,876,025	1,651,223,442	88,936,760	134,019,647	3,677,338,296	4,174,955,485
Laboratory expenses		127,517,897	85,783,097	7,685,157	6,670,509	44,340,125	23,550,811	179,543,179	116,004,417
Loading/Unloading Charges		-	-	735,546	1,791,920	-	-	735,546	1,791,920
Fees and subscription		1,839,766	6,332,036	3,899,247	2,380,370	1,752,346	1,579,367	7,491,359	10,291,773
Legal and professional charges		3,442,762	4,655,031	6,108,745	3,755,650	-	-	9,551,507	8,410,681
Cartage inward		64,085,263	34,798,495	5,824,687	4,944,780	-	-	69,909,950	39,743,275
Cost of services		-	-	-	-	-	-	-	-
Other manufacturing expenses		37,272,944	21,123,744	8,932,918	4,841,889	5,459,770	384,311	51,665,632	26,349,944
		70,182,169,088	69,994,709,245	32,701,478,403	29,150,230,962	951,710,163	626,790,724	103,835,357,654	99,771,730,931
Work-in-process at the beginning of the year		344,579,845	198,267,364	294,914,854	348,428,253	7,454,846	3,602,578	646,949,545	550,298,195
Work-in-process at the end of the year		(320,345,035)	(344,579,845)	(604,431,186)	(294,914,854)	(5,264,623)	(7,454,846)	(930,040,844)	(646,949,545)
		24,234,810	(146,312,481)	(309,516,332)	53,513,399	2,190,223	(3,852,268)	(283,091,299)	(96,651,350)
Cost of goods manufactured		70,206,403,898	69,848,396,764	32,391,962,071	29,203,744,361	953,900,386	622,938,456	103,552,266,355	99,675,079,581
Stock of finished goods at the beginning of the year		4,166,304,884	3,098,520,487	4,287,622,628	4,944,319,071	132,791,112	175,743,352	8,586,718,624	8,218,582,910
Purchase of finished goods		204,137,855	155,436,516	-	-	25,865,163	48,945,229	230,003,018	204,381,745
Cost of promotional samples reclassified to selling expenses		-	-	-	-	(139,512,872)	(76,736,765)	(139,512,872)	(76,736,765)
Insurance claim		(880,547)	(2,710,223)	333,412	(3,823,850)	-	-	(547,135)	(6,534,073)
Stock of finished goods at the end of the year		(5,498,535,591)	(4,166,304,884)	(3,356,238,593)	(4,287,622,628)	(164,715,036)	(132,791,112)	(9,019,489,220)	(8,586,718,624)
		(1,128,973,399)	(915,058,104)	931,717,447	652,872,593	(145,571,633)	15,160,704	(342,827,585)	(247,024,807)
		69,077,430,499	68,933,338,660	33,323,679,518	29,856,616,954	808,328,753	638,099,160	103,209,438,770	99,428,054,774

31.1 This includes expense recognized in respect of staff gratuity fund amounting to Rs. 135.71 million (June 2025:Rs. 120.71 million).

32. SELLING AND DISTRIBUTION EXPENSES

	Notes	Food segment		Plastic segment		Pharmaceutical segment		Total	
		2026	2025	2026	2025	2026	2025	2026	2025
		Rupees							
Salaries and other benefits	32.1	2,807,638,393	2,356,072,835	80,961,760	89,561,537	358,217,979	293,570,178	3,246,818,132	2,739,204,550
Cartage outward		2,314,175,231	1,369,256,514	618,725,580	361,629,673	23,514,664	-	2,956,415,475	1,730,886,187
Export expenses		1,124,523,785	1,970,264,291	315,435,134	561,064,009	-	11,347,617	1,439,958,919	2,542,675,917
Advertisements		1,876,613,128	1,463,747,448	130,000	340,550	-	-	1,876,743,128	1,464,087,998
Entertainment		17,126,221	13,560,088	820,572	655,642	3,302,617	3,577,836	21,249,410	17,793,566
Vehicle running and maintenance		653,603,954	528,254,352	5,540,891	5,574,063	19,459,673	18,955,676	678,604,518	552,784,091
Printing and stationery		1,478,529	1,862,540	254,220	591,745	169,218	219,284	1,901,967	2,673,569
Postage and telephone		35,814,571	62,083,201	8,272,243	11,150,062	2,419,520	3,037,133	46,506,334	76,270,396
Conveyance and travelling		87,552,020	63,945,343	17,941,998	17,641,513	52,628,180	54,033,144	158,122,198	135,620,000
Sales promotion		-	-	-	-	217,754,371	180,704,612	217,754,371	180,704,612
Utilities		6,826,525	7,725,357	1,631,243	2,887,832	-	-	8,457,768	10,613,189
Repairs and maintenance		3,731,923	780,290	1,158,810	3,592,680	-	-	4,890,733	4,372,970
Rent, rates and taxes		237,797,319	210,160,996	8,178,500	17,207,827	-	-	245,975,819	227,368,823
Depreciation	6.4	126,738,516	118,900,234	9,929,046	9,869,151	20,668,904	17,523,586	157,336,466	146,292,971
Fees and subscription		-	2,130	878,823	5,816,293	481,487	-	1,360,310	5,818,423
Insurance		42,330,814	35,930,128	2,900,852	2,645,036	2,344,204	2,721,423	47,575,870	41,296,587
Allowance for expected credit loss	11.2	20,116,560	21,103,481	-	19,480,136	15,000,000	-	35,116,560	40,583,617
Other selling expenses		4,225,900	10,929,449	701,857	7,337,020	1,086,308	404,649	6,014,065	18,671,118
		9,360,293,389	8,234,578,677	1,073,461,529	1,117,044,769	717,047,125	586,095,138	11,150,802,043	9,937,718,584

32.1 This includes expense recognized in respect of staff gratuity fund amounting to Rs 133.1 million (2025: Rs 130.42 million)

33. ADMINISTRATIVE EXPENSES

Salaries and other benefits including director's remuneration	33.1	843,918,971	769,388,911	170,728,165	153,037,230	109,316,863	83,410,814	1,123,963,999	1,005,836,955
Conveyance and travelling		143,068,553	205,038,512	9,213,592	9,308,982	3,983,754	3,113,830	156,265,899	217,461,324
Postage and telephone		31,912,525	32,570,774	5,506,909	5,810,207	1,901,183	27,360,395	39,320,617	65,741,376
Printing and stationery		7,776,876	6,618,970	1,514,332	1,596,396	811,845	883,182	10,103,053	9,098,548
Repairs and maintenance		31,071,904	54,698,922	5,426,219	9,652,751	2,125,388	1,620,421	38,623,511	65,972,094
Electricity and utilities		22,196,672	24,572,810	3,541,752	4,336,278	4,311,176	4,198,760	30,049,600	33,107,848
Insurance		16,847,272	17,870,525	3,042,948	3,162,605	2,021,123	1,526,308	21,911,343	22,559,438
Entertainment		10,946,831	8,591,753	1,771,032	1,516,192	1,069,534	986,024	13,787,397	11,093,969
Vehicle running and maintenance		96,952,440	73,057,172	15,161,049	12,877,082	20,402,124	16,816,111	132,515,613	102,750,365
Rent, rates and taxes		39,774,438	11,020,820	22,938,588	1,854,184	5,469,692	5,314,680	68,182,718	18,189,684
Fee and subscription		208,574,892	242,002,540	38,024,353	58,084,508	31,781,274	3,687,030	278,380,519	303,774,078
Legal and professional charges		56,073,172	36,920,749	14,274,602	12,758,581	-	368,100	70,347,774	50,047,430
Depreciation	6.4	176,375,888	131,084,504	31,721,015	24,228,856	4,681,746	4,107,435	212,778,649	159,420,795
Miscellaneous		4,379,302	8,717,257	4,830,911	2,867,680	2,776,121	1,715,797	11,986,334	13,300,734
		1,689,869,736	1,622,154,219	327,695,467	301,091,532	190,651,823	155,108,887	2,208,217,026	2,078,354,638

33.1 This includes expense recognized in respect of staff gratuity fund amounting to Rs 67.48 million (2025: Rs 54.48 million)

34. OTHER OPERATING EXPENSE

	Notes	2026	2025
		--------- Rupees ---------	
Contribution to:			
- workers' profits participation fund		**314,218,057**	335,068,509
- workers' welfare fund		**119,761,987**	127,326,034
Auditors' remuneration	34.1	**10,648,700**	9,638,700
Exchange loss - net		**712,550**	11,005,823
Donations	34.2	**260,119,079**	281,569,840
Other		**13,463,349**	8,687,392
		718,923,722	773,296,298

34.1. Auditor's remuneration

	2026	2025
Audit fee - unconsolidated	**4,100,000**	3,800,000
Audit fee - consolidated	**1,600,000**	1,500,000
Audit fee - subsidiaries	**2,900,000**	2,300,000
Fee for statutory certification	**500,000**	500,000
Fee for half yearly review	**1,000,000**	1,000,000
Out-of-pocket expense	**548,700**	538,700
	10,648,700	9,638,700

34.2. Donation to the following organizations exceed 10% of total donation

	2026	2025
- Al Mustafa Welfare Trust	**99,151,240**	85,455,589

34.2.1 None of donations were made to any donee in which a director or his spouse had any interest at any time during the year.

35. OTHER INCOME

	2026	2025
	--------- Rupees ---------	
Income from financial assets		
Exchange gain - net	**99,589,535**	233,225,406
Rental income from associate	**-**	43,560,000
Income from. investments	**797,652,278**	553,428,379
Income from non financial assets		
Recovery from the sale of production scrap	**311,694,628**	328,777,967
Gain on disposal of property, plant and equipment-net	**115,582,680**	57,904,802
Processing income	**158,829,287**	64,913,306
Others	**95,415,471**	74,181,040
	1,578,763,879	1,355,990,900

36. FINANCE COST

	2026	2025
	--------- Rupees ---------	
Mark up on:		
- long term finances - conventional	**1,241,094,548**	2,016,862,379
- long term finances - islamic	**2,286,182,992**	1,117,514,255
- short term finances - conventional	**1,336,652,869**	990,182,031
- short term finances - islamic	**1,732,581,156**	2,857,618,311
Interest on workers' profits participation fund	**4,599,287**	14,873,056
Finance charge on lease liabilities	**556,621**	2,687,125
Bank charges	**169,313,017**	235,687,670
	6,770,980,490	7,235,424,827

37. REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

	2026			2025		
	Chief executive officers	Directors	Executives	Chief executive officers	Directors	Executives
	----------Rupees ----------					
Managerial remuneration	**50,400,000**	**32,400,000**	**1,878,331,393**	50,400,000	32,400,000	1,386,176,755
Gratuity	**1,132,133**	**-**	**100,887,437**	1,132,133	-	70,215,155
Bonus		**-**	**121,926,345**	-	-	63,931,556
Leave encashment		**-**	**76,457,956**	-	-	60,163,625
Reimbursement of expenses						
Utilities	**3,300,000**	**2,750,000**	**-**	3,300,000	2,750,000	-
	54,832,133	**35,150,000**	**2,177,603,131**	54,832,133	35,150,000	1,580,487,090
Number of Persons	**3**	**2**	**477**	3	2	334

In addition to the above, Group maintained cars are provided to the chief executive officer, director and executives.

37.1 The remuneration has been allocated as follows:

	2026			2025		
	Chief executive officers	Directors	Executives	Chief executive officers	Directors	Executives
	----------Rupees ----------					
Cost of goods Sold	**-**	**-**	**817,158,507**	-	-	580,661,991
Selling and distribution expenses	**-**	**-**	**774,523,470**	-	-	594,472,818
Administrative expenses	**54,832,133**	**35,150,000**	**585,921,154**	54,832,133	35,150,000	405,352,281
	54,832,133	**35,150,000**	**2,177,603,131**	54,832,133	35,150,000	1,580,487,090
Number of Persons	**3**	**2**	**477**	3	2	334

37.2 Bonus is given to employees as per the Group's policy.

38. TAXATION

	2026	2025
	--------- Rupees ---------	
Current	**896,138,392**	656,061,458
Deferred	**140,685,601**	159,030,422
Prior year	**261,411,047**	(10,028,427)
	1,298,235,040	805,063,453

39. EARNINGS PER SHARE - Basic and diluted

	Notes	2026	2025
		--------- Rupees ---------	
Basic earnings per share			
Profit for the year attributable to shareholder of the company		**3,966,865,770**	4,206,163,975
		Number of shares	
Weighted average number of shares outstanding as at year end		**66,356,940**	66,356,940
Basic earnings per share		**59.78**	63.39

Diluted earnings per share

There is no dilutive potential ordinary shares outstanding as at June 30, 2026 & June 30, 2025.

40. NUMBER OF EMPLOYEES

	2026	2025
	--------- Numbers ---------	
Number of employees as at the year end	**3,772**	3,393
Average number of employees during the year	**3,616**	3,324

41. CASH GENERATED FROM OPERATIONS

	Notes	2026	2025
		--------- Rupees ---------	
Profit before levies and taxation		**6,813,974,350**	5,985,853,815
Adjustments for non-cash and other items:			
Depreciation	6.4	**4,047,453,411**	4,480,669,251
Gain on disposal of property, plant and equipment-net	35	**(115,582,680)**	(57,904,802)
Provision for staff gratuity scheme - unfunded	23.2.5	**336,045,633**	305,635,516
Finance cost	36	**6,770,980,490**	7,235,424,827
Share of profit from associated company - net	7.1	**(956,671,903)**	(1,516,519,377)
Provision for slow moving - stock in trade		**181,780,346**	83,000,000
Rental income		**-**	(43,560,000)
Allowance for expected credit loss		**35,116,560**	40,583,617
Unrealized exchange loss		**51,933,610**	1,444,491
Unrealized gain on short term investment		**(797,652,278)**	(49,470,212)
		16,367,377,539	16,465,157,126
Working capital changes			
Increase in current assets			
Stores and spares		**(290,223,404)**	(158,666,868)
Stock-in-trade		**(3,693,711,281)**	168,889,450
Trade debts		**(939,377,972)**	(909,789,443)
Loans and advances		**(440,185,150)**	725,417,918
Loans to associate		**350,000,000**	(132,100,000)
Trade deposits and short term prepayments		**(24,085,653)**	5,061,573
Other receivables		**(1,011,683,315)**	(1,372,479,031)
		(6,049,266,775)	(1,673,666,402)
(Decrease) / Increase in current liabilities			
Trade and other payables		**7,293,345,207**	(1,645,156,712)
Advances from customers - unsecured		**675,473,684**	165,710,634
		7,968,818,891	(1,479,446,078)
Net increase / (decrease) in working capital		**1,919,552,116**	(3,153,112,480)
Cash generated from operations		**18,286,929,655**	13,312,044,645

42. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

	Notes	2026	2025
		--------- Rupees ---------	
42.1. Financial instruments by category			
Financial assets			
At amortized cost			
Long term deposits	8	**37,675,816**	31,876,598
Trade debts	11	**16,642,367,684**	15,758,507,990
Loans and advances	12	**-**	106,234
Loans to associate		**-**	350,000,000
Trade deposits - unsecured	13	**65,772,834**	44,404,995
Other receivables	15	**770,662,041**	2,916,249,796
Cash and bank balances	17	**1,877,855,163**	1,471,877,809
Short term investments	14	**1,763,221,422**	2,323,542,259
At fair value through OCI			
Short term investments	14	**976,084,924**	918,419,065
At fair value through profit and loss			
Short term investments	14	**969,765,795**	304,308,772
Total financial assets		**23,103,405,679**	24,119,293,518
Financial liabilities			
At amortized cost			
Long term finances	21	**40,241,166,340**	37,546,184,538
Lease liabilities	22	**1,306,399,992**	1,227,070,402
Trade and other payables	24	**21,274,660,530**	13,534,291,341
Accrued mark-up	25	**928,204,510**	1,055,710,443
Short term finances	26	**20,208,618,354**	21,020,018,369
Islamic redeemable sukuk	27	**8,000,000,000**	8,000,000,000
Unclaimed dividend		**6,310,574**	5,965,586
Total financial liabilities		**91,965,360,300**	82,389,240,679

42.2. Fair value of financial assets and liabilities

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

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the:

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

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred.

The Group's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of the following factors:

- changes in market and trading activity (e.g. significant increases / decreases in activity)
- changes in inputs used in valuation techniques (e.g. inputs becoming / ceasing to be observable in the market)

There are few transfers of level 3 short term investment to level 1 as it become listed during the year.
The valuation techniques used are as follows:

Level 1: Quoted prices (unadjusted) in active markets
Level 2: Non active markets The fair value of financial instruments of non active market is based on inputs available in the market.

The fair value of financial instruments traded in active markets is based on market value of financial instrument at the reporting date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
The following table analysis within the fair value hierarchy of the Group's financial assets (by class) measured at fair value at June 30, 2026:

Financial assets	2026			
	Level 1	Level 2	Level 3	Total
	----------Rupees ----------			
Financial investments: fair value through OCI	976,084,924	-	-	976,084,924
Financial investments: fair value through Profit and Loss	969,765,795	-	-	969,765,795
	2025			
	Level 1	Level 2	Level 3	Total
	----------Rupees ----------			
Financial investments: fair value through OCI	918,419,065	-	-	918,419,065
Financial investments: fair value through Profit and Loss	304,308,772	-	-	304,308,772

42.2.1. Valuation techniques used in determination of fair values

Item	Valuation approach and input used
Listed Securities	The Valuation has been determined through closing rates of Pakistan Stock Exchange.
Term finance certificates	The Valuation has been determined from PSX debt valuation sheet. The closing rates are announced by PSX daily on its website

42.3. Financial risk management

The board of directors of the Group has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Price risk

42.3.1. Credit risk

Credit risk represents the accounting loss that would be recognized 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 for 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.

Credit risk of the Group arises principally from the trade debts, loans and advances, trade deposits, other receivables and deposits with financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

Trade debts
The Group's exposure to credit risk arising from trade debtors is mainly influenced by the individual characteristics of each customer. The majority of the customers have been transacting with the Group for several years. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

Bank balances
The Group limits its exposure to credit risk by investing in liquid securities and maintaining bank accounts only with counter-parties that have stable credit rating. Given these high credit ratings, management does not expect that any counter party will fail to meet their obligations.

The bank balances along with the credit ratings are tabulated below:

	Short- term Ratings	2026	2025
		--------- Rupees ---------	
Allied Bank Limited	A1+	**36,753,697**	1,381,584
Bank Al Falah Limited	A1+	**129,480,714**	77,240,753
Bank Al Habib Limited	A1+	**73,284,973**	1,238,764
Bank Islami Pakistan Limited	A1	**1,836,087**	323,092
Dubai Islamic Bank Pakistan Limited	A1+	**6,047,240**	98,500,598
Habib Bank Limited	A1+	**135,135,155**	27,555,657
Habib Metropolitan Bank Limited	A1+	**40,617,256**	10,232,960
JS Bank Limited	A1+	**47,655,411**	149,229,616
MCB Bank Limited	A1+	**4,050,442**	35,467,173
MCB Islamic Bank Limited	A1	**3,020,432**	6,649,593
Meezan Bank Limited	A1+	**736,624,882**	148,878,334
National Bank Of Pakistan	A1+	**3,030,161**	2,093,235
United Bank Limited	A1+	**543,912**	-
Faysal Bank Limited	A1+	**513,063**	3,000
Soneri Bank Limited	A1+	**2,822,553**	516,275
Bank Makramah Limited	A2	**1,655,541**	210,971
Standard Chartered Bank Limited	A1+	**76,379,444**	1,838,529
Bank of Punjab	A1+	**62,732,022**	38,357,182
Askari Bank Limited	A1+	**4,845,857**	207,060,708
Emirates Development Bank	N/A	**504,860,703**	664,691,236
Industrial & Commercial Bank of China	N/A	**120,830**	124,695
Al Baraka Bank Limited	A1	**2,383,790**	283,852
		1,874,394,165	1,471,877,807

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Notes	2026	2025
		--------- Rupees ---------	
Long term deposits	8	**37,675,816**	31,876,598
Trade debts	11	**16,642,367,684**	15,758,507,990
Loans and advances	12	**-**	106,234
Loans to associate		**-**	350,000,000
Trade deposits - unsecured	13	**65,772,834**	44,404,995
Short term investments	14	**969,765,795**	304,308,772
Other receivables	15	**770,662,041**	2,916,249,796
		18,486,244,170	19,405,454,385

To reduce the exposure to credit risk, the Group has developed a formal approval process whereby credit limits are applied to its customers. The management continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery.
The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit rating.

As at June 30 the Group has certain trade debts that are past due but are not considered to be impaired. The amounts as at June 30 are as follows:

	Notes	2026	2025
		--------- Rupees ---------	
Due but not more than 3 months		**1,257,115,073**	1,591,768,511
Due more than 3 months but not more than 6 months		**756,736,400**	905,894,511
Due more than 6 months but not more than 1 year		**427,572,865**	263,000,218
Due more than 1 year		**200,402,476**	133,204,372
	11.3	**2,641,826,814**	2,893,867,612

In respect of trade debts, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade debts consists of a large number of customers. Based on historical information about customer default rates management consider the credit quality of trade debts that are not past due and impaired to be good. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

42.3.2. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Liquidity risk arises because of the possibility that the Group could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Based on the above, management believes the liquidity risk is insignificant.

As at the reporting date the Group's financial liabilities have contractual maturities as summarized below:
Effective rates of return/mark-up on financial liabilities are as follows:

	Notes	2026			
		Effective rate of interest / Profit	Carrying amount	Maturity upto one year	Maturity after one year
		----------Rupees ----------			
Financial liabilities - Interest bearing					
Long term finances - secured Conventional	21	**7.02%**	**18,961,349,764**	**4,811,702,911**	**14,149,646,853**
Lease liabilities - Conventional	22	**12.79% to 20.00%**	**1,306,399,992**	**84,596,817**	**1,221,803,175**
Short term finances - secured - Conventional	26	**10.51% to 12.14%**	**17,908,618,354**	**17,908,618,354**	**-**
Financial liabilities - Islamic					
Long term finances - secured Islamic	21	**11.77%**	**21,279,816,576**	**5,338,105,018**	**15,941,711,558**
Short term finances - secured - Islamic	26	**10.99% to 12.28%**	**2,300,000,000**	**2,300,000,000**	**-**
Islamic redeemable sukuk	27	**10.35% to 12%**	**8,000,000,000**	**8,000,000,000**	**-**
Non - interest bearing					
Trade and other payables	24	**-**	**21,274,660,530**	**21,274,660,530**	**-**
Accrued mark-up	25	**-**	**928,204,510**	**928,204,510**	**-**
Unclaimed dividend			**6,310,574**	**6,310,574**	**-**
			91,965,360,300	**60,652,198,714**	**31,313,161,586**

	Notes	2025			
		Effective rate of interest / Profit	Carrying amount	Maturity upto one year	Maturity after one year
		----------Rupees ----------			
Financial liabilities - Interest bearing					
Long term finances - secured Conventional	21	10.54%	20,793,289,889	5,114,822,877	15,678,467,012
Short term finances - secured - Conventional	26	10.84% to 19.45%	18,295,065,869	18,295,065,869	-
Lease liabilities - conventional	22	13% to 20%	1,227,070,402	9,516,997	1,217,553,405
Financial liabilities - Islamic					
Long term finances - secured Islamic	21	9.5%	16,752,894,649	1,858,282,783	14,894,611,866
Short term finances - secured - Islamic	26	8.85% to 21.89%	2,724,952,500	2,724,952,500	-
Islamic redeemable sukuk	27	11.10% to 22.35%	8,000,000,000	8,000,000,000	-
Non - interest bearing		-			
Trade and other payables	24	-	13,793,062,616	13,793,062,616	-
Accrued mark-up	25	-	1,055,710,443	1,055,710,443	-
Unclaimed dividend			5,965,586	5,965,586	-
			82,648,011,954	50,857,379,671	31,790,632,283

Cash flow sensitivity analysis for variable rate instruments
At June 30, 2026, if interest rates on long term financing had been 1% higher / lower with all other variables held constant, pre tax profit for the year would have been affected by Rs. 415.476 million (June 2025: Rs. 387.733 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate borrowings.

At June 30, 2026, if interest rates on short term borrowings had been 1% higher / lower with all other variables held constant, pre tax profit for the year would have been affected by Rs. 202.09 million (June 2025: Rs. 210.20 million) higher / lower, mainly as a result of higher / lower interest expense on floating rate borrowings.

At June 30, 2026, if profit rates on islamic redeemable sukuk had been 1% higher / lower with all other variables held constant, pre tax profit for the year would have been affected by Rs. 80 million (June 2025: Rs. 80 million) higher / lower, mainly as a result of higher / lower profit on floating rate borrowings.

42.3.3. Market risk

Market risk is the risk that fair value of future cash flows of the financial instrument may fluctuate as a result of changes in market prices. Market prices comprise of three types of risks namely foreign currency risk, interest rate risk and other price risk, such as equity risk.

a. Foreign currency risk

Currency risk is the risk that the fair value of future cash flows of financial asset or a liability may fluctuate due to changes in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies. The Group primarily has foreign currency exposures in US Dollars.

Exposure to Foreign currency risk
The Group is exposed to foreign exchange risk arising from currency value fluctuations due to the following:

	Notes	2026	2025
		------ Amount in USD ----------	
Trade debts		**7,939,026**	14,054,905
Cash and bank balances		**584,934**	489,065
Trade and other payables		**(18,093,208)**	(10,688,269)
Loans and advances		**3,740**	374
Advance from customer		**(4,061,690)**	(352,892)
		(13,627,198)	3,503,183
Off balance sheet exposures			
Letter of credit		**(40,666,241)**	(29,240,130)
Net Exposure		**(54,293,439)**	(25,736,947)

The following significant exchange rates were applied during the year.

	2026	2025
	------- Rupee per USD ---------	
Average rate	**281.33**	284.10
Reporting date rate	**278.55**	284.10

Foreign currency sensitivity analysis
A 10 percentage strengthening of the PKR against the USD at June 30, 2025 would have effect on the equity and profit and loss of the company as shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for June 30, 2026.

	2026	2025
	--------- Rupees ---------	
Strengthening of PKR against respective currencies	**1,512,343,731**	731,186,669
Weakening of PKR against respective currencies	**(1,512,343,731)**	(731,186,669)

As at 30 June 2026, if the Pakistani Rupee had weakened / strengthened by 10% against the US Dollar with all other variables being constant, profit before tax for the year would have been lower / higher by Rs. 1512.34 million (2025: Rs. 731.19 million) mainly as a result of foreign exchange gains / losses on translation of dollar denominated financial assets.

The maximum exposure to foreign currency risk in Pakistani rupee at the reporting date is as follows:

	Notes	2026	2025
		--------- Rupees ---------	
Export debtors	11	**2,211,568,225**	3,992,602,693
Import creditors		**5,039,863,001**	3,033,711,555
		7,251,431,226	7,026,314,248

b. Interest rate risk
Interest rate risk is the risk that the fair value of the future cash flows of a financial instrument may fluctuate because of the changes in market interest rates. Majority of the interest rate exposure arises from short and long term borrowings from banks and running finance facilities. At the reporting date the interest rate profile of the Group's mark-up bearing financial instruments is as follows:

	Carrying amount	
Variable rate instruments	**2026**	2025
Financial liabilities	**30,622,804,004**	26,857,100,356
	30,622,804,004	26,857,100,356

As at 30 June 2026, if KIBOR had been 100 bps lower/higher with all other variables held constant, profit before tax for the year would have been higher/lower by Rs. 306.23 million. (2025: Rs. 268.57 million) mainly because of higher/ lower interest expense on variable rate instruments.

c. Equity risk
It is the risk that the listed equity securities are susceptible to market price risk, arising from uncertainties about future values of the investment securities.

	2026	2025
Fair value through profit and loss	**969,765,795**	304,308,772

42.3.4. Price Risk
Price risk represents the risk that the fair value of a financial instrument will fluctuate as a result of changes in market price. The following table summarizes the impact on the Company's profit before tax assuming a 10% increase or decrease in market prices at the reporting date, with all other variables held constant would be Rs. 96,976,580 (June 2025: 30,430,877).

42.4. Capital Risk Management
The objective of the Group when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to 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 dividend paid to the shareholders or issue bonus / right shares. There were no changes in the Group's approach to capital management during the year and the Group is not subject to externally imposed capital requirements.

The Group's capital includes share capital and reserves. As at reporting date the capital of the Group is as follows:

	Notes	2026	2025
		--------- Rupees ---------	
Share capital		**663,569,400**	663,569,400
Reserves		**27,999,145,290**	24,821,458,913
		28,662,714,690	25,485,028,313

The Group manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investments requirements and expectations of the shareholders. Debt is calculated as total borrowings (long term finances). The Group's capital signifies equity as reported in statement of financial position and includes share capital and accumulated losses.

The Group's strategy was to maintain leveraged gearing. The gearing ratios as at June 30, 2026 and 2025 were as follows:

	Notes	2026	2025
		--------- Rupees ---------	
Total borrowings		**40,241,166,340**	37,546,184,538
Total equity		**28,662,714,690**	25,485,028,313
Total equity and debt		**68,903,881,030**	63,031,212,851
Net gearing ratio (%)		**58.4%**	59.6%

The Group finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix amongst various sources of finance to minimize risk.

43. SHARIAH COMPLIANT DISCLOSURE

	Notes	2026	2025
		----------Rupees ----------	
43.1. Statement of Financial Position (Islamic Mode)			
- Bank deposit and bank balances		**752,080,035**	246,790,270
Term Finance			
- Long term finance		**21,279,816,576**	16,752,894,649
- Short term finance		**2,300,000,000**	2,724,952,500
- Redeemable sukuk		**8,000,000,000**	8,000,000,000
- Running finance		**4,713,126,325**	2,806,779,838
Accrued Markup			
- Long term finance		**68,964,398**	65,101,734
- Short term finance		**30,798,607**	72,597,273
- Redeemable sukuk		**345,363,731**	280,614,036
- Running finance		**98,497,647**	102,111,573
43.2. Statement of Comprehensive Income			
- Revenue earned from a Shariah-compliant business segment		**150,223,176,047**	140,073,497,081
- Profit paid on Islamic mode of financing		**4,018,764,148**	3,975,132,566

44. PLANT CAPACITY AND ACTUAL PRODUCTION

	2026 Metric Ton		2025 Metric Ton	
	Rated Capacity	Actual Production	Rated Capacity	Actual Production
Food processing	**323,026**	**205,149**	316,416	201,769
Plastic film	**63,000**	**37,521**	63,000	36,435
Pet Resin	**108,000**	**79,948**	108,000	71,042

Pharmaceuticals

Plant capacity based on week days production in a single shift is 74.5 million units per annum (2025: 74.5 million units per annum). Actual production is 30.2 million units (2025: 19.8 million units) during the year.

45. TRANSACTION WITH RELATED PARTIES

Related parties comprise associated undertakings, directors of the Group and key management personnel. The Group continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions.

Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements, are as follows:

Key Management Personnel (KMP)	
Name	**Direct shareholding %**
Mr. Ahmed Muhammad	15.22
Mr. Munsarim Saif	0.000009
Mr. Ahmed Raza Parekh	Nil

	2026	2025
	--------- Rupees ---------	
Salaries & benefits to KMP	**55,500,000**	47,200,000
Post employment benefit to KMP	**1,792,545**	1,729,648
Innovita Labs (Private) Limited		
(Associated Company - Common Directorship)		
- Service availed	**(38,496,928)**	-
- Payments for services	**70,268,892**	-
- Advance against services	**31,771,964**	-
VMI Trading Inc.		
(Associated Group - Common Directorship)		
- Collections received against sales	**1,960,536,736**	432,818,389
Innovita Nutrition (Private) Limited		
(Associated Company - Common Directorship)		
- Purchase of finished goods	**(38,590,099)**	(61,754,823)
- Purchase of raw material	**(556,378,408)**	(469,402,257)
- Payment against purchases	**1,064,370,764**	61,754,823
- Markup received during the year	**21,040,629**	65,985,560

	2026	2025
	--------- Rupees ---------	
Plastiflex Films (Private) Limited		
(Associated Group - Common Directorship)		
- Purchase of raw & packing material	**(24,495,750)**	19,577,739
- Metallization of raw material	**3,862,335**	(4,966,144)
- Sales of raw & packing material	**47,901**	(539,261)
- Recovery against Sales	**(3,928,810)**	6,065,119
- Payment against purchases	**18,454,452**	(19,577,739)
- Receivable from associate	**(6,041,298)**	18,574

46. NON- ADJUSTING EVENT

46.1. The board of directors in its meeting held on August 28, 2026 has proposed the final dividend of Rs. 5 per share (2025: Rs.5 per share) in respect of the year ended June 30, 2026 for approval of the members at the annual general meeting. The consolidated financial statements for the year ended June 30, 2026 do not include the effect of the proposed dividend, which will be accounted for in the consolidated financial statements for the year ending June 30, 2027.

47. DATE OF AUTHORIZATION

These consolidated financial statements were authorized for issue on August 28, 2026 by the board of directors of the Group.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail Ahmed
Director

Ahmed Raza Parekh
Chief Financial Officer

13

BOUND BY PROGRESS

SHAREHOLDER'S INFORMATION

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Notice of Annual General Meeting

Notice is hereby given that the 38th Annual General Meeting of Ismail Industries Limited (the "Company") will be held on Wednesday, October 28, 2026 at 12:00 p.m. at Hotel Galaxy, Bushra Hall, 164, B.C.H.S. Shahrah-e-Faisal, Karachi as well as through video link conferencing facility to transact the following businesses:

Ordinary Businesses:

1. To confirm the minutes of the 37th Annual General Meeting held on October 08, 2025.

2. To receive, consider and adopt the Audited Accounts of the Company for the year ended June 30, 2026 with the Directors' and the Auditors' Reports thereon.

   In accordance with section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389(1)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the website of the Company which can be accessed through the following weblink and QR enabled code:

QR Enabled Code

www.ismailindustries.com.pk/financial-reports

3. To consider and approve the payment of final cash dividend @ 50% (Rs. 5/- per share) for the financial year ended June 30, 2026 as recommended by the Board of Directors.

4. To appoint Auditors M/s. Grant Thornton Anjum Rahman - Chartered Accountants for the year ending June 30, 2027 and fix their remuneration.

Special Businesses:

5. To ratify and approve transactions conducted with Related Parties for the year ended June 30, 2026 by passing the following special resolutions with or without modification:

   "RESOLVED THAT transaction carried out in normal course of business with Related Parties during the year ended June 30, 2026 as disclosed in the Note No. 45 of the unconsolidated financial statements be and are hereby ratified and approved."

6. To authorize the Board of Directors of the Company to enter and approve transactions with Related Parties for the financial year ending June 30, 2027 by passing the following special resolutions with or without modification:

   "**RESOLVED THAT** the Board of Directors of the Company be and are hereby authorized to enter and approve transactions to be conducted with Related Parties on case-to-case basis for the financial year ending June 30, 2027."

   "FURTHER RESOLVED THAT these transactions as approved by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting of the Company for their formal ratification/approval."

7. To consider and approve the remuneration of the Chief Executive Officer and Executive Director.

8. To consider and if deemed fit, to pass with or without modification(s), addition(s) or deletion(s), the following Special Resolution(s) under Section 199 of the Companies Act, 2017 read with the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 (as may be amended), as recommended by the Board of Directors of the Company:

   "RESOLVED THAT, approval of the members of the Company is hereby accorded by way of special resolution (in accordance with Section 199 of the Companies Act, 2017 read with Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017) for the following acts by the Company:

   a. Approval for the Company to renew and enhance the intercompany loan extended to its subsidiary, M/s Ismail Resin (Private) Limited from Rs. 8,000,000,000 (Rupees: Eight billion only) to Rs. 10,000,000,000 (Rupees: Ten billion only) for a period of one year from the date of the special resolution, which may be renewed yearly by the Company for up to the remaining two consecutive years.

   b. i) Approval for the Company to renew an intercompany loan extended to its subsidiary, M/s Hudson Pharma (Private) Limited, as approved by the shareholders in Annual General Meeting of the Company held on October 8, 2025 of Rs. 2,000,000,000 (Rupees: Two billion only) for a period of one year from the date of the special resolution, which may be renewed yearly by the Company for up to the remaining two consecutive years.

      ii) Approval for the Company to enhance the amount of financial assistance and Cross Corporate Guarantee by Rs. 1,000,000,000/- (Rupees: One billion only) for its subsidiary company M/s. Hudson Pharma (Private) Limited as approved by the shareholders in Annual General Meeting of the Company held on October 26, 2022 from Rs. 1,000,000,000/- (Rupees: One billion only) to Rs. 2,000,000,000/- (Rupees: Two billion only)."

   c. i) Approval for the Company to enhance the quantum of long-term equity investment in its wholly own subsidiary M/s. Bisconni Middle East Manufacturing LLC (the LLC) in Abu Dhabi, UAE, from PKR equivalent US $ 15,000,000 (USD: Fifteen Million) to PKR equivalent to US $ 25,000,000 (USD: Twenty-Five Million).

      ii) Approval for the Company to renew and enhance the financial assistance to its subsidiary company M/s. Bisconni Middle East Manufacturing LLC (the LLC) in Abu Dhabi, UAE by way of Corporate Cross Guarantee in favor of Banks/Financial Institutions from AED 80,000,000/- (AED: Eighty million) to AED 100,000,000/- (AED: Hundred million only) to secure the banking facilities extended to M/s. Bisconni Middle East Manufacturing LLC.

   d. Approval for the Company to extend to its associate, M/s. Allume Solar Company (Private) Limited, an intercompany loan or financial assistance in the aggregate amount of up to PKR Two billion (PKR 2,000,000,000), comprising of, inter alia, loans, advances, corporate cross guarantee and/or security or financial assistance in any form (including without limitation guarantees, government securities, cash, listed/unlisted securities etc.) on an arm's length basis, in the form of a revolving line of credit valid for a period of one year from the date of the special resolution, which may be renewed by the Company for up to four consecutive periods of one year each.

e. Approval for the Company to extend to its associate, M/s. Ismail Global SMC (Private) Limited, an intercompany loan in the aggregate amount of up to Rs. 2,000,000,000 (Rupees: Two billion only), comprising of, inter alia, loans, advances, corporate cross guarantee and/or security or financial assistance in any form (including without limitation guarantees, government securities, cash, listed/unlisted securities etc.) on an arm's length basis, in the form of a revolving line of credit valid for a period of one year from the date of the special resolution, which may be renewed by the Company for upto four consecutive periods of one year each.

"**FURTHER RESOLVED THAT** the Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company be and are hereby singly authorized to execute and deliver all necessary deeds, agreements, declarations, undertakings, documents and take any and/or all actions to implement and give effect to above resolutions and to complete any or all required corporate and necessary legal formalities for the purpose of implementation of above resolutions."

Any other Businesses:

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

"Statement under Section 134(3) of the Companies Act, 2017, concerning the Special Resolutions, is attached along with the Notice circulated to the members of the Company, and is deemed to be an integral part hereof."

By Order of the Board of Directors

Karachi: October 07, 2026

Abdul Basit
Company Secretary

Notes:

1. Closure of Share Transfer:

The Share Transfer Books of the Company will remain closed from Thursday, October 22, 2026 to Wednesday, October 28, 2026 (both days inclusive) and no transfers will be registered during that time. Shares received in order at the Office of the Share Registrar of the Company, M/s. THK Associates (Private) Limited 32-C, Jami Commercial Street 2, D.H.A, Phase VII, Karachi, Pakistan 7500 at the close of business on Wednesday, October 21, 2026 will be treated in time for the above entitlement.

2. Participating in Annual General Meeting:

A member eligible to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote instead of him/her, and a proxy so appointed shall have all such rights as are available to a member. Proxy, to be effective, must reach the Company Share Registrar Office not less than 48 hours before the time of the meeting during working hours.

An individual beneficial owner of shares must bring his/her original CNIC or Passport, Account and Participant I.D. numbers to prove his/her identity. A representative of corporate members must bring the Board of Directors' Resolution and/or Power of Attorney and the specimen signature of nominee. CDC account holders will further have to follow the guidelines as laid down in Circular No.1 dated: January 26, 2000, issued by the Securities and Exchange Commission of Pakistan.

3. Online Participation in the Annual General Meeting:

i. To attend the AGM virtually through video link facility, members are requested to register themselves by providing the following information through email with subject "Registration for AGM" at secretarialcompliance@ismailindustries.com at least forty-eight (48) hours before the AGM with complete information as appended hereunder;

Folio # / CDC Account	Name of the Shareholder	CNIC #	No. of Shares	Mobile #	Email address

ii. Members will be registered, after necessary verification as per the above requirement and will be provided a video link by the Company via email.

iii. Only those members will be accepted at the AGM via video-conferencing whose names match the details shared with the Company for registration (as mentioned in point 'i' above).

iv. The login facility will remain open from 11:45 a.m. till the end of AGM.

4. Unclaimed / Unpaid Entitlements

Shareholders who by any reason could not collect their dividends/bonus shares/other entitlements are advised to contact our Share Registrar to collect/enquire about their unclaimed dividends/bonus shares/other entitlements, if any.

5. E-Voting and Postal Ballot

It is hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 and its amendments notified vide SRO 2192(1)/2022 dated December 5, 2022, members will be allowed to exercise their right to vote for the special businesses in the AGM, in accordance with the conditions mentioned in the aforesaid Regulations. The Company shall provide its members with the following options for voting:

i. E-Voting Procedure

a. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company within due course. Members who intend to exercise their right of vote through E-Voting shall provide their valid cell numbers and e-mail addresses on or before October 21, 2026.

b. The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of THK Associates (Private) Limited (being the e-voting services provider).

c. Identity of the members intending to cast vote through e-Voting shall be authenticated through authentication for login.

d. E-Voting lines will start from October 25, 2026, 9 a.m. and shall close on October 27, 2026 at 5 p.m. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

ii. Postal Ballot:

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

b. The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at 17-Bangalore Town, Main Shahrah-e-Faisal, Karachi (Attention of the Company Secretary) one day before the day of the Annual General Meeting during working hours or at email of the Chairman; chairman@ismailindustries.com. The signature on the ballot paper shall match with the signature on CNIC.

c. The members are also notified that as per S.R.O 451(1)/2025 for all businesses classified as special business under the Companies Act, 2017 voting by members of the listed company shall only be through postal ballot and for the purpose of this there shall be no voting by show of hands by members of the listed company who attends the general meeting physically. Provided that members who did not cast their vote through electronic voting facility and by post prior to the date of the general meeting, shall be allowed to cast his/her vote on the day of the general meeting by way of ballot paper only.

6. Withholding tax on Dividend

In compliance with Section 150 read with Division I of Part III of the First Schedule of the Income Tax Ordinance, 2001, withholding tax on dividend income will be deducted for 'filer' and 'non-filer' Shareholders at 15% and 30% respectively. A 'filer' is a taxpayer whose name appears in the latest available Active Taxpayers List (ATL) issued by the FBR from time to time and a 'non-filer' is a person other than a filer. To enable the Company to withhold tax at 15% for filers, all members are advised to ensure that their names appear in the latest available ATL on FBR's website, otherwise tax on their cash dividend will be deducted at 30% for non-filers. Withholding tax exemption from the dividend income shall only be allowed if a copy of valid tax exemption certificate is made available to the Share Registrar, / Transfer Agent THK Associates (Private) Limited, of the Company by the first day of book closure.

According to the clarification from the FBR, withholding tax in case of joint accounts will be determined separately based on the 'Filer/ Non-Filer' status of the principal member as well as the status of the joint holder(s) based on their shareholding proportions. Members that hold shares with joint shareholders are requested to provide the shareholding proportions of the principal member and the joint holder(s) in respect of shares held by them to our Share Registrar / Transfer Agent, THK Associates (Private) Limited, of the Company in writing. In case the required information is not provided to our Registrar it will be assumed that the shares are held in equal proportion by the principal member and the joint holder(s).

7. Deposit of Physical Shares into CDC Account

As per Section 72 of the Companies Act, 2017 every listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP. Shareholders having physical shareholding are accordingly required to open their account with investors account services of CDC or sub account with any of the brokers and convert their physical shares in book entry form. This will facilitate the shareholder in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange Limited.

8. Payment of Dividend Electronically (Mandatory Requirement)

In accordance with the provisions of Section 242 of the Companies Act, 2017 and SECP's Circular No. 421(I) 2018 dated March 19, 2021, it is mandatory for a listed Company to pay cash dividend to its members only through electronic mode directly into bank account designated by the entitled member. In this context, in order to receive dividends directly into their bank account, members having shareholding in physical form are requested to provide their IBAN details duly signed along with a copy of CNIC to the Registrar of the Company M/s. THK Associates (Pvt.) Ltd, Plot # 32-C, Jami Commercial Street 2, D.H.A. Phase VII, Karachi, Phone # 021-111-000-322. Members having shareholding in book entry form in CDS are advised to submit their IBAN details directly to relevant broker/ participant/CDC Investor Account Services. In case of non-receipt of information, the Company will be constrained to withhold payment of dividend to members.

9. Submission of the CNIC (Mandatory)

As per SECP directives, the dividend of shareholders, who's valid CNICs are not available with the Share Registrar, may be withheld. All shareholders having a physical shareholding are therefore advised to submit a photocopy of their valid CNICs immediately, if not provided, to the Share Registrar, without any further delay.

10. Availability of Financial Statements and Reports on the Website

In accordance with the Provision of Sections 223(6) and (7) of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2026 are available on the Company's website.

11. Circulation of Financial Statement and Notice of AGM through Email:

As per S.R.O. 452(I)/2025 the notice of general meeting shall be circulated to members through email in addition to annual audited financial statements, however, if shareholders, in addition, request for hard copy of Audited Financial Statements, the same shall be provided free of cost within seven (7) days of receipt of such written request. Furthermore, no gifts will be distributed at the meeting.

Statement of Material Facts under Section 134 of the Companies Act, 2017

This statement is annexed as an integral part of the Notice of the Annual General Meeting of Ismail Industries Limited to be held on Wednesday, October 28, 2026, at 12:00 pm at Hotel Galaxy, Bushra Hall, 164, B.C.H.S. Shahrah-e-Faisal, Karachi, Pakistan, and set out the material facts concerning the Special Businesses to be transacted at the Meeting.

1. **Item number 5 of the notice – Ratification and approval of the related party transactions carried out during the year ended June 30, 2026.**

   The Company carries out transactions with its related parties during the year ended June 30, 2026, on an arm's length basis as per the approved policy in the normal course of business. All transactions entered with related parties have to be approved by the Board of Directors duly recommended by the Audit Committee on a quarterly basis pursuant to Clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2019.

   Many of the Company's Directors were interested in certain transactions with related parties due to their common directorships in associated/subsidiary companies. During the 37th Annual General Meeting of the Company, shareholders had authorized the Board of Directors to approve the transactions with related parties from time-to time on case-to-case basis for the year ended June 30, 2026 and such transactions were deemed to be placed before the shareholders in upcoming Annual General Meeting for their formal approval/ratification.

   In view of the above, transactions conducted with related parties as shown in note no. 45 of the unconsolidated financial statements for the year ended June 30, 2026, are being placed before the shareholders for their consideration and approval/ratification.

2. **Item number 6 of the notice – Authorization for the Board of Directors to approve the related party transactions during the year ending June 30, 2027.**

   The Company shall be conducting transactions with its related parties during the year ending June 30, 2027, on an arm's length basis as per the approved policy in the normal course of business. Many of the Company's Directors will be interested in these transactions due to their common directorship in the subsidiary/associated companies. To promote transparent business practices, shareholders desire to authorize the Board of Directors to approve transactions with related parties from time-

to-time on case-to-case basis for the year ending June 30, 2027, which shall be deemed to be approved by the Shareholders. These transactions shall be placed before the shareholders in the next Annual General Meeting of the Company for their formal ratification/approval.

3. **Item number 7 of the notice – Approval for the increase in remunerations of Chief Executive Officer and Executive Director**

   Approval is being sought for an increase in payment of remunerations to the Chief Executive Officer and Executive Director.

   For this purpose, the following Resolutions will be moved at the meeting.

   "RESOLVED THAT the Company be and is hereby approves and authorizes the payment as remunerations to the Chief Executive Officer a sum of Rs. 24,000,000/- per annum and Executive Director a sum of Rs. 19,800,000/- per annum.

   "FURTHER RESOLVED THAT in addition to remunerations, all utility bills, perks & benefits will be paid by the Company. The approximate value of the utility bill, perks & benefits to be borne by the Company would be Rs. 2,000,000 per annum for the Chief Executive Officer and Rs. 1,650,000 per annum for the Executive Director.

4. **Item number 8 of the notice – Investment in subsidiary and associated company u/s. 199 of the Companies Act, 2017**

   a. **M/s Ismail Resin (Private) Limited**

A. Regarding associated company or associated undertaking:

(i)	Name of the associated company or associated undertaking	M/s. Ismail Resin (Private) Limited
(ii)	Basis of relationship	Subsidiary company with 77.17% shareholding and common directorship of following directors: 1) Mr. Muhammad M. Ismail 2) Mr. Maqsood Ismail Ahmed 3) Mr. Munsarim Saifullah 4) Mr. Ahmed Muhammad 5) Mr. Hamid Maqsood Ismail
(iii)	Earnings per share for the last three years;	**Loss per share:** Financial Year 2025-2026 Rs. 0.51 Financial Year 2024-2025 Rs. 3.98 Financial Year 2023-2024 Rs. 1.81
(iv)	Break-up value per share, based on latest audited financial statements.	Rs. 4.97 per share
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	**Financial Position and Profit / Loss for the**

Year ended June 30, 2026	**Rs.**
Non-Current Assets	17,791,651,637
Total Assets	33,890,660,429
Equity – net	2,860,302,529
Non-Current Liabilities	9,311,468,941
Total Liabilities	31,030,357,900
Loss for the Year	273,674,617

(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely; i. Description of the project and its history since conceptualization; ii. Starting date and expected date of completion of work; iii. Time by which such project shall become commercially operational; iv. Expected time by which the project shall start paying return on investment; and v. Funds invested or to be invested by the promotors, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	Not Applicable

B. General disclosures:

(i)	Maximum amount of investment to be made	To renew and enhance the intercompany loan, as already approved by the members, the aggregate amount of Rs. 8,000,000,000 (Rupees: Eight billion) to Rs. 10,000,000,000/- (Rupees: Ten billion), comprising of, inter alia, loans, advances and/or security in any form (including without limitation guarantees, government securities, cash, listed/unlisted securities etc.), for a period of further one year as per approved terms and conditions.
(ii)	Purpose, benefits likely accrue to the investing company and its members from such investment and period of investment.	Purpose: An intercompany loan provided to meet the operational and working capital requirements. Benefits: Earn interest income which ultimately maximizes the value of shareholders of the investing Company. The period of investment is one (1) year, renewable for two (2) further periods of one (1) year each.
(iii)	Sources of fund to be utilized for investment and where the investment is intended to be made using borrowed funds: i. Justification for investment through borrowings: ii. Detail of collateral, guarantees provided and assets pledged for obtaining such funds: and iii. Cost benefit analysis:	The Company will lend to its subsidiary company when/ if it has access to excess funds/banking lines/security, and the subsidiary company requires the same. Each facility will be provided on an arm's length basis and will be done in a way which benefits the Company's shareholders. The Company secures financing from banks by providing a charge over the assets. The subsidiary company will pay a mark-up at a rate as per the agreement which is not lower than the average borrowing cost of the Company, which will improve the profitability of the Company.

(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	As detailed above, each financing facility will be provided on an arm's length basis.
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration.	Mr. Muhammad M. Ismail, Mr. Maqsood Ismail Ahmed, Mr. Munsarim Saifullah, Mr. Hamid Maqsood Ismail and Mr. Ahmed Muhammad, are Directors of Ismail Industries Limited (the investing company), they are also Directors of Ismail Resin (Private) Limited (the investee company). However, they have no direct or indirect interest except to the extent of their shareholding in the investee company. Whereas the investing company is the major shareholder of the investee company.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs:	Ismail Industries Limited has made an equity investment of Rs. 4,437,500,000 (Rupees: Four billion four hundred thirty-seven million five hundred thousand). The Company has also issued a Cross Corporate Guarantee & financial assistance amounting to Rs. 26,344,418,000 (Rupees: Twenty-six billion three hundred forty-four million four hundred eighteen thousand) to facilitate the subsidiary company to securitize its lenders against banking facilities extended to them. Furthermore, the Company also extended intercompany loan amounting to Rs. 7,962,000,000 (Rupees: Seven billion nine hundred sixty-two million) to meet the working capital requirements. There are no impairment and write off relating to the investment made so far.
(vii)	Any other important details necessary for the members to understand the transaction	Not significant

C. Additional information for Loans, Advances and Guarantees:

(i)	Category-wise amount of investment	The Intercompany loan comprising of, inter alia, loans, advances and/or security in any form (including without limitation guarantees, government securities, cash, listed/unlisted securities etc.,) will be enhanced/ renewed to the extent of Rs. 10,000,000,000/- (Rupees: Ten billion) to meet the operational and working capital requirements.
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period.	Average borrowing cost of the investing company comprises the Karachi Interbank Offered Rate (KIBOR) for the relevant period plus average spread of the Bank, rate of return for Shariah compliant products and rate of return for unfunded facilities for the relevant period. Average markup rates charged by holding company during the year range from 10.50% to 12%.
(iii)	Rate of interest, markup, profit, fees or commission etc. to be charged by investing company	The subsidiary company will pay a mark-up at a rate as per the agreement which is not lower than the average borrowing cost of the Company.
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment.	No security obtained from the subsidiary company as collateral.
(v)	If the investment carries conversion features i.e., it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	Not Applicable
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	The period of intercompany loan is renewed for one (1) year, its further renewable for Two (2) consecutive periods of one (1) year each, other terms and conditions are applicable as per the agreement.

b. M/s. Hudson Pharma (Private) Limited

A. Regarding associated company or associated undertaking:

(i)	Name of the associated company or associated undertaking	M/s. Hudson Pharma (Private) Limited
(ii)	Basis of relationship	Subsidiary Company with 78.53% shareholding and common directorship of following directors: 1. Mr. Munsarim Saifullah 2. Mr. Ahmed Muhammad 3. Mr. Hamid Maqsood Ismail
(iii)	Earnings per share for the last three years;	**Profit/(Loss) per share:** Financial Year 2025-2026, Rs. 0.74 Financial Year 2024-2025, Rs. (0.61) Financial Year 2023-2024, Rs. (1.56)
(iv)	Break-up value per share, based on latest audited financial statements	Rs. 2.36 per share
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements.	**Financial Position and Profit / Loss for the**

Year ended June 30, 2026	**Rs.**
Non-Current Assets	1,423,676,432
Total Assets	3,537,889,692
Equity – net	761,133,799
Non-Current Liabilities	287,725,832
Total Liabilities	2,776,755,893
Profit for the Year	237,877,156

(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely; i. Description of the project and its history since conceptualization; ii. Starting date and expected date of completion of work; iii. Time by which such project shall become commercially operational; iv. Expected time by which the project shall start paying return on investment; and v. Funds invested or to be invested by the promotors, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	Not Applicable

B. General disclosures:

(i)	Maximum amount of investment to be made	To renew an intercompany loan, as approved by members of the Company the aggregate amount of Rs. 2,000,000,000 (Rupees: Two billion), comprising of, inter alia, loans, advances and/or security in any form (including without limitation guarantees, government securities, cash, listed/unlisted securities etc.), for a period of further one year as per approved terms and conditions. Further enhance the amount of financial assistance and Cross Corporate Guarantee to its subsidiary company M/s. Hudson Pharma (Private) Limited from 1,000,000,000/- to Rs. 2,000,000,000/- (Rupees: Two billion) to facilitate the subsidiary company to securitize its lenders against banking facilities extended to them.
(ii)	Purpose, benefits likely accrue to the investing company and its members from such investment and period of investment	Purpose: An intercompany loan and financial assistance provided to meet the operational and working capital requirements. Benefits: Earn interest income which ultimately maximizes the shareholder value of the investing company. Period of Investment: The intercompany loan period is renewed for one (1) year, its further renewable for two (2) consecutive periods of one (1) year each.
(iii)	Sources of fund to be utilized for investment and where the investment is intended to be made using borrowed funds: i. Justification for investment through borrowings: ii. Detail of collateral, guarantees provided and assets pledged for obtaining such funds: and iii. Cost benefit analysis:	The Company will lend to its subsidiary company when/ if it has access to excess funds/banking lines/security, and the subsidiary company requires the same. Each facility will be provided on an arm's length basis and will be done in a way which benefits the Company's shareholders. The Company secures financing from banks by providing a charge over the assets. The subsidiary company will pay a mark-up at a rate as per the agreement which is not lower than the average borrowing cost of the Company, which will improve the profitability of the Company.
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	As detailed above, each financing facility will be provided on an arm's length basis.
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration.	Mr. Munsarim Saifullah, Mr. Hamid Maqsood Ismail, and Mr. Ahmed Muhammad are Directors of Ismail Industries Limited (the investing company), they are also Directors of Hudson Pharma (Private) Limited (the investee company). However, they have no direct or indirect interest except to the extent of their shareholding in the investee company. Whereas the investing company is a major shareholder of the investee company.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs:	Ismail Industries Limited has made an equity investment of Rs. 2,525,984,000/- (Rupees: Two billion five hundred twenty-five million nine hundred eighty-four thousand). The Company has also issued a Cross Corporate Guarantee of Rs. 893,811,644/- (Rupees: Eight hundred ninety-three million eight hundred eleven thousand six hundred forty-four) in favor of the lenders of Hudson Pharma for securitizing them against banking facilities extended. Furthermore, the Company also extended intercompany loan amounting to Rs. 1,800,000,000/- (Rupees: One billion eight hundred million) to meet the working capital requirements. There are no impairment and write off relating to the investment made so far.
(vii)	Any other important details necessary for the members to understand the transaction	Not significant

C. **Additional information for Loans, Advances and Guarantees:**

(i)	Category-wise amount of investment	Further financial assistance and cross corporate guarantee by Rs. 1,000,000,000/- to facilitate the subsidiary company to securitize its lenders against banking facilities extended to them and renew the Intercompany loan comprising of, inter alia, loans, advances and/or security in any form (including without limitation guarantees, government securities, cash, listed/unlisted securities etc.,) of Rs. 2,000,000,000 (Rupees: Two billion) to meet the operational and working capital requirements.
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period.	Average borrowing cost of the investing company comprises the Karachi Interbank Offered Rate (KIBOR) for the relevant period plus average spread of the Bank, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be for the relevant period. Average markup rates charged by holding company during the year ranges from 10.50% to 12%.
(iii)	Rate of interest, markup, fees or commission etc. to be charged by investing company	The subsidiary company will pay a mark-up at a rate as per the agreement which is not lower than the average borrowing cost of the Company.
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment	No security obtained from the subsidiary company as collateral.
(v)	If the investment carries conversion features i.e., it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable.	Not Applicable
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	The period of intercompany loan is renewed for one (1) year, it's further renewable yearly for the remaining two (2) years consecutive years, other terms and conditions are applicable as per the agreement.

c. **M/s. Bisconni Middle East Manufacturing LLC**

A. **Regarding associated company or associated undertaking:**

(i)	Name of the associated company or associated undertaking	M/s. Bisconni Middle East Manufacturing LLC
(ii)	Basis of relationship	Wholly own Subsidiary Company and common directorship of following directors: 1. Mr. Maqsood Ismail Ahmed 2. Mr. Ahmed Muhammad
(iii)	Earnings per share for the last three years;	Earnings per share: Financial Year 2025-2026, Rs. 65.39 Financial Year 2024-2025, Rs. 9.11
(iv)	Break-up value per share, based on latest audited financial statements.	Rs. 5,079/- per share
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements.	**Financial Position and Profit / Loss for the Year ended June 30, 2026** / **Rs.** Non-Current Assets / 3,230,740,275 Total Assets / 3,971,851,458 Equity – net / 3,820,884,962 Non-Current Liabilities / 1,203,351,422 Total Liabilities / 1,432,358,247 Profit for the Year / 32,696,539
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely; i. Description of the project and its history since conceptualization; ii. Starting date and expected date of completion of work; iii. Time by which such project shall become commercially operational; iv. Expected time by which the project shall start paying return on investment; and v. Funds invested or to be invested by the promotors, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	Not Applicable

B. **General disclosures:**

(i)	Maximum amount of investment to be made	Increase the quantum of long-term equity investment as approved by the shareholders in Annual General Meeting of the Company held on October 8, 2025, from PKR equivalent US $ 15,000,000/- (USD: Fifteen million) to US $ 25,000,000/- (USD: Twenty-five million).
(ii)	Purpose, benefits likely accrue to the investing company and its members from such investment and period of investment.	Purpose: This Long-term equity investment is to be made for meet its working capital requirement. Benefits: 1. To expand the business operations outside Pakistan, to ultimately maximize the wealth of shareholders. 2. To access foreign markets directly, to reach new customers and expand our business footprints globally. 3. To mitigate the risks associated with unpredictable economic condition of the country. Period of Investment: Effective from the date of members' approval, long term equity investment would be made in piecemeal as and when needed till the completion of the project.

(iii)	Sources of fund to be utilized for investment and where the investment is intended to be made using borrowed funds: i. Justification for investment through borrowings: ii. Detail of collateral, guarantees provided and assets pledged for obtaining such funds: and iii. Cost benefit analysis:	From surplus funds of the Company
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	Not Applicable
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration.	Mr. Maqsood Ismail Ahmed, and Mr. Ahmed Muhammad, are the Directors of Ismail Industries Limited (the investing company), they are also the Directors of Bisconni Middle East Manufacturing LLC (the investee company). However, they have no direct or indirect interest except to the extent of their shareholding in the investing company.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs:	The Company has already made an equity investment of US $ 9,012,003/- (USD: Nine million twelve thousand and three).
(vii)	Any other important details necessary for the members to understand the transaction	Not significant

C. Additional information for equity investment:

(i)	Maximum price at which securities will be acquired.	At face value of AED 100/- per share
(ii)	In case the purchase price is higher than its market value in case of listed securities and fair value in case of unlisted securities, justification thereof;	Not Applicable
(iii)	Maximum number of securities to be acquired.	367,500 Ordinary shares of AED 100/- each.
(iv)	Number of securities and percentage thereof held before and after the proposed investment	At present, the Company holds 500,000/- ordinary share of AED 100/- each constituting 100% equity shareholding in the M/s. Bisconni Middle East Manufacturing LLC. The Company shareholding after proposed equity would be 867,500 ordinary share of AED 100/- each constituting the same proportion as before.
(v)	Current and preceding twelve weeks weighted average market price where investment is proposed to be made in listed securities;	Not Applicable
(vi)	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities;	Pursuant to Regulation 5(1) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017. The fair value per share has been determined at AED 832/92 by M/s. Munaf Yusuf & Chartered Accountant, based on projected financial statements.

D. Additional information for Loans, Advances and Guarantees:

(i)	Category-wise amount of investment	To renew and enhance the financial assistance by way of Corporate Cross Guarantee in favor of Banks/ Financial Institutions to its subsidiary company M/s. Bisconni Middle East Manufacturing LLC (the LLC) in Abu Dhabi, UAE from AED 80,000,000/- (AED: Eighty million) to AED 100,000,000/- (AED: Hundred million only) to secure the banking facilities extended to its subsidiary Company.
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period.	Not Applicable
(iii)	Rate of interest, markup, fees or commission etc. to be charged by investing company	Not Applicable
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment	No security obtained from the subsidiary company as collateral.
(v)	If the investment carries conversion features i.e., it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	Not Applicable
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	Not Applicable

d. M/s. Allume Solar Company (Private) Limited

A. Regarding associated company or associated undertaking:

(i)	Name of the associated company or associated undertaking	M/s. Allume Solar Company (Private) Limited
(ii)	Basis of relationship	Associate Company based on common directorship of Mr. Ahmed Muhammad

(iii)	Earnings per share for the last three years;	Loss per share: Financial Year 2025-2026 Rs. (1,992) Financial Year 2024-2025 Rs. (109)
(iv)	Break-up value per share, based on latest audited financial statements.	Rs. -94/- per share
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements.	**Financial Position and Profit / Loss for the**

Year ended June 30, 2026	**Rs.**
Non-Current Assets	697,506,222
Total Assets	755,228,040
Equity – net	638,940,047
Non-Current Liabilities	-
Total Liabilities	116,287,993
Loss for the Year	14,417,945

(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely; i. Description of the project and its history since conceptualization; ii. Starting date and expected date of completion of work; iii. Time by which such project shall become commercially operational; iv. Expected time by which the project shall start paying return on investment; and v. Funds invested or to be invested by the promotors, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	Allume Solar Company (Pvt) Limited was originally incorporated on September 5, 2024, under the name Renesola Pakistan (Pvt) Limited. Following a strategic decision by the board and management, the Company's corporate name was formally changed to M/s. Allume Solar Company (Pvt) Limited to align with its long-term brand identity and local operational roadmap. The Company was established to build a state-of-the-art local manufacturing and assembly ecosystem in Pakistan, specializing in two key clean-energy verticals: Solar Photovoltaic (PV) Panel Assembly, Battery Energy Storage System (BESS) Assembly. In September 2025, the company secured an industrial land plot within the Bin Qasim Industrial Park (BQIP). On-site civil construction works have commenced and are currently underway to prepare the specialized infrastructure required for assembly operations. Import of primary plant and machinery from leading global equipment providers is scheduled for September 2026. Installation and commissioning will take place immediately following machine delivery, with commercial production and local revenue generation planned shortly thereafter. The Company will lend to its associate company when/if it has access to excess funds/banking lines/security, and the associate company requires the same. Each facility will be provided on an arm's length basis and will be done in a way which benefits the Company's shareholders.

B. General disclosures:

(i)	Maximum amount of investment to be made	Maximum Amount of Investment to M/s. Allume Solar Company (Private) Limited, an intercompany loan, cross corporate guarantee or financial assistance in the aggregate amount of up to PKR Two billion (PKR 2,000,000,000).
(ii)	Purpose, benefits likely accrue to the investing company and its members from such investment and period of investment.	This will enable the Company to lend to its associated companies when/if it has access to excess funds/banking lines/security, and the associated companies require the same. Each facility will be provided on an arm's length basis and will be done in a way which benefits the Company's shareholders. The period of investment is one (1) year, renewable for four (4) further periods of one (1) year each.
(iii)	Sources of fund to be utilized for investment and where the investment is intended to be made using borrowed funds: i. Justification for investment through borrowings: ii. Detail of collateral, guarantees provided and assets pledged for obtaining such funds: and iii. Cost benefit analysis:	The Company will lend to its associate company when/if it has access to excess funds/banking lines/security, and the associate company requires the same. Each facility will be provided on an arm's length basis and will be done in a way which benefits the Company's shareholders. The Company secures financing from banks by providing a charge over the assets. The associate company will pay a mark-up at a rate as per the agreement which is not lower than the average borrowing cost of the Company, which will improve the profitability of the Company.
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	As detailed above, each financing facility will be provided on an arm's length basis.
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration.	Mr. Ahmed Muhammad is Directors of Ismail Industries Limited (the investing company), they are also Directors of Allume Solar Company (Private) Limited (the investee company). However, they have no direct or indirect interest except to the extent of their shareholding in the investee company.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs:	Not Applicable
(vii)	Any other important details necessary for the members to understand the transaction	Not significant

C. Additional information for Loans, Advances and Guarantees:

(i)	Category-wise amount of investment	To extend an intercompany loan or financial assistance in the aggregate amount of up to PKR Two Billion (PKR 2,000,000,000/-), comprising of, inter alia, loans, advances, corporate cross guarantee and/or security or financial assistance in any form (including without limitation guarantees, government securities, cash, listed/unlisted securities etc.) on an arm's length basis.

(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period.	Average borrowing cost of the investing company comprises the Karachi Interbank Offered Rate (KIBOR) for the relevant period plus average spread of the Bank, rate of return for Shariah compliant products and rate of return for unfunded facilities for the relevant period. Average markup rates charged by holding company during the year range from 10.50% to 12%.
(iii)	Rate of interest, markup, profit, fees or commission etc. to be charged by investing company	The associate company will pay a mark-up at a rate as per the agreement which is not lower than the average borrowing cost of the Company.
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment.	No security obtained from the associate company as collateral.
(v)	If the investment carries conversion features i.e., it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	Not Applicable
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	The period of intercompany loan is renewed for one (1) year, its further renewable for four (4) consecutive periods of one (1) year each, other terms and conditions are applicable as per the agreement.

e. M/s. Ismail Global SMC (Private) Limited

A. Regarding associated company or associated undertaking:

(i)	Name of the associated company or associated undertaking	M/s. Ismail Global SMC (Private) Limited	
(ii)	Basis of relationship	Associate Company based on common directorship of Mr. Hamid Maqsood Ismail	
(iii)	Earnings per share for the last three years;	Loss per share: Financial Year 2025-2026 Rs. -10,845/- Financial Year 2024-2025 Rs. -17,536/-	
(iv)	Break-up value per share, based on latest audited financial statements.	Rs. -27,381/- per share	
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements.	**Financial Position and Profit / Loss for the**	
		Year ended June 30, 2026	**Rs.**
		Non-Current Assets	388,430,984
		Total Assets	611,742,339
		Equity – net	195,721,718
		Non-Current Liabilities	12,593,449
		Total Liabilities	415,920,621
		Loss for the Year	108,445,628

(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely; i. Description of the project and its history since conceptualization; ii. Starting date and expected date of completion of work; iii. Time by which such project shall become commercially operational; iv. Expected time by which the project shall start paying return on investment; and v. Funds invested or to be invested by the promotors, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	Proposed Investment in Expansion and Carbonated Soft Drinks Project. This disclosure relates to the proposed launch of a carbonated soft drinks ("CSD") business and the expansion of the existing bottled mineral water business in different cities of Pakistan, which currently comprises 19-litre bulk bottles and a PET range of 330 ml, 500 ml, 1,500 ml and 6-litre bottles. The project has been conceptualized as a strategic diversification into the CSD segment together with an expansion of the Company's established bottled-water operations in different cities of Pakistan namely Hyderabad, Sukkur, Multan, Faisalabad, Lahore and Islamabad. The proposed facility will include the acquisition of suitable land, Vehicles and the installation of production and related machinery for CSD and bottled-water products. Pending commissioning of the new facility, the Company intends to establish and serve the market through toll manufacturing arrangements for both product categories. This interim model is intended to support product launch, distribution development and market penetration while the permanent manufacturing facility is being developed. The project is expected to commence upon completion of the required approvals, finalization of the site, availability of funding and placement of orders for the principal machinery. The exact calendar commencement date is to be finalized. Construction, installation, testing and commissioning are expected to be completed within approximately 14 months from the project commencement date. Commercial production at the new facility is expected to commence promptly after completion of installation, trial runs, commissioning and receipt of all applicable regulatory approvals, i.e., approximately 14 months after the project commencement date. During the development period, CSD and bottled-water products are intended to be manufactured through third-party toll manufacturing arrangements.

		The project is expected to begin generating operating returns after commercial operations commence and production and sales progressively ramp up. The specific period for commencement of distributions or recovery of the investment will depend on the approved financial projections, capacity utilization, sales volumes, pricing, margins and financing structure. Accordingly, the projected return commencement and payback period should be inserted from the finalized feasibility study and board-approved financial model. The Company will lend to its associate company when/ if it has access to excess funds/banking lines/security, and the associate company requires the same. Each facility will be provided on an arm's length basis and will be done in a way which benefits the Company's shareholders.

B. General disclosures:

(i)	Maximum amount of investment to be made	Maximum Amount of Investment to M/s. Ismail Global SMC (Private) Limited, an intercompany loan, cross corporate guarantee or financial assistance in the aggregate amount of up to PKR Two billion (PKR 2,000,000,000).
(ii)	Purpose, benefits likely accrue to the investing company and its members from such investment and period of investment.	This will enable the Company to lend to its associated companies when/if it has access to excess funds/ banking lines/security, and the associated companies require the same. Each facility will be provided on an arm's length basis and will be done in a way which benefits the Company's shareholders. The period of investment is one (1) year, renewable for four (4) further periods of one (1) year each.
(iii)	Sources of fund to be utilized for investment and where the investment is intended to be made using borrowed funds: i. Justification for investment through borrowings: ii. Detail of collateral, guarantees provided and assets pledged for obtaining such funds: and iii. Cost benefit analysis:	The Company will lend to its associate company when/ if it has access to excess funds/banking lines/security, and the associate company requires the same. Each facility will be provided on an arm's length basis and will be done in a way which benefits the Company's shareholders. The Company secures financing from banks by providing a charge over the assets. The associate company will pay a mark-up at a rate as per the agreement which is not lower than the average borrowing cost of the Company, which will improve the profitability of the Company.
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	As detailed above, each financing facility will be provided on an arm's length basis.
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration.	Mr. Hamid Maqsood Ismail is Director of Ismail Industries Limited (the investing company), they are also Director of Ismail Global SMC (Private) Limited (the investee company). However, they have no direct or indirect interest except to the extent of their shareholding in the investee company.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs:	Not Applicable
(vii)	Any other important details necessary for the members to understand the transaction	Not significant

C. Additional information for Loans, Advances and Guarantees:

(i)	Category-wise amount of investment	To extend an intercompany loan or financial assistance in the aggregate amount of up to PKR Two Billion (PKR 2,000,000,000/-), comprising of, inter alia, loans, advances, corporate cross guarantee and/or security or financial assistance in any form (including without limitation guarantees, government securities, cash, listed/unlisted securities etc.) on an arm's length basis.
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period.	Average borrowing cost of the investing company comprises the Karachi Interbank Offered Rate (KIBOR) for the relevant period plus average spread of the Bank, rate of return for Shariah compliant products and rate of return for unfunded facilities for the relevant period. Average markup rates charged by holding company during the year range from 10.50% to 12%.
(iii)	Rate of interest, markup, profit, fees or commission etc. to be charged by investing company	The associate company will pay a mark-up at a rate as per the agreement which is not lower than the average borrowing cost of the Company.
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment.	No security obtained from the associate company as collateral.
(v)	If the investment carries conversion features i.e., it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	Not Applicable
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	The period of intercompany loan is renewed for one (1) year, its further renewable for four (4) consecutive periods of one (1) year each, other terms and conditions are applicable as per the agreement.

Information under Rule 4(1) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.

As mentioned above and as per the disclosure requirement of Regulation 4(1) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, it is informed that following Directors of the Company are also the Directors of Investee companies.

Subsidiary Companies		
Ismail Resin (Private) Limited	Hudson Pharma (Private) Limited	Bisconni Middle East Manufacturing LLC
Mr. Munsarim Saifullah	Mr. Munsarim Saifullah	----------
Mr. Ahmed Muhammad	Mr. Ahmed Muhammad	Mr. Ahmed Muhammad
Mr. Hamid Maqsood Ismail	Mr. Hamid Maqsood Ismail	----------
Mr. Muhammad M. Ismail	----------	----------
Mr. Maqsood Ismail Ahmed	----------	Mr. Maqsood Ismail Ahmed
Associated Company		
Innovita Nutrition (Private) Limited	Ismail Global SMC (Private) Limited	Allume Solar Company (Private) Limited
Mr. Munsarim Saifullah	----------	----------
Mr. Ahmed Muhammad	----------	Mr. Ahmed Muhammad
Mr. Hamid Maqsood Ismail	Mr. Hamid Maqsood Ismail	----------
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Statement Under Rule 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.

Name of the Investee Company	Ismail Resin (Private) Limited	Hudson Pharma (Private) Limited	Innovita Nutrition (Private) Limited	Bisconni Middle East LLC
Total Amount approved	in Rupees			
a. Equity	5,937,500,000	2,805,984,000	----------	USD:15,000,000
b. Financial Assistant Corporate Cross Guarantee	34,200,000,000	1,000,000,000	1,000,000,000	AED: 80,000,000
c. Intercompany Loan	8,000,000,000	2,000,000,000	----------	----------
Amount of investment made to date	in Rupees			
a. Equity	4,437,500,000	2,525,984,000	----------	USD: 9,012,003
b. Financial Assistance & Cross Corporate Guarantee	26,344,418,000	893,881,644	----------	AED 77,175,000
c. Intercompany Loan	7,962,000,000	1,800,000,000	----------	----------
Reason for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time	There is no deviation in timeline of Investment.			
Material changes in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment	There is no material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment.			

Pattern of Shareholding

As at June 30, 2026

Shareholder's Category	Number of Folios	Number of Shares Held	Percentage
Associated Company:			
Uniron Industries (Private) Limited	1	435,400	0.66
Directors:			
Mr. Maqsood Ismail Ahmed	1	562,155	0.85
Mr. Ahmed Muhammad	1	10,100,090	15.22
Mr. Muhammad Zain (Independent)	1	520	0.00
Ms. Tasneem Yusuf (Independent)	1	520	0.00
Mr. Hamid Maqsood Ismail	1	1,510,090	2.28
Chief Executive Officer:			
Mr. Munsarim Saifullah	1	613	0.00
Chairman:			
Mr. Muhammad M. Ismail	1	10,464,643	15.77
CEO, Directors their Spouses & Children:			
Ms. Farzana Muhammad	1	1,380,450	2.08
Ms. Almas Maqsood	2	19,792,293	29.83
Ms. Mehvish Ahmed Karim	1	500	0.00
Sponsor, his Spouse & Children:			
Mr. Miftah Ismail Ahmed	1	20,592,887	31.03
Ms. Reema Ismail Ahmed	1	1,271,650	1.92
Others	**1757**	**245,129**	**0.37**
Total	**1771**	**66,356,940**	**100.00**
Shareholders holding 10% or more voting interest			
Mr. Muhammad M. Ismail	1	10,464,643	15.77
Mr. Miftah Ismail	1	20,592,887	31.03
Ms. Almas Maqsood	2	19,792,293	29.83
Mr. Ahmed Muhammad	1	10,100,090	15.22

Pattern of Shareholding

Shareholders statistics As at June 30, 2026

Number of Shareholders	Shareholdings		Total Number of Shares Held
	From	To	
1576	1	100	17,100
121	101	500	36,105
24	501	1000	19,521
32	1001	5000	67,067
4	5001	10000	29,103
2	10001	15000	23,010
1	20001	25000	20,876
1	30001	35000	34,500
1	435001	440000	435,400
1	475001	480000	480,000
1	560001	565000	562,155
1	1270001	1275000	1,271,650
1	1380001	1385000	1,380,450
1	1510001	1515000	1,510,090
1	10100001	10105000	10,100,090
1	10460001	10465000	10,464,643
1	19310001	19315000	19,312,293
1	20590001	20595000	20,592,887
Total **1771**			**66,356,940**

Shareholder's Category	No. of Shareholders	Total Number of Shares Held	Percentage
CEO, Sponsor, Directors their Spouses & Children	13	65,676,411	98.97%
Associated Company	1	435,400	0.66%
Foreign Companies	1	3,300	0.00%
Others	10	4,553	0.01%
General Public			
(a) Foreign	38	3,387	0.01%
(b) Local	1708	233,889	0.35%
Total	**1771**	**66,356,940**	**100.00%**

Trade in Shares by Directors, CEO, CFO, Company Secretary, Executives and their Spouses and Children.

	Purchase
Mr. Muhammad M. Ismail (Chairman)	12,859

Ismail Industries Limited

Registered Office Address: 17-Bangalore Town, Main Shahrah-e-Faisal, Karachi
Tel: +92 21 34311170-77 Fax: +92 21 34541094

Ballot Paper for voting through post for poll to be held at the Annual General Meeting of Ismail Industries Limited "Company" on Wednesday October 28, 2026 at 12:00 pm at Hotel Galaxy, Bushra Hall, 164, B.C.H.S Shahrah-e-Faisal, Karachi.

Contact Detail of Chairman, where ballot paper may be sent:
Business Address: The Chairman, Ismail Industries Limited, 17-Bangalore Town, Main Shahrah-e-Faisal, Karachi, Chairman@ismailindustries.com

Name of Shareholder/joint shareholder	
Registered address of shareholder(s)	
Number of shares held	
Folio number	
CNIC Number (Copy to be attached)	
Additional information and enclosures (In case of representative of body corporate, corporation and Federal Government). Name and CNIC # of Authorized Signatory	

I/we hereby exercise my/our vote in respect of the following Special Resolution through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below:

Agenda No.	Nature and Description of Special Resolution	I/We assent to the Special Resolution (FOR)	I/We dissent to the Special Resolution (AGAINST)
5.	To ratify and approve transactions conducted with Related Parties for the year ended June 30, 2026 by passing the following special resolutions with or without modification: "RESOLVED THAT transaction carried out in normal course of business with Related Parties during the year ended June 30, 2026 as disclosed in the Note No. 45 of the unconsolidated financial statements be and are hereby ratified and approved"		
6.	To authorize the Board of Directors of the Company to enter and approve transactions with Related Parties for the financial year ending June 30, 2027 by passing the following special resolutions with or without modification: "RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to enter and approve transactions to be conducted with Related Parties on case-to-case basis for the financial year ending June 30, 2027." "FURTHER RESOLVED THAT these transactions as approved by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting of the Company for their formal ratification/approval."		
7.	To consider and approve the remuneration of the Chief Executive Officer and Executive Director.		
8.	To consider and if deemed fit, to pass with or without modification(s), addition(s) or deletion(s), the following Special Resolution(s) under Section 199 of the Companies Act, 2017 read with the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 (as may be amended), as recommended by the Board of Directors of the Company: "RESOLVED THAT approval of the members of the Company is hereby accorded by way of special resolution (in accordance with Section 199 of the Companies Act, 2017 read with Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017) for the following acts by the Company:		
A.	Approval for the Company to renew and enhance the intercompany loan extended to its subsidiary, M/s Ismail Resin (Private) Limited from Rs. 8,000,000,000 (Rupees: Eight billion only) to Rs. 10,000,000,000 (Rupees: Ten billion only) for a period of one year from the date of the special resolution, which may be renewed yearly by the Company for up to the remaining two consecutive years.		
B.	i) Approval for the Company to renew an intercompany loan extended to its subsidiary, M/s Hudson Pharma (Private) Limited, as approved by the shareholders in Annual General Meeting of the Company held on October 8, 2025 of Rs. 2,000,000,000 (Rupees: Two billion only) for a period of one year from the date of the special resolution, which may be renewed yearly by the Company for up to the remaining two consecutive years. ii) Approval for the Company to enhance the amount of financial assistance and Cross Corporate Guarantee by Rs. 1,000,000,000/- (Rupees: One billion only) for its subsidiary company M/s. Hudson Pharma (Private) Limited as approved by the shareholders in Annual General Meeting of the Company held on October 26, 2022 from Rs. 1,000,000,000/- (Rupees: One billion only) to Rs. 2,000,000,000/- (Rupees: Two billion only)."		
C.	i) Approval for the Company to enhance the quantum of long-term equity investment in its wholly own subsidiary M/s. Bisconni Middle East Manufacturing LLC (the LLC) in Abu Dhabi, UAE, from PKR equivalent US $ 15,000,000 (USD: Fifteen Million) to PKR equivalent to US $ 25,000,000 (USD: Twenty-Five Million). ii) Approval for the Company to renew and enhance the financial assistance to its subsidiary company M/s. Bisconni Middle East Manufacturing LLC (the LLC) in Abu Dhabi, UAE by way of Corporate Cross Guarantee in favor of Banks/Financial Institutions from AED 80,000,000/- (AED: Eighty million) to AED 100,000,000/- (AED: Hundred million only) to secure the banking facilities extended to M/s. Bisconni Middle East Manufacturing LLC.		

D.	Approval for the Company to extend to its associate, M/s. Allume Solar Company (Private) Limited, an intercompany loan or financial assistance in the aggregate amount of up to PKR Two billion (PKR 2,000,000,000), comprising of, inter alia, loans, advances, corporate cross guarantee and/or security or financial assistance in any form (including without limitation guarantees, government securities, cash, listed/unlisted securities etc.) on an arm's length basis, in the form of a revolving line of credit valid for a period of one year from the date of the special resolution, which may be renewed by the Company for up to four consecutive periods of one year each.		
E.	Approval for the Company to extend to its associate, M/s. Ismail Global SMC (Private) Limited, an intercompany loan in the aggregate amount of up to Rs. 2,000,000,000 (Rupees: Two billion only), comprising of, inter alia, loans, advances, corporate cross guarantee and/or security or financial assistance in any form (including without limitation guarantees, government securities, cash, listed/unlisted securities etc.) on an arm's length basis, in the form of a revolving line of credit valid for a period of one year from the date of the special resolution, which may be renewed by the Company for upto four consecutive periods of one year each. "FURTHER RESOLVED THAT the Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company be and are hereby singly authorized to execute and deliver all necessary deeds, agreements, declarations, undertakings, documents and take any and/or all actions to implement and give effect to above resolutions and to complete any or all required corporate and necessary legal formalities for the purpose of implementation of above resolutions."		

Notes:

1. Duly filled postal ballot should be sent to Chairman at above-mentioned postal or email address.
2. Copy of CNIC/Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Postal ballot forms should reach Chairman of the meeting on or before Tuesday October 27, 2026 within business hours. Any postal ballot received after this date will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC/Passport (in case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.
6. In case of representative Body Corporate and Corporation, postal ballot must be accompanied with copy of CNIC of authorized person, along with a duly attested copy of Board Resolution, Power of Attorney, or Authorization Letter in accordance with Section(s) 138 or 139 of the Companies Act, 2017, as applicable, unless these have already been submitted along with the Proxy Form. In case of foreign body corporate, all documents must be attested from the Counsel General of Pakistan having jurisdiction over the member.
7. Ballot paper is also been placed on the website of the Company www.ismailindustries.com.pk Members may download the ballot paper from the website or use original/photocopy as published in newspaper.
8. M/s. Munaf Yusuf & Co. Chartered Accountants is appointed as Scrutinizer for Special Business Resolutions who have the necessary knowledge and experience to independently scrutinize the voting process for the Resolutions.

Place: _____

Signature of Shareholder(s) _____ Date: _____

Proxy Form

The Secretary/ Registrar

I/We _____son/ daughter/ wife of _____ , shareholder of **Ismail Industries Limited**, holding _____ordinary shares as per register under Folio No _____and/or CDC Participant ID _____and Sub- Account No._____hereby appoint _____ (holding _____ordinary shares in the Company as per register under Folio No_____and/or CDC Participant ID_____ and Sub- Account No._____) or failing him/her _____ ,(holding _____ ordinary shares in the Company as per register under Folio No _____ and/or CDC Participant ID _____ and Sub- Account No._____) as my/our proxy, to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on October 28, 2026 and/or any adjournment thereof.

Signed this _____ day of _____ 2026.

(Signature should agree with the specimen signature registered with the Company)

Sign across Rs.5/-
Revenue Stamp

Witness 1:

Signature _____

Name _____

CNIC # _____

Witness 2:

Signature _____

Name _____

CNIC # _____

Notes:

1. A proxy need be a member of the Company
2. In order to be valid, this Proxy must be received to our Registrar/Transfer Agents, M/s. THK Associates (Pvt) Ltd. Plot No. 32-C, Jami Commercial Street 2, D.H.A Phase VII, Karachi 75500 Pakistan at least 48 hours before the time fixed for the Meeting, duly completed in all respects.
3. CDC Shareholders or their Proxies should bring their original Computerized National Identity Card (CNIC) or Original Passport along with the Participant's ID Number and their Account Number to facilitate their identification.

پراکسی فارم (فارم برائے نامزدگی نمائندہ مختار)

سیکریٹری / رجسٹرار

میں / ہم _____ ولد / بنت / زوجہ _____ ، اسماعیل انڈسٹری یز لمیٹڈ کا / کے شیئر ہولڈر، فولیو نمبر _____ اور / یا سی ڈی سی کے شراکت دار کی آئی ڈی _____ اور ذیلی اکاونٹ نمبر _____ کے تحت رجسٹر ہونے کے مطابق _____ عام شیئر رکھتا ہوں / رکھتی ہوں / رکھتے ہیں۔ _____ کو مقرر کرتا ہوں / کرتی ہوں / کرتے ہیں (جو فولیو نمبر _____ اور / یا سی ڈی سی کے شراکت دار کی آئی ڈی _____ اور ذیلی اکاونٹ نمبر _____ کے تحت رجسٹر ہونے کے مطابق _____ کمپنی میں عام شیئر رکھتا ہے / رکھتی ہے / رکھتے ہیں) یا اس کو _____ پیش کرتا ہوں / کرتی ہوں / کرتے ہیں (جو فولیو نمبر _____ اور / یا سی ڈی سی کے شراکت دار کی آئی ڈی _____ اور ذیلی اکاونٹ نمبر _____ کے تحت رجسٹر ہونے کے مطابق _____ کمپنی میں عام شیئر رکھتا ہوں / رکھتی ہوں / رکھتے ہیں) بطور میرا / ہمارا پراکسی (نمائندہ مختار) جو 28 اکتوبر 2026 کو منعقد ہونے والے غیر معمولی اجلاس عام میں اور / یا ملتوی ہونے پر میری / ہمارے طرف سے شرکت کرنے، ووٹ ڈالنے کا حق رکھتا ہے۔

دستخط _____ تاریخ _____ 2026

دستخط کا کمپنی میں موجود دستخط کے
(نمونے سے مطابقت رکھنا ضروری ہے

5 روپے کے ریونیو مہر پر دستخط

ممبر (ممبران) کے دستخط

گواہ1	گواہ2
دستخط _____	دستخط _____
نام _____	نام _____
کمپیوٹرائزڈ قومی شناختی کارڈ _____	کمپیوٹرائزڈ قومی شناختی کارڈ _____

نوٹس:

1 ۔ پراکسی (نامزد نمائندہ) کو کمپنی ممبر ہونا لازمی ہے۔

2 ۔ درست ہونے کے لئے پراکسی جو کہ ہر لحاظ سے باقاعدہ مکمل ہو، کا ہمارے رجسٹرار / ٹرانسفر ایجنٹس، میسرز ٹی ایچ کے ایسوسی ایٹس (پرائیویٹ) لمیٹڈ، پلاٹ نمبر 32-C، 2 جامی کمرشل اسٹریٹ، DHA فیز VII، کراچی 75500، پاکستان کو اجلاس سے 48 گھنٹے قبل موصول ہونا ضروری ہے۔

3 ۔ سی ڈی سی شیئر ہولڈرز (حصص یافتگان) یا ان کے پراکسیز اپنی شناختی کارڈ یا اصل پاسپورٹ بعہ شراکت دار کا آئی ڈی نمبر اور ان کا اکاونٹ نمبر اپنے ہمراہ لائیں۔

Ismail Industries Limited



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