

The background of the entire page is a composite image. The top half features a woman in a white lab coat looking through a microscope, with a glowing blue molecular structure and a DNA helix floating nearby. The bottom half shows a multi-generational family (grandfather, grandmother, father, mother, and a young boy) walking together in a park-like setting during sunset. The Searle logo is positioned in the top left corner.

**SEARLE**

Research in the service of mankind

# Annual Report --- 2026

**Elevating life by advancing health  
& well-being for generations to come**

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# Our Purpose

Elevating life by advancing health and well-being for generations to come.

# Our Mission

Provide its customers with the best possible products and services in the healthcare and consumer industry. Ever evolving in-step with the changing market place to maintain its leadership role.

Being responsible corporate citizen contributing to society and protecting the environment.

Promotes team spirit amongst its employees whilst maintaining their individuality, in a culture where people are encouraged to think and strive to achieve their true potential.

Work today for a better and secure tomorrow for all its stakeholders through innovation, new product development and sound business practices which would grow and live beyond each one of us.

# VALUES



## Passion

- Source of energy in the workplace
- Demonstrates entrepreneurial drive
- Shows grit



## Integrity

- Creates transparency
- Acts fairly & honestly





## Partnership

- Collaborates selflessly
- Behaves respectfully
- Seeks to create value for IBL Group, its partners and society



## Excellence

- Takes ownership of current role and beyond
- Delivers quality work
- Strives for continuous improvement

# Company Information

## Board of Directors

Mr. Arshad Anis  
Mr. Tahir Ahmed  
Mr. Munis Abdullah  
Mr. S. Nadeem Ahmed  
Mr. Zubair Razzak Palwala  
Ms. Shaista Khaliq Rehman  
Ms. Aameena Saiyid

Non-Executive Director  
Executive Director  
Non-Executive Director  
Executive Director  
Non-Executive Director  
Independent Director  
Independent Director

Chairman  
Chief Executive Officer

## Bankers

Faysal Bank Limited  
Habib Bank Limited  
Bank AlBaraka Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Dubai Islamic Bank Limited  
United Bank Limited  
National Bank of Pakistan  
The Bank of Punjab  
Habib Metropolitan Bank Limited  
Bank Islami Pakistan Limited  
Pak China Investment Company Limited  
Soneri Bank Limited  
Bank AL Habib Limited  
Meezan Bank Limited

## Board of Audit Committee

Ms. Shaista Khaliq Rehman  
Mr. Zubair Razzak Palwala  
Mr. Munis Abdullah

Chairperson  
Member  
Member

## Board of HR & Remuneration Committee

Ms. Aameena Saiyid  
Mr. Munis Abdullah  
Ms. Shaista Khaliq Rehman

Chairperson  
Member  
Member

## Chief Financial Officer

Mr. S. Asim Raza Zaidi

## Company Secretary

Mr. Mudassir Habib Khan

## Auditors

A. F. Ferguson & Co.

## Legal Advisors

Mohsin Tayebaly & Co.





## REGISTERED OFFICE

One IBL Centre, 2nd Floor, Plot # 1,  
Block 7 & 8 D.M.C.H.S.,  
Tipu Sultan Road,  
Off Shakra-e-Faisal  
Karachi

## SHARE REGISTRAR

CDS Share Registrar Services Limited  
Head Office, CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shakrah-e-Faisal  
Karachi-74400



# Advancing the Science of Life—from scientific progress to meaningful impact

FY2026 brought together biotechnology milestones, major launches, deeper clinical exchange, stronger international engagement and sustained investment in the people who translate strategy into execution.

## The year in perspective

Searle expanded access to differentiated therapies, deepened scientific exchange with healthcare professionals and supported greater awareness of cardiometabolic risk within communities. The launches of Injecter, Rexeva, Semavi and Valmera reflected the Company's continued focus on innovation, patient access and meaningful clinical engagement, while international scientific forums and capability-building programmes extended that commitment across markets and teams.

**FIRST**

Biosimilar  
Approved in  
Pakistan

**~1,000**

Multidisciplinary  
Advisory  
Boards

**22+**

Countries

**3,037**

Participant  
Exposures

**33,000**

Training  
Hours

## One theme, four expressions of progress

### ADVANCING SCIENCE

Biologicals, major launches and clinical knowledge translated science into broader treatment options.

### ADVANCING REACH

International markets and scientific platforms extended Searle's healthcare presence across 22+ countries.

### ADVANCING PEOPLE

Structured learning, coaching and leadership development strengthened the capabilities behind commercial execution.

### ADVANCING TOGETHER

Culture, values, well-being and shared experiences reinforced the human system in which performance and progress thrive.



# ADVANCING SCIENCE



## ADVANCING SCIENCE

Breakthroughs that expand possibilities in care. FY2026 strengthened Searle's biotechnology, metabolic and neurology portfolios while widening the platforms through which healthcare professionals exchange evidence, build practical capability and engage patients around prevention and risk.





## **ADVANCING SCIENCE**

# **Rexeva | Advancing Searle's Biosimilars portfolio**

A major biotechnology milestone with implications for access, osteoporosis and oncology care.



## **From biotechnology milestone to broader access in care.**

Rexeva (Denosumab 60 mg) marked a significant milestone for Searle, representing the first-ever biosimilar approved in Pakistan. The launch strengthened Searle's biotechnology portfolio and addressed unmet needs in osteoporosis and oncology care. Through its licensing agreement with Mabwell (Shanghai) Bioscience Co., Ltd., Searle advanced access to biologic therapy while reinforcing its commitment to innovation, affordability and patient access.

The milestone also carried wider strategic significance for FY2026: it demonstrated how partnerships, regulatory progress and focused scientific engagement can translate advanced therapy into a locally accessible treatment option.



## **ADVANCING SCIENCE**

# **Semavi | Strengthening the GLP-1 category**

Combining scientific engagement, obesity awareness and the evolving role of metabolic therapy.

**Science-led  
launch.  
Broader  
cardiometabolic  
conversation.**



Semavi's launch strengthened Searle's presence in the GLP-1 category. At the Pakistan Hypertension League conference, faculty members and healthcare professionals discussed the evolving role of GLP-1 therapy in obesity and cardiometabolic care.

Searle placed the treatment within a wider conversation about obesity as a medical concern, risk awareness, lifestyle measures and continuity of care. The launch brought together two important strands of the year's progress: new treatment options and the scientific dialogue needed to support their informed clinical use.





## **ADVANCING SCIENCE**

# **Valmera | A next-generation option in neuropathic pain**

A differentiated neurology launch alongside multidisciplinary forums that connected specialists across key medical communities.



Searle launched Valmera (Mirogabalin), introducing a next-generation treatment option for neuropathic pain management. The launch reflected Searle's continued focus on expanding its therapeutic portfolio with differentiated treatment options and strengthening clinical engagement in neurology. By combining a new treatment choice with focused physician interaction, the launch supported a more informed conversation around neuropathic pain, patient selection and the practical challenges of long-term symptom management.



## **ADVANCING SCIENCE**

# **Building clinical capability alongside scientific engagement**

Continuing medical education helped translate evolving diagnostic and clinical approaches into practical capability.



### **CAPABILITY BUILDING**

## **ECG, ECHO and Neuroimaging Workshops**

Searle's continuing medical education and capacity building initiatives were designed to strengthen the skills of neurologists and cardiologists through workshops on ECG, ECHO and neuroimaging. These programmes enabled physicians to engage with evolving diagnostic and clinical approaches, exchange practical insights and strengthen their application in practice. The emphasis was deliberately hands-on: knowledge was linked to clinical interpretation, decision making and the realities of day-to-day patient management.



### **AKUH PARTNERSHIP**

## **Three-Session Neuroimaging Workshop Series**

In partnership with Aga Khan University Hospital, Searle facilitated a three-session Neuroimaging Workshop series initiated in April 2025. The programme aimed to enhance physicians' understanding and application of neuroimaging in clinical practice and support continuous professional development in neurology. The collaboration added a structured academic dimension to Searle's scientific engagement, linking specialist expertise with practical clinical learning for physicians.



ADVANCING SCIENCE

# Injecfer | Focused on iron replenishment

A high-visibility launch built around awareness of iron deficiency and the importance of replenishment.





## **A launch experience designed to make a clinical need visible.**

Injecfer (ferric carboxymaltose 500 mg / 10 ml injection) was introduced through a high-visibility activation that connected product education with an engaging on-ground experience. The launch focused attention on iron deficiency and replenishment, giving the brand a distinctive presence while reinforcing the clinical need for timely identification and management of iron deficiency.

The activation also demonstrated how a product launch can be made more memorable without losing scientific relevance: visual storytelling, employee engagement and treatment education worked together to create awareness around a practical patient-care issue. Injecfer added another differentiated option to Searle's portfolio and broadened the Company's presence in supportive and replacement therapy.



# Xavy | “Naap Lo” – making health awareness measurable

An activation built around a simple, memorable call to measure, know and engage with health indicators.

## **A simple message helped turn measurement into awareness.**

The “Naap Lo” activation gave the Xavy launch a distinctive, awareness-led identity. Through measurement focused messaging and interactive visual cues, the campaign made an important health conversation simple, relatable and easy to remember. Participants were encouraged to think about measurable health indicators and the value of knowing their numbers, translating a potentially technical message into a more accessible consumer and employee experience.

It shows another way science can move closer to everyday life: information becomes more useful when people can understand it, remember it and act on it.

The campaign combined launch momentum with a straightforward call to greater health awareness.





# Naaplo.

MEASURE

CONSULT

BEGIN

سائنس کو نہیں، ہاتھ کو روکو

ناپ لو قومی موومنٹ

دش کا کمبل اتار دو

کب تک چھپو گے، ناپ لو

35.4"

A NUMBER  
WORTH KNOWING

# ADVANCING REACH



## ADVANCING REACH

Taking science, collaboration and care beyond borders. Searle's Global Business Division is a key strategic pillar of the Company and a driving force behind its position as one of Pakistan's leading pharmaceutical exporters.







### **Global Business Division**

Searle's Global Business Division operates across 22+ countries, building relationships with distributors, healthcare professionals and regulatory authorities. During FY2026, its reach was supported by local medical engagement and scientific exchange.

### **Recognition on global platforms**

#### **PESA Award 2025**

Mr. Tahir Ahmed, CEO of The Searle Company Limited, received the PESA Award at the 8th Pharma Export Summit & Awards in Islamabad in September 2025. The recognition acknowledged Searle's export performance and its contribution to Pakistan's pharmaceutical presence overseas.

## ADVANCING REACH

### Celebrating Performance

The two annual gatherings recognised achievement across international markets and the wider field force.



BALI, INDONESIA

#### **GBD Annual Sales Conference 2025**

The Global Business Division brought top-performing colleagues from its international markets to Bali.

Leadership sessions and the Annual Achievers' Recognition Ceremony celebrated results, shared business priorities and strengthened collaboration among marketing teams.



KUALA LUMPUR, MALAYSIA

#### **Annual High Flyers Conference 2024-25**

More than 700 participants gathered in Kuala Lumpur in December 2025.

Group CTO and Searle's CEO discussed capability building, transformation and Vision 2030. The Group CEO recognised achievers and spoke about digitisation.





## **ADVANCING REACH**

### **Sri Lanka**

Public awareness and specialist congresses brought Searle into community and clinical conversations.



#### **COMMUNITY AWARENESS**

### **World Heart Day Walk 2025**

Searle Sri Lanka organised a community walk to promote cardiovascular awareness and heart-healthy lifestyles. The activity took prevention beyond the clinic and into the community.



### **SIMCON 2025**

Searle joined the Sri Lanka College of Internal Medicine meeting in November 2025, held under the theme “One Nation, One Standard – Achieving Excellence in Healthcare.”



### **SLENDO 2025**

Participation in the Annual Congress of the Sri Lanka College of Endocrinologists enabled exchange with specialists in diabetes and endocrine care.

## **ADVANCING REACH**

### **Myanmar**

The team engaged across diabetes, internal medicine and specialist scientific forums.



#### **Diabetes & Endocrinology**

At the International Diabetes & Endocrinology Conference in August 2025, Searle Myanmar engaged with specialists and key opinion leaders on current practice.



#### **Internal Medicine**

The team participated in the 20th Myanmar Internal Medicine Conference in February 2026, continuing its engagement with physicians.



#### **Otorhinolaryngology**

Searle was present at the 28th Myanmar Otorhinolaryngology–Head and Neck Surgeon Conference in March 2026.



#### **Mandalay scientific dialogue**

An expert session in Mandalay brought key opinion leaders together to discuss Searle products and their use in practice.



## **ADVANCING REACH**

### **Cambodia**

Cardiology meetings were joined by hospital-based scientific exchange.



#### **Continuing Medical Education**

In November 2025, Searle Cambodia organised a programme on “Current Trends and Best Practices in Pharmaceutical Care.” Specialists and healthcare professionals exchanged practical insights on evolving clinical practice and evidence-based decisions.



#### **Cambodian Heart Association**

Searle participated in the 9th Scientific Conference, joining cardiologists and healthcare professionals in specialist exchange.



#### **KSFH scientific conference**

At Khmer-Soviet Friendship Hospital in Phnom Penh, Searle joined the 28th Annual Scientific Conference and 15th Seminar of Nursing Sciences.

## ADVANCING REACH

### Austria, Kenya and Uganda



#### **Austria | 61st EASD Meeting**

GBD attended the 2025 meeting in Vienna with diabetes specialists and key opinion leaders from Sri Lanka, Myanmar and Cambodia.



#### **Austria | 6th IHMF**

Organised by GBD in Vienna in September 2025, the forum brought cardiology and endocrine experts from the three markets together.



#### **Kenya | Nairobi**

A physician engagement session at Metropolitan Hospital enabled direct exchange with healthcare professionals.



#### **Uganda | Entebbe**

An expert lecture at Entebbe Grade B Hospital supported professional learning and local clinical engagement.



# ADVANCING TOGETHER

Stronger Teams.  
Greater Impact.  
A Healthier Tomorrow.



## ADVANCING TOGETHER

Culture that connects purpose, people and performance. As part of the broader IBL ecosystem, Searle colleagues participated in initiatives that strengthened communication, celebrated shared values, supported well-being and created meaningful connections beyond day-to-day business



### INCLUSION

Different minds.  
One purpose.



### COMMUNICATION

Better conversations.  
Stronger teams.



### WELL-BEING

Healthier people.  
Brighter futures.



### BELONGING

Connected today.  
Stronger tomorrow.

## **July Townhall 2025 | One IBL. One Team. One Mission.**

A forum for alignment, candid conversation and a shared view of the opportunities ahead.



IBL Group Town Halls are designed to bring colleagues together as One IBL—creating space to reflect on progress, celebrate people and align around the road ahead. The July 2025 Townhall reinforced the idea that, although employees work across different businesses, markets and functions, the opportunities and responsibilities ahead are shared.

Leadership used the forum to discuss the Group's mission, strategic priorities and ambition to become an employer of choice, while the open Q&A format created a direct channel for candid dialogue. The broader message was one of shared ownership: collective success begins with individual excellence, continuous learning and a willingness to raise standards. The Townhall closed on a forward-looking note; win today, build tomorrow and scale what is possible as One IBL.



## Values and awareness in action



Recognising the principles that define One IBL

### VALUES DAY

Values Day brought colleagues together to celebrate the principles that define the IBL culture and to honour the legacy of Mr. Rashid Abdullah. Passion, Integrity, Partnership and Excellence were positioned not simply as statements, but as behaviours reflected in everyday decisions and ways of working. The event recognised Values Champions and leaders who embody these principles and inspire others through their actions, reinforcing a culture in which values are expected to be visible in conduct, collaboration and performance.



Learning that leads to action and care

### PINKTOBER

The company marked Breast Cancer Awareness Month with an awareness event built around the belief that knowledge can empower change. The session highlighted the importance of understanding, education and encouragement in supporting early awareness and healthseeking behaviour. It also reinforced a simple cultural message: awareness begins with conversation, and every colleague can play a role in spreading hope, health and practical knowledge within families, workplaces and communities.

## **Summer Internship Program 2026 | Imagine. Build. Lead.**



The IBL Summer Internship Programme 2026 brought young talent into a structured learning experience combining leadership interaction, mentorship and practical business exposure.

The programme began with an orientation introducing interns to the Group's purpose of elevating life for generations to come and its values of Passion, Integrity, Partnership and Excellence. Engagement with experienced leaders and teams across business functions gave interns opportunities to broaden their understanding of the workplace and develop confidence and strategic thinking.

Mentorship sessions explored HR transformation, the connection between strategy and execution, and career development. Interns applied their learning to real business challenges across Head Office and Plants, developing practical solutions with guidance from mentors and business leaders.

At the closing ceremony, the top five interns presented their projects to senior leadership, while the top three were recognised for exceptional performance. Guided by "Imagine. Build. Lead.", the programme encouraged interns to connect ideas with action, build professional networks and see career growth as a continuing process of learning and contribution.

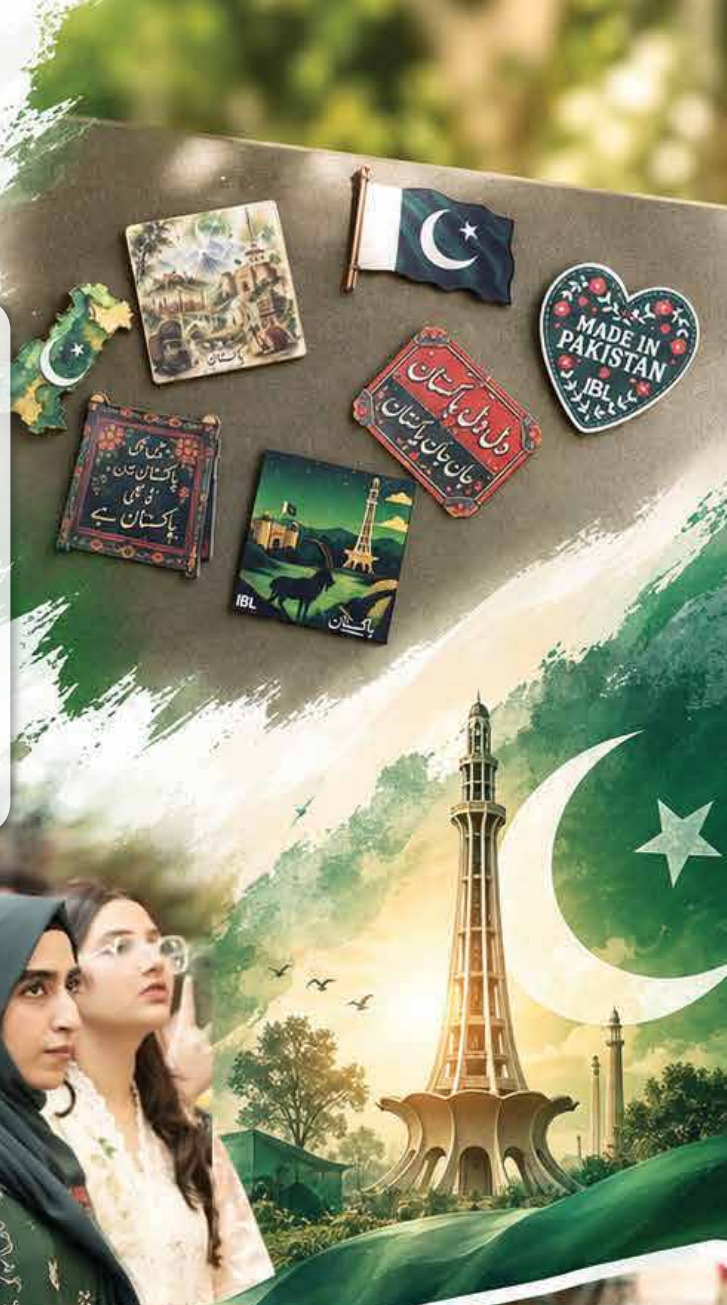


## ADVANCING TOGETHER

Proud of our roots. Excited for what is ahead.

### INDEPENDENCE DAY

Pakistan's Independence Day brought colleagues together as One IBL in a celebration of shared identity, resilience and responsibility. Alongside moments of music, laughter and connection, the event reinforced that strong cultures are built through the way people show up for one another, grow together and take ownership of what comes next. The celebration linked national pride with a forwardlooking commitment to building a resilient, innovative and sustainable future for generations to come.





**ADVANCING TOGETHER**

# Care for communities.

## BLOOD DONATION DRIVE

**Small acts of generosity. Lifechanging impact.**

Our Blood Donation Drive brought employees together to support patients in need, reflecting a shared commitment to community wellbeing. Organised in collaboration with The Indus Hospital, the initiative highlighted how a simple act of generosity can help save lives. We thank the hospital team for their partnership and support in making the drive possible.





## **ADVANCING TOGETHER**

# **Connection beyond the workplace**



**Gratitude, reflection and togetherness**

### **DAWAT-E-RAMZAN**

IBL Group hosted Dawat-e-Ramzan as an evening for colleagues to connect beyond the workplace. Meaningful conversations, the shared experience of breaking fast and the atmosphere of reflection created a moment centred on gratitude, unity and togetherness.

The gathering reinforced the value of relationships that extend beyond formal work interactions and highlighted the role of shared cultural moments in strengthening bonds across teams.



**Warmth, laughter and shared moments**

### **EID MEET & GREET**

The Eid Meet & Greet offered colleagues an informal opportunity to reconnect after the festive period. The gathering was designed around simple moments of conversation, laughter and togetherness—a reminder that workplace culture is strengthened not only through formal programmes, but also through the relationships and shared experiences that build trust and familiarity across teams. The event reflected the value IBL places on human connection as part of a collaborative work environment.

## **ADVANCING TOGETHER**

# **A more connected employee experience**



**Values, people and appreciation at the start of a new year**

### **WELCOME 2026**

IBL Group welcomed 2026 with a renewed focus on the values that continue to guide the organisation—Passion, Integrity, Partnership and Excellence—and on the people who bring those values to life.

The year-opening employee experience also included the Dining Rewards Card, adding a practical benefit to the broader culture of appreciation.

Together, these gestures positioned the new year around collaboration, growth and meaningful impact rather than celebration alone.



**#GIVETOGAIN**

### **International Women's Day | When women thrive, progress multiplies**

IBL marked International Women's Day with a focus on women's mental health and wellness in the workplace, including an insightful session led by Mantahaa Tareen. Under the #GiveToGain idea, the programme reinforced that investing in women through generosity, mentorship, opportunity and support creates pathways for women to grow and lead. The message extended beyond celebration: stronger organisations and communities are built when women have the environment and support to thrive.



## **IBL Champions Cricket Tournament 2026**



### **Energy. Inclusion. Sportsmanship.**

The IBL Champions Cricket Tournament 2026 brought colleagues together through sports, teamwork and healthy competition. The tournament created an energetic platform for well-being, camaraderie and crosscompany connection, showing how shared experiences outside formal work can strengthen relationships inside it.

The Searle Company Limited team, Super Champ, secured the Runners-Up position. The team's performance was celebrated for its passion, unity and sportsmanship—qualities that reflected Searle's wider culture throughout the competition. The event also highlighted the value of employee-led engagement: organised with strong coordination and participation, it gave colleagues the opportunity to compete, support one another and build memories across the IBL ecosystem.

## ADVANCING TOGETHER

# OneThunder–One Truth, One Language

Creating one reliable view of the business for faster, better-informed decisions.

During the year, Searle advanced its digital transformation through OneThunder, an enterprise-wide platform that brings critical business information onto a common source of truth. The initiative is improving visibility, consistency and decision-making across functions.

### SUPPLY CHAIN PULSE

## Sharper visibility across the supply chain

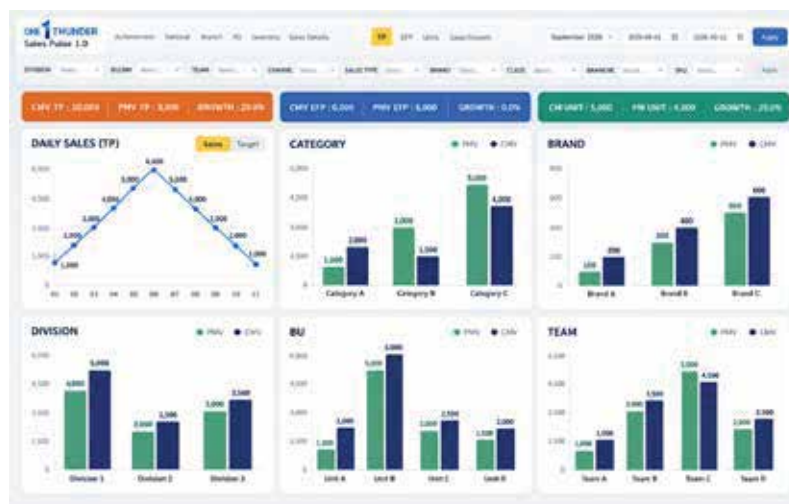
The Supply Chain Pulse provides a clearer view of inventory cover, forecast accuracy and other key measures. It helps teams identify issues earlier and work from consistent, reliable data.



### SALES PULSE

## Stronger sales tracking and decision support

The Sales Pulse brings sales performance, growth and business-unit metrics into one view. It supports timely performance discussions and more focused action across commercial teams.

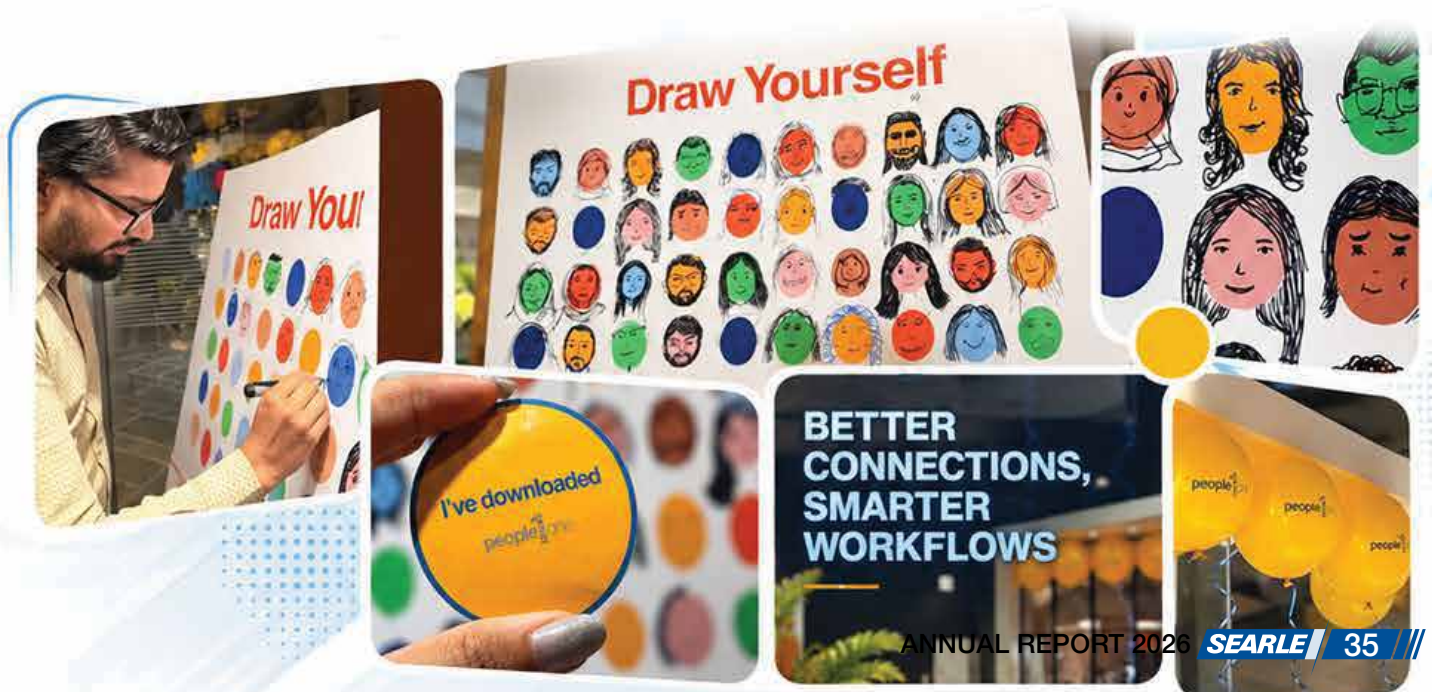




# PEOPLE1ONE

Better connections. Smarter workflows.

People1one was rolled out as an internal platform designed to create better workflows and smarter connections. The launch used engaging on-ground activations to build curiosity and encourage adoption, while the platform itself was positioned as a practical way to streamline collaboration and make work-life smoother. The initiative reflects a wider employee-experience priority: using digital tools not simply for automation, but to reduce friction, connect colleagues and enable more efficient ways of working.





## **ADVANCING TOGETHER**

# **Win Today. Build Tomorrow. | Mission 200 Offsite**



## **One journey. One team. One IBL.**

The IBL Leadership Team came together in Nuwara Eliya, Sri Lanka for a two-day retreat centred on one bold ambition: Mission 200. Under the theme “Win Today, Build Tomorrow,” leaders discussed where IBL stands today, where it wants to go next and what will be required to build a future-ready organisation capable of reaching Mission 200 targets and beyond.

The “win today” agenda focused on disciplined execution—maximising topline, bottom line and cash while keeping patient centricity at the core. The “build tomorrow” agenda challenged leaders to work on the Group’s big bets now rather than waiting for the future. Dr. Farhad F. Karamally facilitated learning around mindset challenges and “Titanic syndrome,” while Munis Abdullah shared the IBL Leadership Framework. The offsite combined strategic dialogue, leadership development and team connection, but closed with a practical message: the real work begins after alignment.



# ADVANCING PEOPLE



## Learning that moves into the field

During FY2026, Medical, Marketing and HR worked together to strengthen the sales force's scientific knowledge and practical skills. Training was designed around the conversations colleagues have with healthcare professionals and the decisions they make on each visit.

**33,000 training hours during FY2026**



### FIELD FORCE EXCELLENCE PROGRAMME

#### Scientific knowledge in action

This six-day programme brought Medical, Marketing and HR learning together for Medical Representatives and Regional Managers. It connected scientific and portfolio knowledge with practical detailing, communication and feedback for more credible clinical conversations.



### EXCEL IN SELLING

#### A stronger HCP conversation

The flagship programme gave new medical representatives a consistent approach to HCP calls. From SMART pre-call objectives to identifying needs, relating benefits and reviewing outcomes, it strengthened preparation and follow-through.

## **ADVANCING PEOPLE**

### **Building the next generation of leaders**

Development continued beyond the classroom, from a leadership pipeline to coaching during live field visits.



#### **TALENT HUNT**

### **Preparing emerging sales leaders**

Talent Hunt paired a three-day workshop in Lahore with two months of online learning. Coaching, emotional intelligence, territory management and data-led decisions formed a blended journey to prepare high-potential colleagues for first-line leadership.



#### **COACHING QUEST**

### **Coaching as a leadership skill**

Two-day programmes across Pakistan gave newly promoted managers practical tools for leading others. The GROW model, feedback exercises and role-play helped participants work through real situations and practice conversations that support individual and team performance.



#### **ON-THE-JOB COACHING**

### **Learning at the point of practice**

Regional Managers accompanied MIEs on healthcare professional visits and gave immediate feedback. Call planning, execution and post-call review became part of an ongoing development cycle grounded in real field situations.

**PLAN**

**PRACTISE**

**REVIEW**





HEART & METABOLIC  
ORGANIZED BY SEARLE

## ADVANCING LIFE

# Science. Reach. People. Culture.

The FY2026 story is strongest when these elements are read together. Advanced therapies become more meaningful through scientific dialogue; international growth becomes more sustainable through trusted medical relationships; people capability makes strategy executable; and culture creates the environment in which learning, collaboration and performance can continue to improve.



### SCIENCE

Better science.  
Healthier lives.



### REACH

More markets.  
Greater impact.



### PEOPLE

Empowered teams.  
Stronger tomorrow.



### CULTURE

Learn. Collaborate.  
Perform.

# Product Portfolio

## Cardiovascular

### EXTOR

No.1 Antihypertensive of Pakistan, Leading the way towards BP Management



### Sustac

Healing Hearts for Generations



### Spiromide

Combining strengths for balanced relief



## Pain Management

### NUBEROL FORTE

Pakistan's no.1 analgesic muscle relaxant





## Pain Management

### SYNPEP

Dual Action



### TRAMAL-D

The central and peripheral analgesic



### NUBEROL DUO

Fly beyond pain and fever



### NUBEROL SHE

For the Pain She Hides



## Pain Management

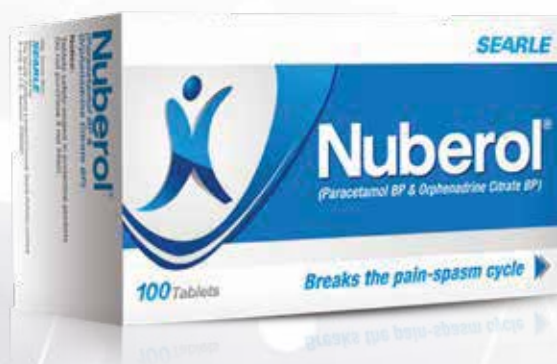
### ROTEC

Protective NSAID For a week or longer therapy



### NUBEROL

Fever fades , Blue stays



### NUBEROL-P

Restoring the colors of life



### NUBEROL-P IV

Where trust meets relief





## Pain Management

### LOVANZO-D

Advance & fearless pain relief



## Cough

### HYDRYLLIN DM

Khansi jaye Zindagi  
Muskurae



### HYDRYLLIN

50 years of trust & relief



### HYLIXIA

The efficacy that does not sedate



## EZIUM

Make life easy with Ezium



## DEXTOP

I don't have time for Gerd



## GUTCARE

Gut ki care Asani se



## VOCINTI

Fast, Potent & Sustainable  
PCAB for Heartburn &  
GERD





## G.I. Care

### Acoeaze

Redefining the ease in  
Functional Dyspepsia



## CNS (Neuro Care)

### Lumark

Broad Spectrum, Antiepi-  
leptic drug



### Morcet

The optimal choice for the  
treatment of Anxiety and  
Depression



### Valmera

Stronger. Longer. Faster.  
Relief from Neuropathic  
Pain.



## Diabetes

### Semavi

Gain more with less



### Xavy

Measure what matters



### Emsyn

Protect what matters  
preserving life through  
heart, kidney, and  
diabetes care.



### Emsyn Lee

Stronger Protection which  
matters





## Biological

### Dalimab

Pakistan's 1st  
Adalimumab Biosimilar:  
Credible, Accessible  
Prefilled Injectable



### Rexeva

Pakistan's 1st Biosimilar  
RANKL Inhibitor for Bone  
Health & Osteoporosis



### Upada

Thromboprophylaxis.  
Think Done



### Clotenox

JAK 1 Selective, Effective,  
Cardio-Protective



## Allergy & Asthma

### Bilfaxin

Never miss a moment



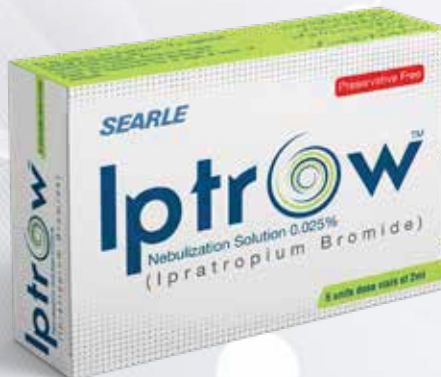
### Ventek

LTRAs Long-Term Relief in  
Asthma and Allergies



### Iptrow

Sterile Care on the Go  
with Iptrow



### Xadine

ARIA Active Relief in  
Allergy





## Wellness

### VITRUM

A to Z se mile bharpur  
Zindagi



### PEDITRAL

Peditral rakhay sub ka  
khayal



## Orthocare

### OSTENEM

Breakthrough in joint  
health



### OSTEGEM

Deposits calcium where it  
required the most



## Probiotic

### ECOTEC

Ready to use , ready for healthy life



### BACIPORE

Fast & effective diarrhea reliever



## Others

### RELISPA

Effective spasmolytic smooth muscle spasm



### MEROMAX

From hospital to home





## Others

### INJECFER

Instant and Consistent  
Iron Replenishment



### GRAVINATE

Your trusted companion



### TRAMAL PLUS

The Original Tramadol



### TRAMAL

The Original Tramadol



# Gender Pay Gap Statement

At Searle, we remain strongly committed to promoting equality and inclusivity across our organization, with a focus on creating a workplace where all employees are respected, valued, and fairly compensated. In line with this commitment, the gender pay gap analysis for the year ended June 30, 2026, has been prepared in accordance with the guidelines issued by the Securities and Exchange Commission of Pakistan (SECP).

|     |                       |       |
|-----|-----------------------|-------|
| i)  | Mean Gender Pay Gap   | 12.3% |
| ii) | Median Gender Pay Gap | 8.1%  |



Tahir Ahmed  
Chief Executive Officer



# Notice of 61<sup>th</sup> Annual General Meeting

Notice is hereby given that the 61<sup>st</sup> Annual General Meeting (**AGM**) of The Searle Company Limited (the “**Company**”) will be held on Thursday, October 22, 2026 at 04:00 p.m. at Khorshed Mahal, Avari Towers, Fatima Jinnah Road, Karachi-75530 as well as through Video Conferencing facility to transact the following business:

Members are encouraged to attend the AGM through a video conference facility managed by the Company (please see the notes section for details).

## **ORDINARY BUSINESS**

1. To confirm the minutes of extraordinary general meeting held on June 12, 2026.
2. To receive, consider and adopt the standalone and consolidated audited financial statements of the Company for the year ended June 30, 2026, together with the Board of Directors’ and Independent Auditor’s Reports thereon.

In accordance with Section 223(7) of the Companies Act, 2017 and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the audited financial statements of the Company for the year ended June 30, 2026 have been uploaded on the website of the Company and can be downloaded using the weblink and QR enabled code given below.

<https://searlecompany.com/investor-information/>



3. To declare and approve final cash dividend@10% i.e. PKR 1 per share of PKR 10/- each for the financial year ended June 30, 2026, as recommended by the Board of Directors.
4. To appoint statutory auditors of the Company for the financial year ending June 30, 2027, and fix their remuneration. The Board of Directors, on the recommendation of the Audit Committee, has recommended the appointment of M/s KPMG Taseer Hadi & Co., Chartered Accountants, as statutory auditors of the Company at a remuneration to be mutually agreed.
5. To elect seven (7) directors of the Company as fixed by the Board of Directors, in accordance with the provisions of Section 159(1) of the Companies Act, 2017, for the next term of three (3) years. The names of retiring Directors are as follows:

- |                         |                               |
|-------------------------|-------------------------------|
| i. Mr. Arshad Anis      | v. Mr. Zubair Razzak Palwala  |
| ii. M. Tahir Ahmed      | vi. Ms. Shaista Khaliq Rehman |
| iii. Mr. Munis Abdullah | vii. Ms. Aameena Saiyid       |
| iv. Mr. S. Nadeem Ahmed |                               |

The retiring Directors are eligible for re-election.

# Notice of 61<sup>th</sup> Annual General Meeting

## SPECIAL BUSINESS

6. To approve the remuneration of Executive Director(s) including the Chief Executive Officer and, if thought appropriate, to pass with or without modification(s) the following resolutions as ordinary resolution:

**“RESOLVED** that the Chief Executive Officer and one full-time working director will be paid an amount not exceeding PKR 90 million approximately which includes allowances and other benefits as per terms of their employment for the year ending June 30, 2027 be and is hereby approved. Further, the Chief Executive Officer and Executive Director are entitled for free use of Company maintained transport for official and private purposes as approved by the Board.”

7. To consider and if deemed fit, ratify and approve (as the case may be), the following resolutions, as special resolutions, with respect to related party transactions / arrangements conducted, in terms of Section 207 and / or 208 of the Companies Act, 2017 (to the extent applicable), with or without modification:

**“RESOLVED** that the transactions carried out by the Company with different Related Parties, during the year ended June 30, 2026, as disclosed in note 44 of the unconsolidated financial statements of the Company for the said period and specified in the Statement of Material Information under Section 134(3), be and are hereby ratified and confirmed.

**FURTHER RESOLVED** that the Company be and is hereby authorized to enter into arrangements or carry out transactions from time to time including, but not limited to, for the purchase and sale of goods and material including chemicals or availing or rendering of services or share subscription, with different related parties to the extent deemed fit and /or approved by the Board of Directors, during the financial year ending June 30, 2027. The members have noted that for the aforesaid arrangements and transactions some or a majority of the Directors may be interested. Notwithstanding the same, the members hereby grant an advance authorization and approval to the Board Audit Committee and the Board of Directors of the Company, including under Section 207 and/ or 208 of the Companies Act, 2017 (to the extent applicable) to review and approve all related party transactions as per the quantum approved by the Board of Directors from time to time.

**FURTHER RESOLVED** that the related party transactions, for the period ending June 30, 2027, shall be deemed to have been approved by the members, and shall subsequently be placed before the members in the next Annual General Meeting for ratification and confirmation.”

## OTHER BUSINESS

8. To transact any other business with the permission of the chair.

**“Statement of Material Facts concerning the special business, as required under section 134(3) of the Companies Act, 2017 and under section 166(3) relating to the Election of Directors are being sent to the members along with the notice of the meeting and also available on our website: [www.searlecompany.com](http://www.searlecompany.com)**



By order of the Board  
**Mudassir Habib Khan**  
Company Secretary

Karachi: October 1, 2026



# Notice of 61<sup>th</sup> Annual General Meeting

## **NOTES:**

### **A. Book closure for Annual General Meeting**

The share transfer books of the Company will remain closed from Thursday, October 15, 2026 to Thursday, October 22, 2026 (both days inclusive). Transfers received in order at the office of Company's Share Registrar, M/s. CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400 at the close of business on Wednesday, October 14, 2026 shall be considered in time for the purpose of attending the Annual General Meeting.

### **B. Circulation of Notice to the shareholders through Email:**

Moreover, as per the SECP's notification vide SRO 452(I)/2025, dated March 17, 2025, the notice of the AGM shall be circulated to members through email in case email address has been provided by the respective member to the Company regardless of the fact that the consent of the member to receive the notice through email has been received or not.

### **C. Participation in the AGM via physical presence including through proxy:**

Members whose names appear in the Register of Members as of October 14, 2026, are entitled to attend and vote at the AGM. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend, speak and vote for him/her. The proxy need not be a member of the Company.

An instrument of proxy applicable for the AGM is being provided with the Notice sent to the members. Proxy form may also be downloaded from the Company's website: [www.searlecompany.com](http://www.searlecompany.com) An instrument of proxy and the power of attorney or other authority, if any, under which it is signed, or a certified true copy of such power or authority duly notarized must, to be valid, be received by the Company's Registered Office: 2nd Floor, One IBL Centre, Plot No. 1, Block 7 & 8, Tipu Sultan Road, Off Shahrah-e-Faisal, Karachi-75350 (attention to the Company Secretary) or email at [company.secretary@searlecompany.com](mailto:company.secretary@searlecompany.com) not less than 48 hours before the time of AGM, excluding public holidays.

Members having physical shareholding are requested to submit a copy of their Computerized National Identity Card (CNIC) at the registered address to our Share Registrar: CDC Share Registrar Services Limited (CDCSRSL), CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400. CDC account holders may submit to their respective CDC Participant/ Stockbroker / Investor Account Services.

If a member appoints more than one proxy and more than one instrument of proxy is deposited by a member, all such instruments of proxy shall be rendered invalid.

### **D. Participation in the AGM through Video conferencing:**

i) Members interested in attending / participating in the AGM through video link facility are hereby advised to get themselves registered with the Company by providing the following information through email sent to [company.secretary@searlecompany.com](mailto:company.secretary@searlecompany.com) at the earliest, but not later than 48 hours before the time of the AGM i.e. before 4:00 p.m. on October 20, 2026.

- a) Name of Member;
- b) CNIC / NTN No.;
- c) Folio No. / CDC IAS No.;
- d) Cell No.; and
- e) Email address.

ii) The online meeting link and login credentials will be shared with only those members who provide their intent to attend the meeting containing all the required particulars as mentioned above on or before October 20, 2026 by 03:00 p.m.

iii) The login facility will remain open from 3:30 p.m. till the end of AGM.

iv) An individual beneficial owner of the shares must bring his/her original CNIC or Passport, Account and

# Notice of 61<sup>th</sup> Annual General Meeting

Participant's ID 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 the 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.

Shareholders can also provide their comments and questions for the agenda items of the AGM at the same email address above.

## **E. Election of Directors**

Any member, who seeks to contest election of directors, shall file with the company at its registered office 2<sup>nd</sup> floor, One IBL Centre, Block 7&8, DMCHS, Tipu Sultan Road, off Shahrah-e-Faisal, Karachi or email scanned copies at [company.secretary@searlecompany.com](mailto:company.secretary@searlecompany.com) not later than fourteen (14) days before the date of the aforementioned meeting.

- i. Consent to act as a director on Appendix to Form – 09 (duly completed and signed by the candidate as required under section 167(1) of the Act.
- ii. Details of other Directorship(s) and office(s) held.
- iii. Detailed profile including qualifications, experience, competencies, office address and directorships held in other companies.
- iv. A declaration to the effect that he/she is aware of duties and powers of Directors under the Act, the Rule Book of Pakistan Stock Exchange Limited, The Regulations and other relevant and prevalent applicable laws and regulations.
- v. A declaration in respect of being compliant with the requirements of CCG 2019 and eligibility criteria as set out in the Companies Act, 2017 to act as a director of listed company.
- vi. Copy of valid CNIC (in case of a Pakistani national) or Passport (in case of a foreign national), along with NTN & Folio No./CDC Investor Account No./CDC Sub Account No. (applicable for a person filing consent for the first time as such).

Independent Director(s) shall meet the criteria laid down in Section 166(2) of the Act and the Companies (Manner and Selection of Independent Directors) Regulations, 2018 and ensure that his/her name must be included in the databank of Independent Directors maintained by the Pakistan Institute of Corporate Governance. Accordingly, the following additional documents are also required to be submitted by the candidate(s) intending to contest for election as Independent Director(s):

- i. Declaration confirming that he/she meets the criteria of independence prescribed under Section 166(2) of the Companies Act, 2017 and Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019;
- ii. Evidence of inclusion of his/her name in the databank of Independent Directors maintained by PICG.
- iii. Any other document, declaration or undertaking as may be required under the Companies Act, 2017, the Companies (Manner and Selection of Independent Directors) Regulations, 2018, the Listed Companies (Code of Corporate Governance) Regulations, 2019 or any directives issued by the Securities and Exchange Commission of Pakistan (SECP).

## **F. Change of Address**

Members having physical shares are requested to notify changes in their address, if any, immediately to the Company's Share Registrar, CDCSRSL. CDC account holders may submit the same to their respective CDC Participant/ Stockbroker/ Investor Account Services



# Notice of 61<sup>th</sup> Annual General Meeting

## **G. Polling on Special Business Resolutions:**

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 (the "Regulations"), as amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), the SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of the Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming AGM to be held on October 22, 2026 at 4:00 p.m. in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

For the convenience of the Members, ballot paper is annexed to this notice and the same is also available on the Company's website at [www.searlecompany.com](http://www.searlecompany.com) for download.

### **1. Procedure for E-Voting:**

- I. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on October 14, 2026.
- II. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- III. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- IV. E-Voting lines will start from October 17, 2026, and shall close on October 21, 2026 at 5:00 P.M. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

### **2. Procedure for Voting Through Postal Ballot:**

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 on the Company's registered address at 2<sup>nd</sup> Floor, One IBL Centre, Plot No. 1, Block 7 & 8, D.M.C.H.S., Tipu Sultan Road, Karachi (attention to the Company Secretary) or email at [company.secretary@searlecompany.com](mailto:company.secretary@searlecompany.com) no later than one day before the AGM on October 21, 2026, during working hours. The signature on the ballot paper shall match the signature on CNIC.

## **H. Election of Directors**

In the same manner, the members will also be allowed to exercise the right to vote through electronic voting facility and postal ballot for the election of directors, if required and the number of persons who offer themselves to be elected is more than the number of directors fixed under Section 159 of the Act, voting shall be conducted in the manner and as per the procedures contained in the Regulations.

### **I. Appointment of Scrutinizer**

In accordance with Regulation No. 11A of the Companies (Postal Ballot) Regulations, 2018, the Board of the Company has appointed M/s. UHY HASSAN NAEEM & CO, Chartered Accountants, a QCR rated audit firm to act as the Scrutinizer of the Company for Polling on the Special Business/Election of Directors, and to undertake other responsibilities as defined in Regulation No. 11A.

### **J. Unclaimed Dividend and Bonus Shares:**

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, are advised to contact our Share Registrar i.e. CDCSRSL, to collect/enquire about their unclaimed dividend or pending shares, if any.

# Notice of 61<sup>th</sup> Annual General Meeting

Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividend unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan.

## **K. Payment of Cash Dividend Electronically (Mandatory):**

In accordance with the provisions of Section 242 of the Companies Act, 2017, and Regulation 4 of the Companies (Distribution of Dividends) Regulations 2017, listed companies are required to pay cash dividends to their shareholders only through electronic mode directly into bank accounts designated by the entitled shareholders.

Accordingly, the Shareholders are requested to fill in the Electronic Credit Mandate Form and send the duly signed form along with a copy of CNIC/NTN to our Share Registrar in case of physical shares. In case shares are held in CDC, then the Electronic Credit Mandate Form must be submitted directly to the shareholder's broker/participant / CDC account services.

In case of non-receipt of IBAN details, the Company will be constrained to withhold payment of dividends under the Companies (Distribution of Dividends) Regulations, 2017.

## **L. Deduction of Withholding Tax on the Amount of Dividend:**

Dividend income on shares is liable to deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001. Withholding of tax on dividends based on the 'Active' and 'Non-Active' status of Members shall be 15% and 30% respectively. 'Active' means a person whose name appears on the Active Taxpayers List available at the e-portal of FBR (<http://www.fbr.gov.pk/>) and 'Non-Active' means a person whose name does not appear on the Active Taxpayers List.

Further, according to clarification received from the Federal Board of Revenue (FBR), withholding tax will be determined separately on the Active/Non-Active status of the principal Member as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts.

Joint shareholders should notify the proportion of their shareholding to the Company's Share Registrar by October 14, 2026. If the proportion of shareholding is not notified then each joint shareholder shall be presumed to hold an equal proportion of shares

## **M. Conversion of physical shares into Book-entry Form**

In compliance with section 72 of the Companies Act, 2017 and SECP's letter No. CSD/ED/Misc./2016-639-640 dated 26 March 2021, listed companies are required to replace existing physical shares issued by them into Book-Entry Form. In view of the above requirement, shareholders of the Company having physical folios/ share certificates are requested to convert their shares from physical form into Book-Entry Form as soon as possible.

Conversion of physical shares into Book-Entry Form would facilitate the shareholders in many ways, including safe custody of shares, readily available market for instant sale and purchase of shares, eliminate risk of loss & damage, easy & safe transfer with lesser formalities as compared to physical shares. The shareholders of the Company may contact Share Registrar of the Company i.e. CDCSRL for assistance in conversion of physical shares into Book-Entry Form.

## **N. Intimation of No Gift Distribution**

In accordance with Section 185 of the Companies Act, 2017 and SRO 452(I)/2025, dated March 17, 2025, the SECP has directed to clearly stipulate that no gifts will be distributed at the AGM.



# Notice of 61<sup>th</sup> Annual General Meeting

## STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017

### - Item 5 of the notice – Election of Directors

This statement sets out the material facts concerning the Election of Directors to be carried out at the AGM.

As a listed company, the Company is required to have Independent Directors on its Board in accordance with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019. The Company shall ensure that its election of Independent Directors complies with the requirements of Sections 159 and 166(2) of the Companies Act, 2017, the Companies (Manner and Selection of Independent Directors) Regulations, 2018, and that such Independent Directors are included in the databank of Independent Directors maintained by the Pakistan Institute of Corporate Governance.

Core competencies, diversity, skillset, knowledge and experience of the election contestants shall also be considered during the finalization of Independent Directors.

The Directors are not interested, directly or indirectly, in the above business other than as shareholders of the Company and to the extent that they are eligible to contest the election of directors.

The final list of contesting directors will be circulated/published not later than 7 (seven) days before the date of the AGM, in terms of Section 159(4) of the Act. Further, the website of the Company will also be updated with the information required under the Act and the Regulations in relation to the election of directors.

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

This statement sets out the material facts concerning the Special Business listed at Agenda item No. 6 and Agenda item No. 7 to be transacted at the Annual General Meeting of The Searle Company Limited (the “**Company**”) to be held on October 22, 2026.

### - Item 6 of the notice – approval of the remuneration of Executive Director(s) including Chief Executive Officer

Approval is being sought for fixing the remuneration of Executive Director(s) including the Chief Executive Officer of the Company in accordance with their terms and conditions of service.

None of the Directors of the Company have any, direct or indirect, interest in the above-mentioned special business, except that mentioned therein.

### - Item 7 of the notice – ratification and approval (to the extent applicable) of the related party transactions/arrangements conducted / to be conducted by the Company.

The Company routinely enters into arrangements and carries out transactions with its related parties in accordance with its policies and the applicable laws and regulations. Certain related party transactions, in which a majority of the Directors are interested, would require members' approval under Sections 207 and / or 208 (to the extent applicable) of the Companies Act, 2017, read with Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

As some/majority of the Directors of the Company may be deemed to be interested in certain arrangements/ transactions with related parties, including due to their shareholding or common directorships in related entities/parties, and to promote transparency, an approval from the members was sought during the 61<sup>st</sup> AGM of the Company, where the members authorized the Board of Directors to approve such related party transactions conducted by the Company from time to time (and on a case to case basis) during the financial year ended June 30, 2026, and such transactions were deemed to be approved by the members. All the related party transactions have been disclosed in Note 44 to the unconsolidated financial statements for the year ended June 30, 2026. Such transactions were to be placed before the members in next AGM for their ratification / confirmation. Accordingly, these transactions are being placed before the AGM for ratification / confirmation by the members.

# Notice of 61<sup>th</sup> Annual General Meeting

Party-wise details of such related party transactions are given below:

| Name of Related Party                    | Transactions during the year           | 2026<br>(Rs. in 000) |
|------------------------------------------|----------------------------------------|----------------------|
| International Brands (Private) Limited   | Corporate service charges              | 145,200              |
|                                          | Rent income                            | 22,572               |
|                                          | Income from provision of amenities     | 15,789               |
|                                          | Expenses paid by the parent            | 766                  |
|                                          | Expenses paid by the Company           | 11,797               |
| IBL Healthcare Limited                   | Revenue                                | 384,392              |
|                                          | Rent income                            | 5,415                |
|                                          | Purchases                              | 60,652               |
|                                          | Income from provision of amenities     | 3,169                |
|                                          | Payments made on behalf of the Company | 1,082                |
|                                          | Reimbursement of expenses              | 110,000              |
|                                          | Royalty                                | 51,000               |
|                                          | Others                                 | 385                  |
| Searle Biosciences (Private) Limited     | Advances against equity investment     | 3,800,000            |
|                                          | Advance against financial assistance   | 218,000              |
| Searle Biopharma (Private) Limited       | Revenue                                | 298,115              |
|                                          | Purchases                              | 63,217               |
|                                          | Material loan obtained                 | 97,645               |
|                                          | Reimbursement of expenses              | 38,513               |
|                                          | Sale of brands                         | 3,900,000            |
| Searle Pharmaceuticals (Private) Limited | Advance against financial assistance   | 144,168              |
| Stellar Ventures (Private) Limited       | Advance against financial assistance   | 75,050               |
| Prime Health (Private) Limited           | Service charges                        | 7,806                |
| Searle IV Solutions (Private) Limited    | Revenue                                | 9,535                |
|                                          | Salaries                               | 4,549                |
|                                          | Material loan                          | 8,435                |
|                                          | Rent for warehouse                     | 6,502                |
|                                          | Stock claim                            | 10,765               |
|                                          | Processing charges                     | 817,413              |
|                                          | Advance against financial assistance   | 801,400              |

# Notice of 61<sup>th</sup> Annual General Meeting

| Name of Related Party                    | Transactions during the year                | 2026<br>(Rs. in 000) |
|------------------------------------------|---------------------------------------------|----------------------|
| IBL Operations (Private) Limited         | Revenue                                     | 25,219,696           |
|                                          | Rent income                                 | 10,232               |
|                                          | Income from provision of amenities          | 4,904                |
|                                          | Inventory claims                            | 1,023,608            |
|                                          | Discounts claimed                           | 1,171,749            |
|                                          | Purchases                                   | 1,158                |
|                                          | Expenses paid on behalf of the Company      | 364,747              |
|                                          | Sale of vehicles                            | 2,600                |
|                                          | Purchase of asset                           | 3,628                |
| United Brands Limited                    | Expenses paid on behalf of the Company      | 50                   |
| IBL Unisys (Private) Limited             | Rent income                                 | 2,984                |
|                                          | Income from provision of amenities          | 1,535                |
|                                          | IT services                                 | 86,637               |
|                                          | Purchases of IT hardware                    | 12,674               |
|                                          | Reimbursement of expenses                   | 3,600                |
|                                          | Office expenses                             | 1,509                |
| IBL Logistics (Private) Limited          | Carriage and duties services                | 12,457               |
|                                          | Expenses paid on behalf of the Company      | 526                  |
|                                          | Advance against transportation charges      | 8,017                |
| United Retail (Private) Limited          | Rent income                                 | 6,816                |
|                                          | Income from provision of amenities          | 58,932               |
|                                          | Architectural & interior designing services | 150                  |
|                                          | Purchases                                   | 6,283                |
|                                          | Expenses paid on behalf of the Company      | 18,352               |
|                                          | Purchases of computer equipments            | 127                  |
|                                          | Advance against supplies                    | 497                  |
| Universal Retail (Private) Limited       | Rent income                                 | 39,473               |
|                                          | Income from provision of amenities          | 88,322               |
|                                          | Purchases                                   | 1,798                |
|                                          | Architectural & interior designing services | 2,000                |
| Multinet (Private) Limited               | Internet services                           | 1,548                |
| Karachi Relief Trust                     | Donations                                   | 16,600               |
| Rashid Abdullah Foundation               | Donations                                   | 3,500                |
| The Citizen Foundation                   | Donations                                   | 44,000               |
| Indus Hospital & Health Network          | Donations                                   | 10,000               |
| Searle Pakistan Limited (Provident Fund) | Interest repayments                         | 2,620                |
| Staff retirement benefits:               | Contributions to provident fund             | 280,503              |
| Key management compensation:             | Salaries and other employee benefits        | 412,432              |
|                                          | Contributions to provident fund             | 37,244               |
|                                          | Advances given                              | 29,100               |
|                                          | Advances adjusted                           | 10,075               |



# Notice of 61<sup>th</sup> Annual General Meeting

The Company carries out transactions and enters into arrangements with its related parties primarily on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. All transactions / arrangements entered into with related parties require the approval of the Board Audit Committee, which is chaired by an independent director of the Company. Upon the recommendation of the Board Audit Committee, such arrangements / transactions are placed before the Board of Directors for approval.

The nature of relationships with these related parties has also been indicated in Note 45 to the unconsolidated financial statements of the Company for the year ending June 30, 2026. The Directors are interested in the resolution only to the extent of their common directorships and shareholdings (to the extent applicable) in such related parties.

Accordingly, the members are requested to ratify and confirm the transactions with related parties as disclosed in the unconsolidated financial statements of the Company for the year ended June 30, 2026.

Furthermore, the Company will be entering into arrangements and conducting transactions with its related parties including, but not limited to, those stipulated in the resolution, during the year ending June 30, 2027. As some or a majority of the Directors of the Company may be deemed to be interested in certain arrangements or transactions, inter alia, due to their shareholding or common directorships in related entities, and in order to promote transparent business practices, an approval from the members is being sought to authorize the Company to conduct such related party transactions and enter into arrangements with related parties, and further to authorize and grant power to the Board of Directors to approve related party transactions to be conducted by the Company during the financial year ending June 30, 2027 (irrespective of composition of the Board and interest of the Directors). The related party transactions as aforesaid for the year ending June 30, 2027, shall be deemed to have been approved by the members.

The Directors are interested in the resolutions only to the extent of their shareholdings and / or common directorships (to the extent applicable) in such related parties.

# Chairman's Review

For the year ended June 30, 2026

To our shareholders,

It gives me great pleasure to reflect on a year of strong progress for Searle. Revenue growth of nearly 30% with improved margins demonstrate the strength of our pharmaceutical business and the benefits of focused execution.

Behind these results is a business that has strengthened its ability to serve patients and healthcare professionals. Improved product availability, a more efficient supply chain and sustained attention to working capital have supported our performance. I commend our management and employees for their commitment to delivering these improvements.

The launches of Rexeva and Xavy have broadened our presence in specialised therapies, while the transfer of our biological portfolio to Searle Biopharma has created a dedicated platform for its development. This focused approach supports our ambition to bring differentiated medicines to patients through specialised capabilities, partnerships and targeted investment.

Expansion of toll manufacturing has added a revenue stream and improved the use of our manufacturing capacity. Continued investment in facilities and quality systems, together with digitalisation through the OneForce programme, will support reliable supply, better decisions and stronger execution across the business.

Looking ahead, I am confident in Searle's direction. Our established pharmaceutical portfolio, biological medicines platform and opportunities in exports and toll manufacturing provide a strong foundation for further growth. We will pursue these opportunities with disciplined investment and a clear focus on sustainable shareholder value. The Board remains committed to sound governance and to supporting management in delivering this strategy.

On behalf of the Board, I thank our shareholders for their continued confidence, our management and employees for their dedication, and our customers, healthcare professionals and business partners for their support. Together, we look forward to building on the achievements of FY2026 and continuing to advance patient care.



**Arshad Anis**

Chairman

September 25, 2026

# 30 جون 2026 کو ختم ہونے والے سال کے لیے چیئر مین کا جائزہ

میرے حصص یافتگان کے لیے،

مجھے سرل کی نمایاں پیش رفت سے بھرپور سال پر جائزہ پیش کرتے ہوئے انتہائی خوشی ہو رہی ہے۔ تقریباً 30 فیصد کی آمدنی میں نمو، بہتر مارجنز کے ساتھ ہمارے فارماسیوٹیکل بزنس کی مضبوطی اور مرکوز حکمت عملی کی کامیابی کی دلیل ہے۔

ان نتائج کے پیچھے ایک ایسا ادارہ ہے جس نے مریضوں اور ہیلتھ کیئر پروفیشنلز کی خدمت کے لیے اپنی صلاحیتوں کو مزید مستحکم کیا ہے۔ مصنوعات کی بہتر دستیابی، زیادہ موثر سپلائی چین، اور ورکنگ کیپٹل پر مسلسل توجہ نے ہماری کارکردگی کو نمایاں سہارا دیا ہے۔ میں ان اصلاحات کی تکمیل کے لیے اپنے مینجمنٹ اور ملازمین کے عزم کو سراہتا ہوں۔

Rexeva اور Xavy کا اجراء مخصوص علاجی شعبوں (Specialised Therapies) میں ہماری موجودگی کو وسعت دیتا ہے، جبکہ ہمارے بائیولوجیکل پورٹ فولیو کی 'سرل بائیو فارما' (Searle Biopharma) میں منتقلی نے اس کی ترقی کے لیے ایک مخصوص پلیٹ فارم تشکیل دیا ہے۔ یہ مرکوز نقطہ نظر مخصوص صلاحیتوں، شراکت داریوں، اور ہدفی سرمایہ کاری کے ذریعے مریضوں تک معیاری اور ممتاز ادویات پہنچانے کے ہمارے عزم کی تائید کرتا ہے۔

ٹول مینوفیکچرنگ (Toll Manufacturing) کی توسیع نے آمدنی کا ایک نیا ذریعہ شامل کیا ہے اور ہماری پیداواری صلاحیت کے استعمال کو بہتر بنایا ہے۔ ہماری تنصیبات اور کوالٹی سسٹمز میں مسلسل سرمایہ کاری، کے ساتھ ساتھ 'OneForce' پروگرام کے ذریعے ڈیجیٹلائزیشن، پائیدار سپلائی، بہتر فیصلہ سازی، اور کاروباری آپریشنز کے نفاذ کو مضبوط کرے گی۔

آئندہ کے لیے، مجھے سرل کے سفر کی سمت پر پورا اعتماد ہے۔ ہمارا قائم شدہ فارماسیوٹیکل پورٹ فولیو، بائیولوجیکل ادویات کا پلیٹ فارم، اور برآمدات و ٹول مینوفیکچرنگ میں موجود مواقع مزید ترقی کے لیے ایک مضبوط بنیاد فراہم کرتے ہیں۔ ہم ان مواقع کو باضابطہ سرمایہ کاری اور حصص یافتگان کے لیے پائیدار قدر (Value) پیدا کرنے کی واضح توجہ کے ساتھ آگے بڑھائیں گے۔ بورڈ بہترین گورننس اور اس حکمت عملی کو نافذ کرنے کے لیے مینجمنٹ کی معاونت کے لیے پر عزم ہے۔

بورڈ کی جانب سے، میں اپنے حصص یافتگان کے مسلسل اعتماد، اپنی مینجمنٹ اور ملازمین کی لگن، اور اپنے صارفین، ہیلتھ کیئر پروفیشنلز، اور کاروباری شراکت داروں کی حمایت کا دل کی گہرائیوں سے شکریہ ادا کرتا ہوں۔ ہم مل کر مالیاتی سال 2026 کی کامیابیوں کو آگے بڑھانے اور مریضوں کی دیکھ بھال کی بہتری کے لیے مسلسل جدوجہد کی توقع رکھتے ہیں۔



ارشاد امین

چیئر مین

کراچی: 25 ستمبر 2026



# Directors' Report to the members

The Directors take pleasure in presenting the annual report together with the audited financial statements of your company for the year ended June 30, 2026.

This information is submitted in accordance with section 227 of the Companies Act, 2017 and Chapter XII of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

This report is to be submitted to the members at the 61st Annual General Meeting of the Company to be held on 22nd October 2026.

## OVERVIEW

Pakistan's economy continued its recovery during FY2026, with the Pakistan Economic Survey 2025–26 estimating provisional real GDP growth of 3.7%. The operating environment remained challenging amid persistent cost pressures and evolving geopolitical uncertainties. Regional tensions and disruptions to international trade and shipping routes posed risks to global supply chains and the availability of imported raw materials.

The pharmaceutical industry continued to play a vital role in meeting the country's healthcare needs, despite a challenging manufacturing environment. Rising input costs, international freight uncertainties and supply-chain vulnerabilities reinforced the importance of cost discipline, operational efficiency and reliable product availability.

Against this backdrop, Searle remained focused on strengthening its manufacturing capabilities, ensuring uninterrupted product supply and enhancing operational resilience.

## OPERATING RESULTS

FY2026 was a year of strong progress for Searle. Revenue grew 28% to PKR 31.64 billion, driven by improved product availability, a more efficient supply chain and focused commercial execution.

Gross profit rose to PKR 16.75 billion, with gross margin expanding 213 basis points to 52.94% (FY2025: 50.81%). This reflects the strength of Searle's core pharmaceutical portfolio and more reliable service to patients and healthcare professionals.

Financial discipline delivered further gains. Finance costs fell 48% to PKR 1.06 billion, driven by tighter working capital management and rationalisation of the borrowing portfolio.

Searle also continued to invest in future growth. The launches of Rexeva (denosumab) and Xavy (tirzepatide) broadened its presence in specialised therapies. The Company also expanded its toll manufacturing business, improving capacity utilisation and creating an additional revenue stream.

During the year, the Company reached a key milestone in its biological medicines strategy. Following approval by the Board and shareholders, Searle transferred its biological and associated brands, together with the related marketing authorisation rights, to its indirect subsidiary, Searle Biopharma (Private) Limited (formerly Nextar Pharma (Private) Limited). The transaction became effective on June 15, 2026; its terms and rationale were disclosed to shareholders through the Pakistan Stock Exchange.

The Board believes biological medicines require a dedicated team with the specialised focus and capabilities to build this portfolio. Consolidating these products within Searle Biopharma is designed to enable coordinated product development, targeted investment and sustained growth within the group. It also allows the Company to organise its portfolio around the distinct needs of its established pharmaceutical operations and its emerging biological medicines business.

The transfer resulted in a one-off gain of PKR 3.9 billion, recognised in other income in the standalone financial statements. As an intra-group transaction, this gain is eliminated on consolidation. The Board therefore regards revenue and gross profit growth, together with lower finance costs, as the most meaningful indicators of underlying performance.

The Company recognised an impairment charge of PKR 1.12 billion following a review of the carrying value of its investments in subsidiaries outside its core pharmaceutical operations that are more sensitive to changes in discretionary consumer spending. Pressure on household budgets has moderated demand, resulting in performance below earlier expectations. Management is focused on improving the performance of these businesses and will continue to review their prospects.

Profit before income tax rose to PKR 6.85 billion from PKR 726 million in FY2025, driven by stronger underlying operations and lower finance costs, together with the net effect of the PKR 3.9 billion

brand transfer gain and the PKR 1.12 billion impairment charge.

Income tax expense rose to PKR 2.84 billion from PKR 292 million in FY2025. This includes a PKR 1.17 billion partial reversal of a deferred tax asset on capital losses recognised in prior years, a non-cash adjustment arising from a reassessment of the portion of the asset that can currently be recognised.

As a result, standalone profit after tax increased to PKR 4.00 billion (FY2025: PKR 434 million), with earnings per share of PKR 6.81 (FY2025: PKR 0.74).

The Board is highly encouraged by the strong improvement in sales, margins and reduction in finance costs and the Company's return to profitability. These results represent an important milestone and provide a strong foundation for the Company's next phase of growth. With a clear focus on strengthening the core business, accelerating innovation, expanding the product portfolio and driving operational excellence, the Company is well positioned to capture emerging opportunities and build sustainable competitive advantage. The Board remains confident in the Company's significant growth potential and its ability to emerge as a stronger, more agile and high-performing enterprise, delivering sustainable long-term value to all stakeholders.

|                                             | June 30,             |                   |
|---------------------------------------------|----------------------|-------------------|
|                                             | 2026                 | 2025              |
|                                             | (Rupees in thousand) |                   |
| Revenue from contracts with customers       | 31,641,832           | 24,773,372        |
| Cost of sales                               | (14,889,524)         | (12,185,186)      |
| <b>Gross Profit</b>                         | <b>16,752,308</b>    | <b>12,588,186</b> |
| Operating expenses                          | (11,881,579)         | (9,207,914)       |
| Other expenses                              | (370,486)            | (88,756)          |
| Other income                                | 4,541,660            | 396,707           |
| Impairment loss on investment in subsidiary | (1,118,400)          | (927,463)         |
| <b>Profit from operations</b>               | <b>7,923,503</b>     | <b>2,760,760</b>  |
| Finance cost                                | (1,057,046)          | (2,026,868)       |
| <b>Profit before levies and income tax</b>  | <b>6,866,457</b>     | <b>733,892</b>    |
| Levies – minimum tax and final tax          | (19,604)             | (7,577)           |
| <b>Profit before income tax</b>             | <b>6,846,853</b>     | <b>726,315</b>    |
| Income tax (expense) / credit               | (2,843,630)          | (292,277)         |
| <b>Profit for the year</b>                  | <b>4,003,223</b>     | <b>434,038</b>    |

## EARNINGS PER SHARE

Basic earnings per share after taxation for the period was PKR 6.81 (2025: PKR 0.74). There is no dilution effect on the basic earnings per share of the Company, as the Company had no convertible dilutive potential ordinary shares outstanding as at June 30, 2026.

## DIVIDEND

The Board of Directors has recommended cash dividend of 10% for the year ended June 30, 2026. During the previous year ended June 30, 2025, the Company declared stock dividend of 15%.

## FINANCIAL STATEMENTS AND AUDITORS

The Board of Directors, on the recommendation of the Board Audit Committee, has recommended the appointment of M/s KPMG Taseer Hadi & Co., Chartered Accountants, as statutory auditors of the Company at a remuneration to be mutually agreed, subject to member's approval.

## HOLDING COMPANY

International Brands (Private) Limited is the holding company of Searle, which holds 50.03% shareholding in the Company.

## SUBSIDIARIES OF THE COMPANY

Following are the subsidiary companies:

### Listed Company

- IBL HealthCare Limited

### Unlisted Companies

- Searle Pharmaceuticals (Private) Limited
- Searle Laboratories (Private) Limited
- Searle Biosciences (Private) Limited
- IBL Future Technologies (Private) Limited
- Searle IV Solutions (Private) Limited
- Stellar Ventures (Private) Limited
- Mycart (Private) Limited \*
- IBL Frontier Markets (Private) Limited \*
- Prime Health (Private) Limited \*
- Searle Biopharma (Private) Limited
- [formerly Nextar Pharma (Private) Limited] \*\*

| Principal place<br>of business | Effective<br>% age of holding |         |
|--------------------------------|-------------------------------|---------|
|                                | 2026                          | 2025    |
| Pakistan                       | 74.19%                        | 74.19%  |
|                                | 100.00%                       | 100.00% |
|                                | 100.00%                       | 100.00% |
|                                | 100.00%                       | 100.00% |
|                                | 100.00%                       | 100.00% |
|                                | 100.00%                       | 100.00% |
|                                | 100.00%                       | 100.00% |
|                                | 50.00%                        | 50.00%  |
|                                | 100.00%                       | 100.00% |
|                                | 100.00%                       | 100.00% |
|                                | 87.20%                        | 87.20%  |

\* Mycart (Private) Limited, IBL Frontier Markets (Private) Limited and Prime Health (Private) Limited are the subsidiaries of Stellar Ventures (Private) Limited being the indirect subsidiaries of the Company.

\*\* Searle Biopharma (Private) Limited is the subsidiary of Searle Biosciences (Private) Limited being the indirect subsidiary of the Company.

## PATTERN OF SHAREHOLDING

The pattern of shareholding along with categories of shareholders as at June 30, 2026 as required under section 227 of the Companies Act, 2017 and Listing Regulations as annexed.

## BUSINESS CONDUCT

Searle's business practices are grounded in integrity, transparency and responsible business conduct, with a strong commitment to complying with applicable laws, regulations and ethical standards.

Our values of Integrity, Excellence, Partnership and Passion guide how we conduct our business and shape the decisions we make. These values are fundamental to building and maintaining trust with our patients, consumers, healthcare professionals, business partners, employees and other stakeholders.

As we continue to pursue innovation and sustainable growth, we remain focused on translating scientific progress into meaningful healthcare solutions. This includes expanding access to differentiated therapies, strengthening scientific engagement with healthcare professionals, fostering partnerships and developing capabilities that support long-term value creation.

We remain committed to conducting our business responsibly, upholding high standards of governance and compliance, and ensuring that our pursuit of growth is underpinned by sound business practices, accountability and responsible decision-making.

## PRODUCT QUALITY

At Searle, product quality is fundamental to the trust placed in our medicines and healthcare solutions. As the Company continues to expand its portfolio, including advanced therapies and biologicals, maintaining consistently high standards of quality, safety and reliability remains a core priority.

Our quality systems are designed to ensure that products manufactured and marketed by the Company meet applicable regulatory and quality requirements throughout their lifecycle. We continue to strengthen our manufacturing capabilities, processes and controls to support consistent product quality across both domestic and international markets.



## CORPORATE AND SOCIAL RESPONSIBILITY

At Searle, our responsibility extends beyond business performance. Guided by our purpose of elevating life by advancing health and well-being for generations to come, we seek to create positive and sustainable impact for the communities in which we operate.

Our approach to corporate and social responsibility focuses on areas where we can create meaningful impact, including healthcare awareness, employee development, community engagement and environmental responsibility.

During the year, our employees participated in initiatives aimed at promoting environmental awareness and sustainability. The Company also continued to invest in the development of its people through structured learning and development programmes. During FY2026, approximately 33,000 training hours were delivered, supporting capability building across the organisation.

Our community initiatives during the year also focused on health awareness and prevention, including activities related to obesity, blood pressure, diabetes and cholesterol. These initiatives complemented our broader scientific engagement by taking healthcare awareness beyond the clinical environment and into the communities we serve.

Through these efforts, Searle continues to advance together with its employees, healthcare partners and communities, with the objective of creating value that extends beyond the Company's immediate business operations.

## OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENT

The health, safety and well-being of our employees, visitors and other stakeholders remain fundamental to our operations. Searle maintains a proactive approach to occupational health, safety and environmental management through continuous risk identification, preventive measures, employee awareness and process improvement.

We remain committed to responsible manufacturing practices and the efficient use of resources, while maintaining appropriate standards for environmental protection, workplace safety and business continuity. As our manufacturing and international operations continue to evolve, we remain focused on strengthening practices that support safe, efficient and sustainable operations.

## INFORMATION TECHNOLOGY

Technology continues to strengthen Searle's operating capabilities, efficiency and data-driven decision-making. During the year, the Company further enhanced its digital infrastructure and SAP environment to improve integration and access to timely information.

A key initiative was OneThunder – One Truth, One Language, our enterprise-wide data transformation programme designed to establish a unified source of reliable and actionable business information. The introduction of dedicated Sales, Supply Chain and Distribution Pulses enhanced visibility of key performance indicators and enabled teams to move towards a common source of truth.

OneThunder also lays the foundation for deeper analytics, process automation and predictive decision-making, supporting Searle's journey towards a more connected and insight-driven organisation.

## WEBSITE

All our stakeholders and general public can visit the Company's website, [www.searlecompany.com](http://www.searlecompany.com), which has a dedicated section for investors containing information related to annual, half-yearly and quarterly financial statements.

## RELATED PARTY TRANSACTIONS

All related party transactions, during the year 2026, were placed before the Audit Committee and the Board for their review and approval. These transactions were duly approved by the Audit Committee and the Board in their respective meetings. All these transactions were in line with the transfer pricing methods and the policy with related parties approved by the board previously. The Company also maintains a full record of all such transactions, along with the terms and conditions. For further details, please refer note 44 in the financial statements.

## COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The stock exchange has included in their Listing Rules and Listed Companies Regulations issued by the Securities & Exchange Commission of Pakistan. The Company has adopted the code and is implementing the same in letter and spirit.

## TRADING OF SHARES BY DIRECTORS, CFO, COMPANY SECRETARY AND EXECUTIVES ETC.

The Company's shares are traded on Pakistan Stock Exchange Limited. The Directors, CEO, Company Secretary and CFO and executives, their spouses and minor children did not carry out any trade in the shares of the Company except the following Directors & executives:

| Name                                   | Shares Purchased | Shares Disposed |
|----------------------------------------|------------------|-----------------|
| Mr. Moujood Ul Hassan                  | 1,640            | 600             |
| International Brands (Private) Limited | 2,596,500        | -               |

## DIRECTORS' TRAINING PROGRAM (DTP)

All of the company's directors have attained DTP certification.

## ADEQUACY OF INTERNAL FINANCIAL CONTROLS

In order to ensure that adequate internal controls are deployed by the company for safeguarding of company's assets, compliance with laws and regulations and reliable financial reporting, the Board of Directors has outsourced the internal audit function to Grant Thornton Anjum Rahman, Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

## CODE OF CONDUCT

The Board of Directors of the Company has adopted a code of conduct. All employees are informed and aware of this and are required to observe these rules of conduct in relation to business and regulations.

## CORPORATE AND FINANCIAL REPORTING FRAMEWORK

- 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 accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- The Company maintains a sound internal control system which gives reasonable assurance against any material misstatement or loss. The internal control system is regularly reviewed.
- There are no significant doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of Corporate Governance as detailed in the listing regulations.
- There has been no departure from the best practices of transfer pricing.

The key operating and financial data for the six years is tabulated as follows:

| Unconsolidated                                   | 2026              | 2025              | 2024               | 2023              | 2022              | 2021              |
|--------------------------------------------------|-------------------|-------------------|--------------------|-------------------|-------------------|-------------------|
| <b>ASSETS EMPLOYED</b>                           |                   |                   |                    |                   |                   |                   |
| Property, plant and equipment                    | 8,299,183         | 7,632,409         | 7,051,790          | 6,544,520         | 6,660,249         | 5,577,984         |
| Right of use assets                              | 31,110            | 40,770            | 50,430             | 60,090            | 69,750            | 79,410            |
| Intangible assets                                | 326               | 12,131            | 25,968             | 40,399            | 58,965            | 94,214            |
| Investment properties-at cost                    | 2,844,578         | 2,923,493         | 2,885,863          | 2,864,868         | 2,753,904         | 2,490,049         |
| Long-term investments- subsidiaries              | 12,348,318        | 9,666,718         | 9,666,718          | 18,816,311        | 18,816,311        | 17,436,311        |
| Long-term loans and deposits                     | 7,404             | 7,457             | 7,546              | 7,513             | 7,637             | 7,721             |
| Deferred assets                                  | 174,816           | 1,214,703         | 1,272,018          |                   |                   | -                 |
| Non-current assets classified as held for sale   | -                 | -                 | 11,200,000         | -                 | -                 | -                 |
| Net current assets                               | 11,322,725        | 8,903,963         | 829,418            | 5,627,115         | 8,153,595         | 8,822,872         |
| <b>Total assets employed</b>                     | <b>35,028,460</b> | <b>30,401,644</b> | <b>32,989,751</b>  | <b>33,960,816</b> | <b>36,520,411</b> | <b>34,508,561</b> |
| <b>FINANCED BY</b>                               |                   |                   |                    |                   |                   |                   |
| Issued, subscribed and paid-up capital           | 5,882,186         | 5,114,945         | 5,114,945          | 3,900,659         | 3,120,526         | 2,400,405         |
| Reserves and unappropriated profit               | 24,045,091        | 20,542,221        | 19,917,609         | 20,051,031        | 20,324,319        | 19,336,033        |
| Shareholder's equity                             | <b>29,927,277</b> | <b>25,657,166</b> | <b>25,032,554</b>  | <b>23,951,690</b> | <b>23,444,845</b> | <b>21,736,438</b> |
| Surplus on revaluation of fixed assets           | 4,873,315         | 4,582,517         | 4,062,375          | 3,717,069         | 3,592,613         | 2,751,216         |
| Long-term and deferred liabilities               | 227,868           | 161,961           | 3,894,822          | 6,292,057         | 9,482,953         | 10,020,907        |
| <b>Total capital employed</b>                    | <b>35,028,460</b> | <b>30,401,644</b> | <b>32,989,751</b>  | <b>33,960,816</b> | <b>36,520,411</b> | <b>34,508,561</b> |
| <b>Turnover</b>                                  | <b>31,641,832</b> | <b>24,773,372</b> | <b>25,827,210</b>  | <b>21,641,282</b> | <b>17,737,282</b> | <b>16,569,596</b> |
| <b>(Loss)/Profit before tax</b>                  | <b>6,866,457</b>  | <b>733,892</b>    | <b>(4,471,494)</b> | <b>409,835</b>    | <b>2,329,461</b>  | <b>2,734,669</b>  |
| <b>(Loss)/Profit after tax</b>                   | <b>4,003,223</b>  | <b>434,038</b>    | <b>(3,330,859)</b> | <b>302,137</b>    | <b>2,090,717</b>  | <b>2,122,924</b>  |
| <b>Profit after tax as % of turnover</b>         | <b>12.65</b>      | <b>1.75</b>       | <b>-12.90</b>      | <b>1.40</b>       | <b>11.79</b>      | <b>12.81</b>      |
| <b>Profit after tax as % of capital employed</b> | <b>11.43</b>      | <b>1.43</b>       | <b>-10.10</b>      | <b>0.89</b>       | <b>5.72</b>       | <b>6.15</b>       |
| <b>Dividends</b>                                 |                   |                   |                    |                   |                   |                   |
| <b>Cash (%)</b>                                  | <b>10</b>         | <b>NIL</b>        | <b>NIL</b>         | <b>NIL</b>        | <b>NIL</b>        | <b>20</b>         |
| <b>Stock (%)</b>                                 | <b>NIL</b>        | <b>15</b>         | <b>NIL</b>         | <b>NIL</b>        | <b>25</b>         | <b>30</b>         |

## COMPOSITION OF THE BOARD OF DIRECTORS

There have been seven directors on the Board. The composition of the board as at June 30, 2026 is as follows:

|     | Category                | Names                     |
|-----|-------------------------|---------------------------|
| i   | Independent Director    | Ms. Aameena Saiyid        |
|     |                         | Ms. Shaista Khaliq Rehman |
| ii  | Non-executive Directors | Mr. Arshad Anis           |
|     |                         | Mr. Munis Abdullah        |
|     |                         | Mr. Zubair Razzak Palwala |
| iii | Executive Directors     | Mr. Tahir Ahmed           |
|     |                         | Mr. S. Nadeem Ahmed       |

Mr. Adnan Asdar Ali resigned from the office of Director and Chairman on December 31, 2025. The Board appointed Mr. Arshad Anis as Director On January 1, 2026. The Board also appointed Mr. Arshad Anis as Chairman on January 14, 2026.

Mr. Muhammad Zubair Haider Shaikh resigned on March 3, 2026 and to fill this casual vacancy, Ms. Aameena Saiyid was appointed by the Board on June 19, 2026.

## MEETINGS OF THE BOARD OF DIRECTORS

During the year, seven meetings of the Board of Directors were held. The attendance at meetings of the board



members is summarized as under:

| Name of director                  | Meetings attended |
|-----------------------------------|-------------------|
| Mr. Adnan Asdar Ali               | 2                 |
| Mr. Arshad Anis                   | 3                 |
| Mr. Munis Abdullah                | 7                 |
| Mr. Tahir Ahmed                   | 7                 |
| Mr. Syed Nadeem Ahmed             | 4                 |
| Mr. Zubair Razzak Palwala         | 7                 |
| Mr. Muhammad Zubair Haider Shaikh | 5                 |
| Ms. Shaista Khaliq Rehman         | 6                 |
| Ms. Ameena Saiyid                 | -                 |

## AUDIT COMMITTEE

The Committee comprises of three non-executive Directors. The Chairperson of the committee is an independent director.

During the year, six meetings of audit committee were held, the attendance of which is as follows:

| Name of director          | Meetings attended |
|---------------------------|-------------------|
| Ms. Shaista Khaliq Rehman | 5                 |
| Mr. Adnan Asdar Ali       | 2                 |
| Mr. Munis Abdullah        | 6                 |
| Mr. Zubair Razzak Palwala | 3                 |

During the year, Mr. Zubair Razzak Palwala was appointed as the member of Audit Committee in place of Mr. Adnan Asdar Ali.

## HUMAN RESOURCE AND REMUNERATION COMMITTEE (HR & R)

The Committee comprises three non-executive members. The Chairperson of the committee is an independent director.

During the year, two meetings of the committee were held, the attendance of which is as follows:

| Name of director                  | Meetings attended |
|-----------------------------------|-------------------|
| Ms. Shaista Khaliq Rehman         | 2                 |
| Mr. Muhammad Zubair Haider Shaikh | 2                 |
| Mr. Munis Abdullah                | 2                 |
| Ms. Ameena Saiyid                 | -                 |

During the year, Ms. Ameena Saiyid was appointed as the member of HR&RC in place of Mr. Muhammad Zubair Haider Shaikh.

## DIRECTORS REMUNERATION

The significant features and key elements of directors' remuneration are as follows:

- The Company will not pay remuneration to its non-executive directors except as a meeting fee for attending the board and its committee meetings. As per policy, Directors are paid an after-tax remuneration of PKR 60,000/- for attending each meeting of the Board or its Committees.
- The remuneration of a Director for attending meetings of the Board of Directors or its Committees shall from time to time be determined and approved by the Board of Director.
- A Director shall be provided or reimbursed for traveling, lodging and other expenses incurred by him for attending meetings of the Board its Committees and/or General Meetings of the Company.

The remuneration paid to executive directors includes fixed salaries, allowances, and, where applicable, performance-based incentives. No additional benefits, apart from those disclosed, were provided during the period. The Board remains committed to ensuring that the remuneration of directors reflects their contributions and responsibilities towards achieving the Company's goals.

## VALUE OF INVESTMENTS

The value of investment of provident fund based on their un-audited / audited accounts as on June 30, 2026 and June 30, 2025 respectively was as follows:

|                | 2026      | 2025    |
|----------------|-----------|---------|
|                | Rs '000   |         |
| Provident Fund | 1,190,571 | 974,526 |

## FUTURE OUTLOOK

Searle enters FY2027 with strong momentum and a clear strategic agenda. The Board's priorities are to sustain growth in the established pharmaceutical portfolio, bring differentiated medicines to patients, strengthen

manufacturing capabilities and expand the Company's presence in international markets.

Investment in manufacturing capability remains central to this agenda. Searle will continue to upgrade its facilities and quality systems and improve capacity utilisation, while evaluating the capabilities required for more advanced therapies. Toll manufacturing will continue to put existing capacity to productive use as these plans progress.

Rexeva and Xavy strengthen Searle's specialised medicines portfolio, while Searle Biopharma provides the group with a focused platform to develop its biological medicines business, pursue partnerships and evaluate further investment. Each step will be guided by technical readiness, regulatory requirements and commercial viability.

Exports remain a key growth avenue. Searle will deepen its presence in existing markets and pursue product

registrations in new geographies, supported by investment in manufacturing standards, regulatory capabilities and supply reliability.

Across the business, the OneForce digitalisation programme is providing timely information that enables better decisions across sales, supply and distribution.

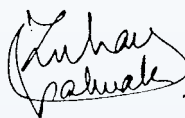
The Board recognises that growth must be accompanied by disciplined execution. Searle will continue to manage working capital tightly, assess every investment rigorously against expected returns and respond proactively to changes in input costs, supply chains and regulation.

The progress achieved in FY2026 higher sales, improved margins, lower finance costs, new product launches and a return to cash dividends gives the Board confidence in the Company's direction and its ability to create sustainable value for shareholders.

For and on behalf of the Board



**Tahir Ahmed**  
Chief Executive Officer



**Zubair Razzak Palwala**  
Director

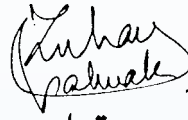
Karachi: September 25, 2026

پورے کاروبار میں، ”ون فورس“ (OneForce) ڈیجیٹلائزیشن پروگرام بروقت معلومات فراہم کر رہا ہے جس سے سیلز، سپلائی اور ڈسٹری بیوشن میں بہتر فیصلوں کی راہ ہموار ہو رہی ہے۔

بورڈ اس بات کو تسلیم کرتا ہے کہ نمو کے ساتھ منظم اور انضباطی عمل درآمد بھی ضروری ہے۔ سرل ورکنگ کمیٹی کا سخت انتظام جاری رکھے گا، متوقع منافع کے مقابلے میں ہر سرمایہ کاری کا باریک بینی سے جائزہ لے گا، اور خام مال کی لاگت، سپلائی چین اور ریگولیٹری تبدیلیوں پر پیشگی اور فعال اقدامات کرے گا۔

مالیاتی سال 2026 میں حاصل کردہ پیش رفت بشمول زیادہ سیلز، بہتر منافع کا تناسب (مارجنز)، کم مالیاتی اخراجات، نئی مصنوعات کا اجراء اور نقد منافع (کیش ڈیویڈنڈ) کی واپسی بورڈ کو کمپنی کی سمت اور حصص یافتگان کے لیے پائیدار قدر پیدا کرنے کی صلاحیت پر مکمل اعتماد فراہم کرتی ہے۔

بورڈ کے لیے اور اس کی جانب سے

  
زیر رزاق پال والا  
ڈائریکٹر

  
طاہر احمد  
چیف ایگزیکٹو آفیسر

کراچی: 25 ستمبر 2026



- ایک ڈائریکٹر کو بورڈ، اس کی کمیٹیوں اور/یا کمپنی کی جنرل میٹنگز میں شرکت کے لیے اس کے سفر، قیام اور دیگر اخراجات کی فراہمی یا معاوضہ (ادائیگی) دی جائے گی۔

ایگزیکٹو ڈائریکٹرز کو ادا کیے جانے والے معاوضے میں مقررہ تنخواہیں، الاؤنسز، اور جہاں قابل اطلاق ہوں، کارکردگی پر مبنی مراعات شامل ہیں۔ اس مدت کے دوران ان انکشافات کے علاوہ کوئی اضافی فوائد فراہم نہیں کیے گئے۔ بورڈ اس بات کو یقینی بنانے کے لیے پرعزم ہے کہ ڈائریکٹرز کا معاوضہ کمپنی کے اہداف کے حصول کے لیے ان کے تعاون اور ذمہ داریوں کی عکاسی کرتا ہے۔

## سرمایہ کاری کی قدر

بالترتیب 30 جون 2026 اور 30 جون 2025 کو ان کے غیر آڈٹ شدہ / آڈٹ شدہ کھاتوں کی بنیاد پر پراویڈنٹ فنڈ کی سرمایہ کاری کی قیمت حسب ذیل تھی:

| 2025                       | 2026      |              |
|----------------------------|-----------|--------------|
| (پاکستانی روپے ہزاروں میں) |           |              |
| 974,526                    | 1,190,571 | پراویڈنٹ فنڈ |

## مستقبل کا خاکہ۔

سرل مضبوط عزم اور ایک واضح حکمت عملی کے ساتھ مالیاتی سال 2027 میں داخل ہو رہا ہے۔ بورڈ کی ترجیحات میں پہلے سے قائم شدہ فارماسیوٹیکل پورٹ فولیو کی نمو کو برقرار رکھنا، مریضوں کو جدید و منفرد ادویات کی فراہمی، پیداواری صلاحیتوں کو مستحکم کرنا اور بین الاقوامی مارکیٹوں میں کمپنی کی موجودگی کو وسعت دینا شامل ہے۔

پیداواری صلاحیتوں میں سرمایہ کاری اس حکمت عملی کا مرکزی نقطہ ہے۔ سرل اپنی سہولیات اور معیار کے نظام کو مزید جدید بنانے اور پیداواری گنجائش کے موثر استعمال کو بہتر بنانے کا سلسلہ جاری رکھے گا، جبکہ مزید جدید ترین علاج (تھراپی) کے لیے درکار صلاحیتوں کا بھی جائزہ لیا جائے گا۔ ان منصوبوں میں پیش رفت کے ساتھ ساتھ موجودہ پیداواری گنجائش کو کارآمد بنانے کے لیے ٹول مینوفیکچرنگ (Toll Manufacturing) کا عمل بھی جاری رہے گا۔

”ریکسیوا“ (Rexeva) اور ”زاویا“ (Xavy) سرل کے تخصیصی ادویات کے پورٹ فولیو کو مستحکم کرتے ہیں، جبکہ ”سرل بائیو فارما“ گروپ کو اپنی حیاتیاتی ادویات کے کاروبار کو فروغ دینے، شراکت داریوں کو آگے بڑھانے اور مزید سرمایہ کاری کے جائزے کے لیے ایک فعال پلیٹ فارم فراہم کرتا ہے۔ ہر قدم کا تعین فنی تیاری، ریگولیٹری تقاضوں اور تجارتی افادیت کو مد نظر رکھ کر کیا جائے گا۔

برآمدات کی نمو کے لیے برآمدات ایک اہم ذریعہ ہیں۔ سرل پیداواری معیارات، ریگولیٹری صلاحیتوں اور سپلائی کے تسلسل میں سرمایہ کاری کی بدولت موجودہ مارکیٹوں میں اپنی موجودگی کو مزید گہرا کرے گا اور نئے جغرافیائی خطوں میں پراڈکٹ کی رجسٹریشن حاصل کرے گا۔

## آڈٹ کمیٹی

کمیٹی تین نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے۔ کمیٹی کا چیئر پرسن ایک آزاد ڈائریکٹر ہے۔ سال کے دوران، آڈٹ کمیٹی کے چھ اجلاس منعقد ہوئے، جن میں حاضری حسب ذیل ہے۔

| ڈائریکٹر کا نام          | اجلاس میں شرکت کی گئی |
|--------------------------|-----------------------|
| محترمہ شائستہ خالق رحمان | 5                     |
| جناب عدنان اصدر علی      | 2                     |
| جناب مونس عبداللہ        | 6                     |
| جناب زبیر رزاق پال والا  | 3                     |

سال کے دوران، جناب عدنان اصدر علی کی جگہ جناب زبیر رزاق پال والا کو آڈٹ کمیٹی کا رکن مقرر کیا گیا۔

## انسانی وسائل اور معاوضے کی کمیٹی (HR&R)

کمیٹی تین نان ایگزیکٹو ممبران پر مشتمل ہے۔ کمیٹی کا چیئر پرسن ایک آزاد ڈائریکٹر ہے۔ سال بھر میں کمیٹی کے دو اجلاس ہوئے جن کی حاضری حسب ذیل ہے۔

| ڈائریکٹر کا نام          | اجلاس میں شرکت کی گئی |
|--------------------------|-----------------------|
| محترمہ شائستہ خالق رحمان | 2                     |
| جناب محمد زبیر حیدر شیخ  | 2                     |
| جناب مونس عبداللہ        | 2                     |
| محترمہ امینہ سید         | -                     |

سال کے دوران، جناب محمد زبیر حیدر شیخ کی جگہ محترمہ امینہ سید کو ایچ آر اینڈ آر سی (HR&RC) کا رکن مقرر کیا گیا۔

## ڈائریکٹرز کا معاوضہ

ڈائریکٹرز کے معاوضے کی اہم خصوصیات اور اہم عناصر درج ذیل ہیں:

- کمپنی اپنے نان ایگزیکٹو ڈائریکٹرز کو معاوضہ ادا نہیں کرے گی سوائے بورڈ اور اس کی کمیٹی کے اجلاسوں میں شرکت کے لیے میٹنگ فیس کے طور پر۔ پالیسی کے مطابق، ڈائریکٹرز کو بورڈ یا اس کی کمیٹیوں کے ہر اجلاس میں شرکت کے لیے PKR 60,000/- کا بعد از ٹیکس معاوضہ دیا جاتا ہے۔
- بورڈ آف ڈائریکٹرز یا اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے ڈائریکٹرز کا معاوضہ وقتاً فوقتاً بورڈ آف ڈائریکٹرز کے ذریعے طے اور منظور کیا جائے گا۔

## بورڈ آف ڈائریکٹرز کی تشکیل

بورڈ میں سات ڈائریکٹر رہ چکے ہیں۔ 30 جون 2026 کو بورڈ کی تشکیل حسب ذیل ہے:

| درجہ بندی                | نام                                                            |
|--------------------------|----------------------------------------------------------------|
| i آزاد ڈائریکٹر          | محترمہ امینہ سید<br>محترمہ شائستہ خالق رحمان                   |
| ii غیر ایگزیکٹو ڈائریکٹر | جناب ارشد انیس<br>جناب مونس عبداللہ<br>جناب زبیر رزاق پال والا |
| iii ایگزیکٹو ڈائریکٹر    | جناب طاہر احمد<br>جناب ایس ندیم احمد                           |

جناب عدنان اصدر علی نے 31 دسمبر 2025 کو ڈائریکٹر اور چیئرمین کے عہدے سے استعفیٰ دے دیا۔ بورڈ نے یکم جنوری 2026 کو جناب ارشد انیس کو بطور ڈائریکٹر مقرر کیا۔ بورڈ نے 14 جنوری 2026 کو جناب ارشد انیس کو چیئرمین بھی مقرر کیا۔

جناب محمد زبیر حیدر شیخ نے 3 مارچ 2026 کو استعفیٰ دے دیا اور اس غیر معمولی آسامی کو پُر کرنے کے لیے، بورڈ نے 19 جون 2026 کو محترمہ امینہ سید کو مقرر کیا۔

## بورڈ آف ڈائریکٹرز کی میٹنگز

سال کے دوران بورڈ آف ڈائریکٹرز کے سات اجلاس منعقد ہوئے۔ بورڈ ممبران کی میٹنگز میں حاضری کا خلاصہ حسب ذیل ہے:

| ڈائریکٹر کا نام          | اجلاس میں شرکت کی گئی |
|--------------------------|-----------------------|
| جناب عدنان اصدر علی      | 2                     |
| جناب ارشد انیس           | 3                     |
| جناب مونس عبداللہ        | 7                     |
| جناب طاہر احمد           | 7                     |
| جناب سید ندیم احمد       | 4                     |
| جناب زبیر رزاق پال والا  | 7                     |
| جناب محمد زبیر حیدر شیخ  | 5                     |
| محترمہ شائستہ خالق رحمان | 6                     |
| محترمہ امینہ سید         | -                     |



چھ سالوں کے لیے کلیدی آپریٹنگ اور مالیاتی اعداد و شمار کو مندرجہ ذیل طور پر ٹیبل کیا گیا ہے:

| 2021              | 2022              | 2023              | 2024               | 2025              | 2026              |                                                                |
|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|----------------------------------------------------------------|
|                   |                   |                   |                    |                   |                   | <b>لاگو کردہ اثاثہ جات</b>                                     |
| 5,577,984         | 6,660,249         | 6,544,520         | 7,051,790          | 7,632,409         | 8,299,183         | املاک، پلانٹس اور لیونیٹ                                       |
| 79,410            | 69,750            | 60,090            | 50,430             | 40,770            | 31,110            | اثاثہ جات کا صحیح استعمال                                      |
| 94,214            | 58,965            | 40,399            | 25,968             | 12,131            | 326               | غیر معمولی اثاثہ جات                                           |
| 2,490,049         | 2,753,904         | 2,864,868         | 2,885,863          | 2,923,493         | 2,844,578         | مالیت پر جائیدادوں میں سرمایہ کاری                             |
| 17,436,311        | 18,816,311        | 18,816,311        | 9,666,718          | 9,666,718         | 12,348,318        | طویل مدتی سرمایہ کاری۔ فیملی اداروں                            |
| 7,721             | 7,637             | 7,513             | 7,546              | 7,457             | 7,404             | طویل مدتی قرضے اور ڈپازٹس                                      |
| —                 | —                 | —                 | 1,272,018          | 1,214,703         | 174,816           | ڈیفرڈ اثاثہ جات                                                |
| —                 | —                 | —                 | 11,200,000         | —                 | —                 | نان کرنٹ اثاثہ جات گلاسٹنبرگ جیسا کہ فروخت کے لئے موجود ہیں -  |
| 8,822,872         | 8,153,595         | 5,627,115         | 829,418            | 8,903,963         | 11,322,725        | خالص کرنٹ اثاثہ جات                                            |
| <b>34,508,561</b> | <b>36,520,411</b> | <b>33,960,816</b> | <b>32,989,751</b>  | <b>30,401,644</b> | <b>35,028,460</b> | <b>مجموعی زیر عمل اثاثہ جات</b>                                |
|                   |                   |                   |                    |                   |                   | <b>سرمایہ کاری کا ذریعہ</b>                                    |
| 2,400,405         | 3,120,527         | 3,900,659         | 5,114,945          | 5,114,945         | 5,882,186         | جاری کردہ، سبسکرائڈ اور ادا شدہ سرمایہ                         |
| 19,336,033        | 20,324,318        | 20,051,031        | 19,917,609         | 20,542,221        | 24,045,091        | ریزروز اور غیر منقولہ شدہ منافع جات                            |
| <b>21,736,438</b> | <b>23,444,845</b> | <b>23,951,690</b> | <b>25,032,554</b>  | <b>25,657,166</b> | <b>29,927,277</b> | شینرز ہولڈرز کی لیکویٹی                                        |
| 2,751,216         | 3,592,613         | 3,717,069         | 4,062,375          | 4,582,517         | 4,873,315         | فکسڈ اثاثہ جات کی دوبارہ قدر و قیمت پر اضافہ                   |
| 10,020,907        | 9,482,953         | 6,292,057         | 3,894,822          | 161,961           | 227,868           | طویل مدتی غیر معمولی شدہ مالیاتی قرضہ جات                      |
| <b>34,508,561</b> | <b>36,520,411</b> | <b>33,960,816</b> | <b>32,989,751</b>  | <b>30,401,644</b> | <b>35,028,460</b> | <b>مجموعی لاگو شدہ سرمایہ</b>                                  |
| <b>16,569,596</b> | <b>17,737,282</b> | <b>21,641,282</b> | <b>25,827,210</b>  | <b>24,773,372</b> | <b>31,641,832</b> | <b>ٹرن اوور</b>                                                |
| <b>2,734,669</b>  | <b>2,329,461</b>  | <b>409,835</b>    | <b>(4,471,494)</b> | <b>733,892</b>    | <b>6,866,457</b>  | <b>منافع/(تقصان) قبل از ٹیکس</b>                               |
| <b>2,122,924</b>  | <b>2,090,717</b>  | <b>302,137</b>    | <b>(3,330,859)</b> | <b>434,038</b>    | <b>4,003,223</b>  | <b>منافع/(تقصان) بعد از ٹیکس</b>                               |
| <b>12.81</b>      | <b>11.79</b>      | <b>1.40</b>       | <b>(12.90)</b>     | <b>1.75</b>       | <b>12.65</b>      | <b>منافع/(تقصان) بعد از ٹیکس بمطابق ٹرن اوور کا فیصد</b>       |
| <b>6.15</b>       | <b>5.72</b>       | <b>0.89</b>       | <b>(10.10)</b>     | <b>1.43</b>       | <b>11.43</b>      | <b>منافع/(تقصان) بعد از ٹیکس بمطابق زیر عمل سرمائے کا فیصد</b> |
|                   |                   |                   |                    |                   |                   | <b>منافع منقسمہ</b>                                            |
| <b>20</b>         | <b>NIL</b>        | <b>NIL</b>        | <b>NIL</b>         | <b>NIL</b>        | <b>10</b>         | <b>نقد (فیصد)</b>                                              |
| <b>30</b>         | <b>25</b>         | <b>NIL</b>        | <b>NIL</b>         | <b>15</b>         | <b>NIL</b>        | <b>اسٹاک (فیصد)</b>                                            |

**ڈائریکٹرز کا تربیتی پروگرام (DTP)**  
کمپنی کے تمام ڈائریکٹرز ڈی ٹی پی (DTP) سرٹیفیکیشن حاصل کر چکے ہیں۔

## داخلی مالیاتی کنٹرول کی افادیت

اس بات کو یقینی بنانے کے لیے کہ کمپنی کے اثاثوں کی حفاظت، قوانین و ضوابط کی تعمیل اور قابل اعتماد مالیاتی رپورٹنگ کے لیے کمپنی کی طرف سے مناسب اندرونی کنٹرولز متعین کیے گئے ہیں، بورڈ آف ڈائریکٹرز نے اندرونی آڈٹ فنکشن کو گرانٹ تھورنٹن انجمن رحمن، چارٹرڈ اکاؤنٹنٹس کو آؤٹ سورس کر دیا ہے، جنہیں اس مقصد کے لیے موزوں اور تجربہ کار اور کمپنی کی پالیسیوں اور طریقہ کار سے واقف سمجھا جاتا ہے۔

## ضابطہ اخلاق

کمپنی کے بورڈ آف ڈائریکٹرز نے ضابطہ اخلاق اپنایا ہے۔ تمام ملازمین کو اس سے آگاہی دی جاتی ہے اور انہیں کاروبار اور قواعد و ضوابط کے سلسلے میں ان ضابطہ اخلاق کے اصولوں کی پابندی کرنا لازمی ہے۔

## کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

- کمپنی کی انتظامیہ کے ذریعہ تیار کردہ مالیاتی بیانات، اس کی حالت، اس کے کاموں کے نتائج، کیش فلو اور ایکویٹی میں ہونے والی تبدیلیوں کو کافی حد تک پیش کرتے ہیں۔
- کمپنی کے مالیاتی ریکارڈز مناسب طریقہ سے مرتب اور محفوظ کیے گئے ہیں۔
- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- بین الاقوامی اکاؤنٹنگ معیارات، جیسا کہ پاکستان میں لاگو ہوتے ہیں، مالی بیانات کی تیاری میں ان کی پیروی کی گئی ہے۔
- کمپنی ایک مضبوط اندرونی کنٹرول سسٹم کو برقرار رکھتی ہے جو کسی بھی مادی غلط بیانی یا نقصان کے خلاف معقول یقینی دہانی کراتا ہے۔ اندرونی کنٹرول سسٹم کا باقاعدگی سے جائزہ لیا جاتا ہے۔
- کمپنی کی بحالی اور مسلسل کاروبار کرنے کی صلاحیت پر کوئی اہم تخفظات نہیں پائے گئے۔
- لسٹنگ قواعد و ضوابط میں تفصیل سے بیان کردہ کارپوریٹ گورننس کے معیاری اصولوں سے کوئی نمایاں انحراف نہیں پایا گیا۔
- منتقلی کی قیمتوں (Transfer Pricing) کے بہترین طریقوں سے کوئی خلاف ورزی نہیں ہوئی ہے۔

کے تعارف نے کلیدی کارکردگی کے اشاریوں (KPIs) کی شفافیت کو بڑھایا اور ٹیموں کو معلومات کے ایک مشترکہ و مستند ذریعہ کی جانب گامزن کیا۔

ون تھنڈر (OneThunder) زیادہ گہرے تجزیات (Analytics)، عمل کو خودکار بنانے (Automation) اور پیشگوئی پر مبنی فیصلہ سازی (Predictive Decision-making) کی بنیاد بھی رکھتا ہے، جو سرل کو ایک زیادہ جڑے ہوئے اور بصیرت پر مبنی ادارے کی طرف لے جانے میں معاون ہے۔

## ویب سائٹ

ہمارے تمام اسٹیک ہولڈرز اور عام لوگ کمپنی کی ویب سائٹ [www.searlecompany.com](http://www.searlecompany.com) پر جاسکتے ہیں، جس میں سرمایہ کاروں کے لیے ایک مختص سیکشن ہے جس میں سالانہ، ششماہی اور سہ ماہی مالیاتی بیانات سے متعلق معلومات موجود ہیں۔

## متعلقہ پارٹی لین دین

مالیاتی سال 2026 کے دوران تمام متعلقہ پارٹی ٹرانزیکشنز کو آڈٹ کمیٹی اور بورڈ کے سامنے ان کے جائزے اور منظوری کے لیے رکھا گیا تھا۔ ان ٹرانزیکشنز کو آڈٹ کمیٹی اور بورڈ نے اپنے متعلقہ اجلاسوں میں باضابطہ منظوری دی تھی۔ یہ تمام ٹرانزیکشنز ٹرانسفر کی قیمتوں کے تعین کے طریقوں اور متعلقہ فریقین کے ساتھ پالیسی کے مطابق تھیں جنہیں بورڈ نے پہلے منظور کیا تھا۔ کمپنی شرائط و ضوابط کے ساتھ اس طرح کے تمام لین دین کا مکمل ریکارڈ بھی رکھتی ہے۔ مزید تفصیلات کے لیے، براہ کرم مالیاتی گوشواروں میں نوٹ 44 دیکھیں۔

## کوڈ آف کارپوریٹ گورننس کی تعمیل

اسٹاک ایکسچینج نے اپنے لسٹنگ کے قواعد اور سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ لسٹڈ کمپنیز ریگولیشنز میں اس کو شامل کیا ہے۔ کمپنی نے ضابطہ (Code) کو اپنایا ہے اور اس پر روح اور حرف کے ساتھ (Letter and Spirit) مکمل عمل پیرا ہے۔

## ڈائریکٹرز، CFO، کمپنی کے سیکرٹری اور ایگزیکٹوز وغیرہ کے ذریعے حصص کی تجارت۔

کمپنی کے حصص کی تجارت پاکستان اسٹاک ایکسچینج لمیٹڈ میں ہوتی ہے۔ ڈائریکٹرز، سی ای او، کمپنی سیکرٹری، سی ایف او اور ایگزیکٹوز، ان کی شریک حیات اور نابالغ بچوں نے مندرجہ ذیل ڈائریکٹرز اور ایگزیکٹوز کے علاوہ کمپنی کے حصص میں کوئی تجارت نہیں کی:

| نام                               | شیئر کی خریداری | شیئر کی فروخت |
|-----------------------------------|-----------------|---------------|
| جناب مجود الحسن                   | 1,640           | 600           |
| انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ | 2,596,500       | -             |



## کارپوریٹ اور سماجی ذمہ داری

سرل میں، ہماری ذمہ داریاں صرف کاروباری کارکردگی تک محدود نہیں ہیں۔ آنے والی نسلوں کی صحت اور بہبود میں بہتری لاتے ہوئے زندگی کے معیار کو بلند کرنے کے مقصد سے رہنمائی لیتے ہوئے، ہم ان کمیونٹیز میں مثبت اور پائیدار اثرات پیدا کرنا چاہتے ہیں جن میں ہم کام کرتے ہیں۔

کارپوریٹ اور سماجی ذمہ داری کے حوالے سے ہمارا نقطہ نظر ان شعبوں پر مرکوز ہے جہاں ہم معنی خیز اثرات مرتب کر سکیں، بشمول صحت کے بارے میں آگاہی، ملازمین کی ترقی، کمیونٹی کی فلاح و بہبود اور ماحولیاتی ذمہ داری۔

سال کے دوران، ہمارے ملازمین نے ماحولیاتی آگاہی اور پائیداری کو فروغ دینے والے اقدامات میں حصہ لیا۔ کمپنی نے منظم ترین تربیتی اور ترقیاتی پروگراموں کے ذریعے اپنے افراد کی صلاحیتوں میں اضافہ کے لیے سرمایہ کاری جاری رکھی۔ مالی سال 2026 کے دوران، تقریباً 33,000 تربیتی گھنٹے (Training Hours) فراہم کیے گئے، جس سے پوری تنظیم میں صلاحیتوں کی تعمیر میں مدد ملی۔

سال کے دوران ہمارے کمیونٹی اقدامات صحت کی آگاہی اور بچاؤ کی تدابیر پر بھی مرکوز رہے، بشمول موٹاپے، بلڈ پریشر، ذیابیطس اور کولیسٹرول سے متعلق سرگرمیاں۔ ان اقدامات نے طبی ماحول سے باہر نکل کر ان کمیونٹیز تک صحت کی آگاہی پہنچا کر ہمارے وسیع تر سائنسی عزم کو مزید تقویت بخشی جن کی ہم خدمت کرتے ہیں۔

ان کوششوں کے ذریعے، سرل اپنے ملازمین، ہیلتھ کیئر پارٹنرز اور کمیونٹیز کے ساتھ مل کر آگے بڑھ رہا ہے، جس کا مقصد ایسی قدر (Value) پیدا کرنا ہے جو کمپنی کی فوری کاروباری سرگرمیوں سے بھی آگے تک محیط ہو۔

## پیشہ ورانہ صحت، حفاظت اور ماحول

ہمارے ملازمین، زائرین اور دیگر اسٹیک ہولڈرز کی صحت، حفاظت اور فلاح و بہبود ہمارے آپریشنز کے لیے بنیادی حیثیت رکھتی ہے۔ سرل مسلسل خطرات کی نشاندہی، حفاظتی تدابیر، ملازمین میں آگاہی اور عمل کی بہتری کے ذریعے پیشہ ورانہ صحت، حفاظت اور ماحولیاتی نظم و نسق میں ایک فعال نقطہ نظر برقرار رکھتا ہے۔

ہم ماحولیاتی تحفظ، جائے وقوع کی حفاظت اور کاروباری تسلسل کے لیے مناسب معیارات کو برقرار رکھتے ہوئے ذمہ دارانہ پیداواری طریقہ کار اور وسائل کے موثر استعمال کے لیے پرعزم ہیں۔ چونکہ ہمارے پیداواری اور بین الاقوامی آپریشنز مسلسل ترقی کر رہے ہیں، ہماری توجہ ان طریقہ کار کو مضبوط بنانے پر مرکوز ہے جو محفوظ، موثر اور پائیدار آپریشنز میں معاون ثابت ہوتے ہیں۔

## انفارمیشن ٹیکنالوجی

ایک اہم اقدام One Thunder–One Truth, One Language تھا، جو ہمارا انٹرپرائز وائڈ ڈیٹا انسفارمیشن پروگرام ہے جس کا مقصد قابل اعتماد اور قابل عمل کاروباری معلومات کا ایک واحد اور یکساں ذریعہ قائم کرنا ہے۔ سیلز، سپلائی چین اور ڈسٹری بیوشن کے لیے مخصوص Pulses

## شیئر ہولڈنگ کاپیٹن

کمپنیز ایکٹ 2017 کے سیکشن 227 اور لسٹنگ ریگولیشنز کے تقاضوں کے مطابق، 30 جون 2026 تک کے حصص یافتگان کے زمرہ جات کے ساتھ شیئر ہولڈنگ کاپیٹن ساتھ منسلک ہے۔

## کاروباری طرز عمل

سرل کے کاروباری طریقہ کار دیانتداری، شفافیت اور ذمہ دارانہ طرز عمل پر مبنی ہیں، جس میں قابل اطلاق قوانین، ضوابط اور اخلاقی معیارات کی سخت پابندی کا عزم شامل ہے۔

ہماری بنیادی اقدار دیانتداری، عمدگی، شراکت داری، اور جذبہ اس بات کی رہنمائی کرتی ہیں کہ ہم اپنا کاروبار کیسے چلاتے ہیں اور اپنے فیصلوں کو کیسا روپ دیتے ہیں۔ یہ اقدار ہمارے مریضوں، صارفین، ہیلتھ کیئر پروفیشنلز، کاروباری شراکت داروں، ملازمین اور دیگر اسٹیک ہولڈرز کے ساتھ اعتماد کی تعمیر اور اسے برقرار رکھنے کے لیے بنیادی حیثیت رکھتی ہیں۔

چونکہ ہم جدت طرازی اور پائیدار ترقی کے سفر کو جاری رکھے ہوئے ہیں، ہماری توجہ سائنسی پیش رفت کو معنی خیز طبی سہولیات میں منتقل کرنے پر مرکوز ہے۔ اس میں ممتاز اور معیاری علاجی ادویات تک رسائی کو وسعت دینا، ہیلتھ کیئر پروفیشنلز کے ساتھ سائنسی تعلقات کو مضبوط بنانا، شراکت داروں کو فروغ دینا، اور ایسی صلاحیتیں پیدا کرنا شامل ہے جو طویل المدتی قدر کی تخلیق میں معاون ہوں۔

ہم ذمہ دارانہ انداز میں اپنا کاروبار چلانے، گورننس اور تعمیل کے اعلیٰ معیارات کو برقرار رکھنے، اور اس بات کو یقینی بنانے کے لیے پرعزم ہیں کہ ہماری ترقی کی جدوجہد کے پیچھے بہترین کاروباری طریقہ کار، احتساب اور ذمہ دارانہ فیصلہ سازی شامل ہو۔

## پروڈکٹ کوالٹی

سرل میں، ہماری ادویات اور طبی سہولیات پر قائم کردہ اعتماد کی بنیاد پروڈکٹ کوالٹی ہے۔ چونکہ کمپنی اپنے پورٹ فولیو کو وسعت دے رہی ہے، بشمول جدید علاجی ادویات اور بائیولوجیکل مصنوعات، لہذا معیار، حفاظت اور بھروسے کے اعلیٰ ترین معیارات کو مسلسل برقرار رکھنا ہماری بنیادی ترجیح ہے۔

ہمارے کوالٹی سسٹمز کو اس طرح ترتیب دیا گیا ہے کہ کمپنی کی جانب سے تیار کردہ اور فروخت کی جانے والی مصنوعات ان کے مکمل لائف سائیکل کے دوران متعلقہ ریگولیٹری اور کوالٹی کے تقاضوں پر پورا اتریں۔ ہم ملکی اور بین الاقوامی دونوں منڈیوں میں مصنوعات کے یکساں معیار کو یقینی بنانے کے لیے اپنی پیداواری صلاحیتوں، عمل اور کنٹرول کے نظام کو مسلسل مستحکم کر رہے ہیں۔

## مالیاتی گوشوارے اور آڈیٹرز

بورڈ آف ڈائریکٹرز نے، بورڈ آڈٹ کمیٹی کی سفارش پر، میسرز کے پی ایم جی تاثیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، کو کمپنی کے قانونی آڈیٹرز کے طور پر مقرر کرنے کی سفارش کی ہے، جن کا معاوضہ باہمی رضامندی سے طے کیا جائے گا، تاہم یہ تقرری اراکین کی منظوری سے مشروط ہوگی۔

## ہولڈنگ کمپنی

انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ، سرل کی ہولڈنگ کمپنی ہے، جو کمپنی میں 50.03% حصص کی مالک ہے۔

## کمپنی کے ذیلی ادارے

درج ذیل ذیلی کمپنیاں ہیں:

| کاروبار کا مرکزی مقام | مؤثر العمل     | فیصد ہولڈنگ کی عمر                           |
|-----------------------|----------------|----------------------------------------------|
| جون 30، 2025          | جون 30، 2026   |                                              |
| 74.19%                | <b>74.19%</b>  | آئی بی ایل ہیلتھ کیئر لمیٹڈ                  |
| 100.00%               | <b>100.00%</b> | غیر لسٹڈ کمپنیاں                             |
| 100.00%               | <b>100.00%</b> | سرل فارماسیوٹیکل (پرائیویٹ) لمیٹڈ            |
| 100.00%               | <b>100.00%</b> | سرل لیبارٹریز (پرائیویٹ) لمیٹڈ               |
| 100.00%               | <b>100.00%</b> | سرل بائیوسائنسز (پرائیویٹ) لمیٹڈ             |
| 100.00%               | <b>100.00%</b> | آئی بی ایل فیوچر ٹیکنالوجیز (پرائیویٹ) لمیٹڈ |
| 100.00%               | <b>100.00%</b> | سرل آئی وی سلوشنز (پرائیویٹ) لمیٹڈ           |
| 50.00%                | <b>50.00%</b>  | اسٹیلر وینچرز (پرائیویٹ) لمیٹڈ               |
| 100.00%               | <b>100.00%</b> | مائی کارٹ (پرائیویٹ) لمیٹڈ *                 |
| 100.00%               | <b>100.00%</b> | آئی بی ایل فرنٹیر مارکیٹس (پرائیویٹ) لمیٹڈ * |
| 87.20%                | <b>87.20%</b>  | پرائم ہیلتھ (پرائیویٹ) لمیٹڈ *               |
| 100.00%               | <b>100.00%</b> | سرل بائیو فارما (پرائیویٹ) لمیٹڈ             |
| 87.20%                | <b>87.20%</b>  | - [سابقہ نیکسٹار فارما (پرائیویٹ) لمیٹڈ] **  |

\* مائی کارٹ (پرائیویٹ) لمیٹڈ، آئی بی ایل فرنٹیر مارکیٹس (پرائیویٹ) لمیٹڈ، اور پرائم ہیلتھ (پرائیویٹ) لمیٹڈ، اسٹیلر وینچرز (پرائیویٹ) لمیٹڈ کے ذیلی ادارے ہیں، جو کمپنی کے بالواسطہ ذیلی ادارے ہیں۔

\*\* سرل بائیو فارما (پرائیویٹ) لمیٹڈ، سرل بائیوسائنسز (پرائیویٹ) لمیٹڈ کا ذیلی ادارہ ہے، جو کمپنی کا بالواسطہ ذیلی ادارہ ہے۔



بورڈ فروخت، مارجنز، فنانس لاگت میں خاطر خواہ کمی اور کمپنی کی دوبارہ منافع بخش پوزیشن میں واپسی سے انتہائی حوصلہ افزا ہے۔ یہ نتائج ایک اہم سنگ میل کی نمائندگی کرتے ہیں اور کمپنی کی ترقی کے اگلے مرحلے کے لیے ایک مضبوط بنیاد فراہم کرتے ہیں۔

بنیادی کاروبار کو مزید مستحکم کرنے، جدت کے عمل کو تیز کرنے، مصنوعات کے پورٹ فولیو کو وسعت دینے اور آپریشنل عمدگی کو فروغ دینے پر واضح توجہ کے ساتھ، کمپنی ابھرتے ہوئے مواقع سے فائدہ اٹھانے اور پائیدار مسابقتی برتری قائم کرنے کے لیے مضبوط پوزیشن میں ہے۔

بورڈ کو کمپنی کی نمایاں ترقی کی صلاحیت اور ایک زیادہ مضبوط، زیادہ فعال اور اعلیٰ کارکردگی کی حامل کاروباری تنظیم کے طور پر ابھرنے کی قابلیت پر مکمل اعتماد ہے، جو تمام اسٹیک ہولڈرز کے لیے طویل مدت میں پائیدار قدر فراہم کرتی رہے گی۔

June 30,

2025

2026

(پاکستانی روپے ہزاروں میں)

|                   |                   |                                                                |
|-------------------|-------------------|----------------------------------------------------------------|
| 24,773,372        | 31,641,832        | گاہکوں کے ساتھ معاہدوں سے حاصل ہونے والی آمدنی                 |
| (12,185,186)      | (14,889,524)      | فروخت کی لاگت                                                  |
| <b>12,588,186</b> | <b>16,752,308</b> | <b>مجموعی منافع</b>                                            |
| (9,207,914)       | (11,881,579)      | آپریٹنگ اخراجات                                                |
| (88,756)          | (370,486)         | دیگر اخراجات                                                   |
| 396,707           | 4,541,660         | دیگر آمدنی                                                     |
| (927,463)         | (1,118,400)       | ذیلی ادارے میں سرمایہ کاری پر قدر میں کمی (ایپیئرمنٹ) کا نقصان |
| <b>2,760,760</b>  | <b>7,923,503</b>  | <b>آپریٹنگ سے منافع</b>                                        |
| (2,026,868)       | (1,057,046)       | مالیاتی لاگت                                                   |
| <b>733,892</b>    | <b>6,866,457</b>  | <b>لیویز اور انکم ٹیکس سے قبل منافع</b>                        |
| (7,577)           | (19,604)          | لیویز-کم از کم ٹیکس اور حتمی ٹیکس                              |
| <b>726,315</b>    | <b>6,846,853</b>  | <b>منافع قبل از ٹیکس</b>                                       |
| (292,277)         | (2,843,630)       | انکم ٹیکس کے اخراجات                                           |
| <b>434,038</b>    | <b>4,003,223</b>  | <b>منافع بعد از ٹیکس</b>                                       |

## فی حصص آمدنی

اس مدت کے لیے ٹیکس کے بعد فی حصص بنیادی آمدنی 6.81 روپے رہی (2025: 0.74 روپے)۔ کمپنی کی فی حصص کی بنیادی آمدنی پر کسی کمی کا اثر نہیں ہے، کیونکہ کمپنی کے پاس 30 جون 2026 تک کوئی قابل تبدیل ممکنہ منفی اثر ڈالنے والے عام حصص موجود نہیں تھے۔

## ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے 30 جون 2026 کو ختم ہونے والے سال کے لیے 10% کیش ڈیویڈنڈ (نقد منافع) کا اعلان کیا ہے۔ جبکہ گزشتہ مالی سال 30 جون 2025 کے دوران کمپنی نے 15% اسٹاک ڈیویڈنڈ کا اعلان کیا تھا۔

سرل نے مستقبل کی ترقی میں سرمایہ کاری کا سلسلہ بھی جاری رکھا۔ Rexeva(denosumab) اور Xavy(tirzepatide) کے اجراء نے مخصوص علاجی شعبوں (Specialised Therapies) میں کمپنی کی موجودگی کو وسعت دی۔ کمپنی نے اپنے ٹول مینوفیکچرنگ کے کاروبار کو بھی فروغ دیا، جس سے پیداواری صلاحیت کا بہتر استعمال ممکن ہوا اور آمدنی کا ایک اضافی ذریعہ قائم ہوا۔

سال کے دوران، کمپنی نے اپنی بائیولوجیکل ادویات کی حکمت عملی میں ایک اہم سنگ میل حاصل کیا۔ بورڈ اور حصص یافتگان کی منظوری کے بعد، سرل نے اپنے بائیولوجیکل اور متعلقہ برانڈز، بشمول مارکیٹنگ کی منظوری کے حقوق، اپنے بواسطہ ذیلی ادارے 'سرل بائیوفارما (پرائیویٹ) لمیٹڈ' سابقہ NextarPharma (Private) Limited کو منتقل کر دیے۔ یہ لین دین 15 جون 2026 سے نافذ العمل ہوا؛ جس کی شرائط اور وجوہات کا پاکستان اسٹاک ایکسچینج کے ذریعے شیئر ہولڈرز کے سامنے پیش کیا گیا۔

بورڈ کا ماننا ہے کہ بائیولوجیکل ادویات کا شعبہ ایک مخصوص ٹیم، خصوصی توجہ اور مطلوبہ صلاحیتوں کا تقاضا کرتا ہے تاکہ اس پورٹ فولیو کی تعمیر کی جاسکے۔ سرل بائیوفارما میں ان مصنوعات کا انضمام گروپ کے اندر ہم آہنگ پروڈکٹ ڈیولپمنٹ، ہدفی سرمایہ کاری، اور پائیدار ترقی کو ممکن بنانے کے لیے ڈیزائن کیا گیا ہے۔ اس سے کمپنی کو اپنے قائم شدہ فارماسیوٹیکل آپریشنز اور ابھرتے ہوئے بائیولوجیکل بزنس کی مختلف ضروریات کے مطابق پورٹ فولیو کو ترتیب دینے کی سہولت حاصل ہوتی ہے۔

اس منتقلی کے نتیجے میں 3.9 ارب روپے کا غیر معمولی ایک بارگی منافع حاصل ہوا، جسے الگ تھلگ مالیاتی گوشواروں میں 'دیگر آمدنی' کے طور پر شامل کیا گیا ہے۔ چونکہ یہ گروپ کے اندرونی اداروں کا لین دین ہے، لہذا کنسولیدیشن گوشواروں میں یہ رقم منہا ہو جاتی ہے۔ اس لیے بورڈ آمدنی اور مجموعی منافع کی نمو، نیز کم مالیاتی اخراجات کو کمپنی کی حقیقی و بنیادی کارکردگی کا سب سے معنی خیز اشاریہ سمجھتا ہے۔

کمپنی نے بنیادی فارماسیوٹیکل آپریشنز سے الگ ذیلی اداروں میں اپنی سرمایہ کاری کی کتابی قدر کے جائزے کے بعد 1.12 ارب روپے کا ایپیئرینٹ چارج ریکارڈ کیا ہے، کیونکہ یہ شعبے صارفین کے اختیاری اخراجات میں تبدیلیوں سے زیادہ متاثر ہوتے ہیں۔ گھریلو بجٹ پر دباؤ نے طلب کو متاثر کیا، جس کے نتیجے میں کارکردگی سابقہ توقعات سے کم رہی۔ منجمنٹ ان کے کاروبار کی کارکردگی کو بہتر بنانے پر مرکوز ہے اور ان کے امکانات کا جائزہ جاری رکھے گی۔

بنیادی آپریشنز میں بہتری اور مالیاتی اخراجات میں کمی، نیز 3.9 ارب روپے کے برانڈ ٹرانسفر گین اور 1.12 ارب روپے کے ایپیئرینٹ چارج کے مجموعی اثرات کے باعث، منافع قبل از ٹیکس مالی سال 2025 کے 726 ملین روپے سے بڑھ کر 6.85 ارب روپے ہو گیا۔

انکم ٹیکس کے اخراجات مالی سال 2025 کے 292 ملین روپے سے بڑھ کر 2.84 ارب روپے ہو گئے۔ اس میں گزشتہ سالوں کے کیپیٹل لاسز پر ڈیفرڈ ٹیکس اثاثہ کی 1.17 ارب روپے کی جزوی منسوخی شامل ہے، جو کہ اثاثے کے قابلیتی حصے کی از سر نو جانچ کا نان کیش ایڈجسٹمنٹ ہے۔

نتیجہً، الگ تھلگ خالص منافع بڑھ کر 4.00 ارب روپے ہو گیا (مالی سال 2025: 434 ملین روپے)، جس سے فی حصص آمدنی 6.81 روپے تک پہنچ گئی (مالی سال 2025: 0.74 روپے)۔

## ڈائریکٹرز رپورٹ برائے حصص یافتگان

ڈائریکٹرز 30 جون 2026 کو ختم ہونے والے سال کے لیے آپ کی کمپنی کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ سالانہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

یہ معلومات کمپنیز ایکٹ 2017 کے سیکشن 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے باب XII کے مطابق جمع کرائی گئی ہیں۔

یہ رپورٹ 22 اکتوبر 2026 کو ہونے والے کمپنی کے 61 ویں سالانہ اجلاس عام (AGM) میں ممبران کو پیش کی جانی ہے۔

### جائزہ

پاکستان کی معیشت نے مالی سال 2026 کے دوران بحالی کا سفر جاری رکھا، اور پاکستان اکنامک سروے 2025-26 کے مطابق حقیقی جی ڈی پی (GDP) کی عبوری نمو 3.7 فیصد تخمینہ کی گئی۔ تاہم مسلسل بڑھتے ہوئے اخراجات کے دباؤ اور خطے کی بدلتی ہوئی جیو پالیٹیکل غیر یقینی صورتحال کے باعث کاروباری ماحول چیلنجنگ رہا۔ علاقائی کشیدگی اور بین الاقوامی تجارت و شپنگ کے راستوں میں رکاوٹوں نے عالمی سپلائی چین اور درآمدی خام مال کی دستیابی کے لیے خطرات پیدا کیے۔

فارماسیوٹیکل انڈسٹری نے پیداواری عمل کی مشکلات کے باوجود ملک کی صحت عامہ کی ضروریات کو پورا کرنے میں اپنا اہم کردار جاری رکھا۔ خام مال کی بڑھتی ہوئی لاگت، بین الاقوامی مال برداری (Freight) کی غیر یقینی صورتحال اور سپلائی چین کے مسائل نے اخراجات میں نظم و ضبط، آپریشنل صلاحیت اور ادویات کی بلا تعطل دستیابی کی اہمیت کو مزید واضح کر دیا۔

اس تمام تناظر میں، کمپنی نے اپنی پیداواری صلاحیتوں کو مضبوط بنانے، مصنوعات کی مسلسل فراہمی کو یقینی بنانے اور آپریشنل استحکام کو بڑھانے پر اپنی تمام تر توجہ مرکوز رکھی۔

### آپریٹنگ نتائج

مالی سال 2026 سرل کے لیے نمایاں پیش رفت کا سال رہا۔ مصنوعات کی بہتر دستیابی، زیادہ موثر سپلائی چین، اور تجارتی اہداف پر عمل درآمد کے نتیجے میں آمدنی 28 فیصد اضافے کے ساتھ 31.64 ارب روپے تک پہنچ گئی۔

مجموعی منافع (Gross Profit) بڑھ کر 16.75 ارب روپے ہو گیا، جبکہ مجموعی منافع کا مارجن 213 بیسیس پوائنٹس کے اضافے کے ساتھ 52.94 فیصد تک پھیل گیا (مالی سال 2025: 50.81 فیصد)۔ یہ سرل کے بنیادی فارماسیوٹیکل پورٹ فولیو کی مضبوطی اور مریضوں و ہیلتھ کیئر پروفیشنلز کے لیے مزید قابل اعتماد خدمات کی عکاسی کرتا ہے۔

مالیاتی نظم و ضبط سے مزید فوائد حاصل ہوئے۔ ورکنگ کیپٹل کے بہتر انتظام اور قرضوں کی ساخت کو متوازن بنانے کے باعث مالیاتی اخراجات 48 فیصد کی کمی کے ساتھ 1.06 ارب روپے رہ گئے۔





## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF THE SEARLE COMPANY 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 The Searle Company Limited (the Company) for the year ended June 30, 2026 in accordance with the requirements of Regulation No. 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.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the paragraph reference where it is stated in the Statement of Compliance:

| S. No. | Paragraph Reference | Description                                                                                                                                |
|--------|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | 14                  | The Head of Internal Audit did not attend certain Audit Committee meetings at which matters relating to accounts and audit were discussed. |

A. F. Ferguson & Co.  
Chartered Accountants  
Karachi  
Dated: October 1, 2026  
UDIN: CR202610073g3eo5OB2I

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
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■ KARACHI ■ LAHORE ■ ISLAMABAD

# Statement of Compliance

with Listed Companies (Code Of Corporate Governance) Regulations, 2019  
for the year ended June 30, 2026

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

1. The total number of directors are seven (07) as per the following:

|    |        |           |
|----|--------|-----------|
| a. | Male   | Five (05) |
| b. | Female | Two (02)  |

2. The composition of the Board is as follows:

| Category |                                      | Numbers  | Numbers                                                                       |
|----------|--------------------------------------|----------|-------------------------------------------------------------------------------|
| i)       | Independent directors*<br>Female (2) | 01<br>01 | Ms. Aameena Saiyid<br>Ms. Shaista Khaliq Rehman                               |
| ii)      | Non-Executive directors<br>Male (3)  | 03       | Mr. Arshad Anis (Chairman)<br>Mr. Munis Abdullah<br>Mr. Zubair Razzak Palwala |
| iii)     | Executive directors<br>Male (2)      | 02       | Mr. Tahir Ahmed (Chief Executive Officer)<br>Mr. S. Nadeem Ahmed              |

*\*Determination of number of independent directors arrives at 2.33 (rounded to 2) which is based on seven directors. The fraction is not rounded up since the two (2) elected independent directors have requisite competency, knowledge, and experience to discharge and execute their responsibilities as per applicable law and regulations.*

3. The directors have confirmed that none of them serve 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/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of 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. Following Directors attended Directors' Training Program till June 30, 2026.

| <b>Names of Directors:</b> |
|----------------------------|
| Arshad Anis                |
| Tahir Ahmed                |
| Syed Nadeem Ahmed          |
| Zubair Razzak Palwala      |
| Munis Abdullah             |
| Shaista Khaliq Rehman      |
| Ameena Saiyid              |

10. The Board has approved 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. 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:

| <b>Audit Committee</b>              | <b>HR and Remuneration Committee</b> |
|-------------------------------------|--------------------------------------|
| Shaista Khaliq Rehman (Chairperson) | Vacant (Chairman) *                  |
| Munis Abdullah                      | Shaista Khaliq Rehman                |
| Zubair Razzak Palwala               | Munis Abdullah                       |

*\* A casual vacancy arose following the resignation of Mr. Zubair Haider Sheikh on May 11, 2026 and was filled subsequent to the year end.*

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 committee were as per following:
- a) Audit Committee \*\*: Quarterly (five meetings during the financial year ended June 30, 2026)
- b) HR and Remuneration Committee: Yearly (two meetings during the financial year ended June 30, 2026)

*\*\* The Head of Internal Audit did not attend certain Audit Committee meetings at which matters relating to accounts and audit were discussed.*

15. The Board has outsourced the internal audit function to Grant Thornton Anjum Rahman, Chartered Accountants 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 firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of the regulations 3, 6, 7, 8, 27, 32, 33, and 36 of Regulations have been complied with;
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below (if applicable):

| S.No. | Requirement                                                                                                                                                                                                                                             | Reg. No. | Explanation                                                                                                                                                                    |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1     | The Board may constitute a separate committee, designed as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.                                                                            | 29(1)    | The responsibilities as prescribed for the nomination committee are being performed by the HR and Remuneration Committee.                                                      |
| 2     | The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board. | 30(1)    | The Board has not constituted a separate risk management committee however the risk is managed at respective department level which is also supervised by the department head. |

| S.No. | Requirement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Reg. No. | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3     | It is mandatory for chief executive officer and the directors of the company, representing 1/3 of the board size or four whichever is greater, to attend its general meeting(s) (ordinary and extraordinary) unless there are compelling reasons for not attending the meeting, which should be notified in writing to the company secretary/ chairman of the Board in advance.                                                                                                                                                              | 10(6)    | <ul style="list-style-type: none"> <li>Five (5) Directors attended 60th AGM of the company. Mr. M. Zubair Haider Shaikh and Ms. Shaista Khaliq Rehman did not attend the meeting due to personal reasons.</li> <li>Three (3) Directors attended the EoGM of the company. Mr. S. Nadeem Ahmed, Mr. Munis Abdullah and Ms. Shaista Khaliq Rehman did not attend the meeting due to personal reasons. Two (2) directors notified to the Company in writing the reasons for not attending the meeting.</li> </ul> |
| 4     | The Board is responsible for setting the Company's sustainability strategies, priorities and targets to create long-term corporate value. The board may establish a dedicated sustainability committee.                                                                                                                                                                                                                                                                                                                                      | 10(A)    | At present the Board provides governance and oversight in relation to Company's initiatives on environmental, social and governance (ESG) matters. Nevertheless, the requirements introduced by SECP through notification dated June 12, 2024 will be complied with in due course.                                                                                                                                                                                                                            |
| 5     | <p>The company may post on its website key elements of its significant policies including but not limited to the following:</p> <ol style="list-style-type: none"> <li>communication and disclosure policy;</li> <li>code of conduct for members of Board of directors, senior management and other employees;</li> <li>risk management policy;</li> <li>internal control policy;</li> <li>whistle blowing policy;</li> <li>corporate social responsibility/ sustainability/ environmental, social and governance related policy.</li> </ol> | 35(1)    | As the regulation provides concession with respect to disclosure of key elements of significant policies on the website, only those policies which were considered necessary, have been posted.                                                                                                                                                                                                                                                                                                               |

| S.No. | Requirement                                                                                                                                                                                                                                                                                                                                                     | Reg. No. | Explanation                                                                                                                                           |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6     | <p>The Company shall post on its website a brief synopsis of terms of reference of the Board Committees including:</p> <ul style="list-style-type: none"> <li>– Audit Committee</li> <li>– HR &amp; Remuneration</li> <li>– Nomination Committee</li> <li>– Risk Management Committee</li> <li>– Key elements of the director's remuneration policy.</li> </ul> | 35(3)    | <p>The said regulations does not fall under the mandatory regulations, however the Company will post the required TOR's on its website in Future.</p> |

On behalf of the Board



Arshad Anis  
Chairman



Tahir Ahmed  
Chief Executive Officer

Dated: September 25, 2026



## INDEPENDENT AUDITOR'S REPORT

To the members of The Searle Company Limited

Report on the Audit of the Unconsolidated Financial Statements

### Opinion

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

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

### Basis for Opinion

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

### Key Audit Matters

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

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Following are the Key audit matters:

| S. No. | Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        | <b>Revenue from contracts with customers</b><br><br><b><i>(Refer notes 3.12 &amp; 29 to the unconsolidated financial statements)</i></b><br><br><p>The Company's revenue is generated from sales of pharmaceutical and other consumer products. The Company recognised a revenue of Rs. 31.64 billion from the sale of goods to domestic as well as export customers during the year ended June 30, 2026.</p> <p>As part of our overall response to the audit risks when identifying and assessing the risks in revenue recognition, we considered that there is an inherent risk that revenue may be overstated as it is a key performance measure, which could create an incentive or pressure on the Company's management to meet targets. Further, we have focused our audit activities over the revenue recognised near to year end as there was a high risk that the revenue is recorded before the control of goods is transferred to the customer and in an incorrect accounting period. Moreover, revenue recognition includes determination of sales prices in accordance with the regulated price regime of the Government.</p> <p>Based on the above and considering that the revenue recognition is a significant and high-risk area, we considered this as a key audit matter.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>obtained an understanding of the Company's process with respect to revenue recognition and evaluated management controls and checked their validation;</li> <li>obtained an understanding of pricing mechanism of Drug Regulatory Authority of Pakistan (DRAP) and tested, on sample basis, selling prices of regulated pharmaceutical products to ensure compliance with the pricing policies of DRAP;</li> <li>inspected contracts on selected samples to obtain an understanding of contract terms particularly relating to timing and the customer's acceptance of the products and assessing the Company's accounting policies for recognition of revenue with reference to the requirements of the prevailing accounting standards;</li> <li>performed substantive audit procedures over selected samples of revenue transactions along with inspection of related supporting documents;</li> <li>performed cut-off procedures to ensure that the revenue is recognised in the correct accounting period; and</li> <li>assessed the adequacy of disclosures made in the unconsolidated financial statements in accordance with the applicable accounting and reporting standards as applicable in Pakistan.</li> </ul> |

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| S. No. | Key audit matters | How the matter was addressed in our audit |
|--------|-------------------|-------------------------------------------|
|--------|-------------------|-------------------------------------------|

**Litigation relation to product pricing matters**

**(Refer note 29.3 to the unconsolidated financial statements)**

The Company has litigation cases in respect of product pricing which are pending at various forums including Honourable High Court of Sindh and DRAP.

Matters under litigation require the management to make judgements in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and expected financial impact, if any, on the Company for disclosure and recognition and measurement of any provisions that may be required against such litigation matters.

Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgement and estimates to assess the same including related financial impacts, we considered litigation matters relating to product pricing as a key audit matter.

Our audit procedures included the following:

- obtained and inspected details of the pending litigations and discussed the same with the Company's management;
- inspected correspondence of the Company with the relevant authorities including judgements or orders passed by the competent authorities/courts of law in relation to the issues involved or matters which have similarities with the issues involved;
- obtained confirmations from the Company's external legal counsels for their views on open legal cases; and
- reviewed disclosures made in respect of litigations in the unconsolidated financial statements as applicable in accounting and reporting standards as applicable in Pakistan.

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| S. No. | Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        | <b>Tax contingencies</b><br><br><b>(Refer note 28.1 &amp; 38.2 to the unconsolidated financial statements)</b><br><br><p>The Company has disclosed contingent liabilities in respect of income tax and sales tax matters, which are pending at various forums including Honorable High Court of Sindh, Commissioner Inland Revenue (Appeals) (CIR(A)) and Appellate Tribunal Inland Revenue (ATIR).</p> <p>Such matters require management to make judgements in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and expected financial impact, if any, on the Company for disclosure including recognition and measurement of any provisions that may be required against such contingent liabilities.</p> <p>Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgement and estimates to assess the same including related financial impacts, we considered tax contingencies as a key audit matter.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>obtained and inspected details of the pending cases and discussed the same with the Company's management;</li> <li>inspected correspondence of the Company with the relevant authorities including judgements or orders passed by the competent authorities/courts of law in relation to the issues involved or matters which have similarities with the issues involved;</li> <li>obtained confirmations from the Company's external tax advisors for their views on open tax assessments and legal cases;</li> <li>involved internal tax professionals to assess management's conclusions on contingent tax matters and to evaluate the consistency of such conclusions with the views of the management and external tax advisors engaged by the Company; and</li> <li>reviewed disclosures made in respect of tax contingencies in the unconsolidated financial statements as per the applicable accounting and reporting standards as applicable in Pakistan.</li> </ul> |

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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### 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 and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c. investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d. no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Syed Muhammad Hasnain.



A. F. Ferguson & Co.  
Chartered Accountants  
Karachi

Date: October 1, 2026

UDIN: AR202610073fV7uiEspM

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# UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

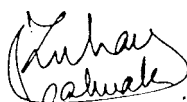
As at June 30, 2026

|                                                      | Note | 2026              | 2025              |
|------------------------------------------------------|------|-------------------|-------------------|
|                                                      |      |                   | Rupees '000       |
| <b>ASSETS</b>                                        |      |                   |                   |
| <b>Non-current assets</b>                            |      |                   |                   |
| Property, plant and equipment                        | 4    | 8,299,183         | 7,632,409         |
| Right-of-use assets                                  | 5    | 31,110            | 40,770            |
| Investment properties—at cost                        | 6    | 2,844,578         | 2,923,493         |
| Intangible assets                                    | 7    | 326               | 12,131            |
| Deferred tax asset                                   | 8    | 174,816           | 1,214,703         |
| Long-term investments—subsidiaries                   | 9    | 12,348,318        | 9,666,718         |
| Long-term loans and deposits                         | 10   | 7,404             | 7,457             |
|                                                      |      | <b>23,705,735</b> | 21,497,681        |
| <b>Current assets</b>                                |      |                   |                   |
| Inventories                                          | 11   | 5,233,605         | 3,717,103         |
| Trade receivables                                    | 12   | 9,594,900         | 9,487,605         |
| Loans and advances                                   | 13   | 3,763,780         | 2,027,914         |
| Trade deposits and short-term prepayments            | 14   | 302,327           | 204,026           |
| Other receivables                                    | 15   | 3,142,522         | 5,261,130         |
| Short-term investment—at amortised cost              | 16   | 400,000           | 100,000           |
| Taxation—payments less provisions                    |      | 1,841,792         | 1,985,688         |
| Refunds due from government—sales tax                |      | 224,193           | 254,262           |
| Cash and bank balances                               | 17   | 1,574,996         | 140,211           |
|                                                      |      | <b>26,078,115</b> | 23,177,939        |
| <b>Total assets</b>                                  |      | <b>49,783,850</b> | <b>44,675,620</b> |
| <b>EQUITY AND LIABILITIES</b>                        |      |                   |                   |
| <b>EQUITY</b>                                        |      |                   |                   |
| <b>Share capital</b>                                 |      |                   |                   |
| Issued, subscribed and paid-up capital               | 18   | 5,882,186         | 5,114,945         |
| <b>Capital reserves</b>                              |      |                   |                   |
| Share premium                                        |      | 9,085,133         | 9,085,133         |
| Revaluation surplus on property, plant and equipment | 19   | 4,873,315         | 4,582,517         |
| <b>Revenue reserves</b>                              |      |                   |                   |
| General reserve                                      | 20   | 280,251           | 280,251           |
| Unappropriated profit                                |      | 14,679,707        | 11,176,837        |
| <b>Total equity</b>                                  |      | <b>34,800,592</b> | <b>30,239,683</b> |
| <b>LIABILITIES</b>                                   |      |                   |                   |
| <b>Non-current liabilities</b>                       |      |                   |                   |
| Employee benefit obligations                         | 21   | 58,506            | 58,380            |
| Long-term borrowings                                 | 22   | 125,892           | 46,067            |
| Lease liabilities                                    | 23   | 43,470            | 57,514            |
|                                                      |      | <b>227,868</b>    | 161,961           |
| <b>Current liabilities</b>                           |      |                   |                   |
| Trade and other payables                             | 24   | 6,456,216         | 6,102,229         |
| Short-term borrowings                                | 25   | 8,034,445         | 7,910,150         |
| Contract liabilities                                 | 26   | 32,186            | 31,030            |
| Unpaid dividend                                      | 27   | 181,909           | 182,340           |
| Unclaimed dividend                                   |      | 36,590            | 36,827            |
| Current portion of lease liabilities                 | 23   | 14,044            | 11,400            |
|                                                      |      | <b>14,755,390</b> | 14,273,976        |
| <b>Total liabilities</b>                             |      | <b>14,983,258</b> | 14,435,937        |
| <b>Contingencies and commitments</b>                 | 28   |                   |                   |
| <b>Total equity and liabilities</b>                  |      | <b>49,783,850</b> | <b>44,675,620</b> |

The annexed notes from 1 to 50 form an integral part of these unconsolidated financial statements.



Chief Executive



Director



Chief Financial Officer

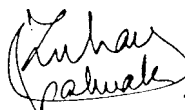
# UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended June 30, 2026

|                                                                                       | Note | 2026<br>Rupees '000 | 2025             |
|---------------------------------------------------------------------------------------|------|---------------------|------------------|
| Revenue from contracts with customers                                                 | 29   | 31,641,832          | 24,773,372       |
| Cost of sales                                                                         | 30   | (14,889,524)        | (12,185,186)     |
| Gross profit                                                                          |      | 16,752,308          | 12,588,186       |
| Distribution costs                                                                    | 31   | (10,060,059)        | (7,423,570)      |
| Administrative expenses                                                               | 32   | (1,821,520)         | (1,784,344)      |
| Other expenses                                                                        | 33   | (370,486)           | (88,756)         |
| Other income                                                                          | 34   | 4,541,660           | 396,707          |
| Impairment loss on investment in subsidiaries                                         | 35   | (1,118,400)         | (927,463)        |
| <b>Profit from operations</b>                                                         |      | <b>7,923,503</b>    | <b>2,760,760</b> |
| Finance cost                                                                          | 36   | (1,057,046)         | (2,026,868)      |
| <b>Profit before levies and income tax</b>                                            |      | <b>6,866,457</b>    | <b>733,892</b>   |
| Levies—minimum tax and final tax                                                      | 37   | (19,604)            | (7,577)          |
| <b>Profit before income tax</b>                                                       |      | <b>6,846,853</b>    | <b>726,315</b>   |
| Income tax expense                                                                    | 38   | (2,843,630)         | (292,277)        |
| <b>Profit for the year</b>                                                            |      | <b>4,003,223</b>    | <b>434,038</b>   |
| <b>Other comprehensive income:</b>                                                    |      |                     |                  |
| Items that will not be reclassified subsequently to the unconsolidated profit or loss |      |                     |                  |
| Remeasurement of post employment benefit obligation                                   | 21   | 3,986               | (18)             |
| Related deferred tax impact                                                           | 8    | (1,475)             | 6                |
| Change in rate                                                                        |      | 2,335               | —                |
|                                                                                       |      | 4,846               | (12)             |
| Surplus on revaluation of property, plant and equipment                               | 19   | 870,085             | 927,749          |
| Related deferred tax impact                                                           |      | (244,364)           | (217,021)        |
| Change in rate                                                                        |      | (72,881)            | —                |
|                                                                                       |      | 552,840             | 710,728          |
| <b>Total comprehensive income for the year</b>                                        |      | <b>4,560,909</b>    | <b>1,144,754</b> |
|                                                                                       |      |                     | (Restated)       |
| Basic and diluted earnings per share (Rupees)                                         | 39   | 6.81                | 0.74             |

The annexed notes from 1 to 50 form an integral part of these unconsolidated financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer

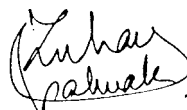
# UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2026

|                                                                                                             | Issued,<br>subscribed<br>and paid-up<br>capital | Capital reserves |                                                                  | Revenue reserves   |                          | Total<br>reserves | Total             |
|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------|------------------|------------------------------------------------------------------|--------------------|--------------------------|-------------------|-------------------|
|                                                                                                             |                                                 | Share<br>premium | Revaluation<br>surplus on<br>property,<br>plant and<br>equipment | General<br>reserve | Unappropriated<br>profit |                   |                   |
| Rupees '000                                                                                                 |                                                 |                  |                                                                  |                    |                          |                   |                   |
| <b>Balance as at July 1, 2024</b>                                                                           | 5,114,945                                       | 9,085,133        | 4,062,375                                                        | 280,251            | 10,552,225               | 23,979,984        | 29,094,929        |
| Total comprehensive income for the<br>year ended June 30, 2025                                              |                                                 |                  |                                                                  |                    |                          |                   |                   |
| Profit for the year ended June 30, 2025                                                                     | —                                               | —                | —                                                                | —                  | 434,038                  | 434,038           | 434,038           |
| Other comprehensive income<br>for the year ended June 30, 2025                                              | —                                               | —                | 710,728                                                          | —                  | (12)                     | 710,716           | 710,716           |
|                                                                                                             | —                                               | —                | 710,728                                                          | —                  | 434,026                  | 1,144,754         | 1,144,754         |
| Transfer of incremental<br>depreciation—net of deferred tax                                                 | —                                               | —                | (190,586)                                                        | —                  | 190,586                  | —                 | —                 |
| <b>Balance as at June 30, 2025</b>                                                                          | 5,114,945                                       | 9,085,133        | 4,582,517                                                        | 280,251            | 11,176,837               | 25,124,738        | 30,239,683        |
| <b>Total comprehensive income for the<br/>year ended June 30, 2026</b>                                      |                                                 |                  |                                                                  |                    |                          |                   |                   |
| Profit for the year ended June 30, 2026                                                                     | —                                               | —                | —                                                                | —                  | 4,003,223                | 4,003,223         | 4,003,223         |
| Other comprehensive income for the year<br>ended June 30, 2026                                              | —                                               | —                | 552,840                                                          | —                  | 4,846                    | 557,686           | 557,686           |
|                                                                                                             | —                                               | —                | 552,840                                                          | —                  | 4,008,069                | 4,560,909         | 4,560,909         |
| Transfer of incremental<br>depreciation—net of deferred tax                                                 | —                                               | —                | (243,400)                                                        | —                  | 243,400                  | —                 | —                 |
| Transfer of revaluation surplus on disposal<br>of vehicle held at revaluation model<br>to retained earnings | —                                               | —                | (18,642)                                                         | —                  | 18,642                   | —                 | —                 |
| <b>Transactions with owners</b>                                                                             |                                                 |                  |                                                                  |                    |                          |                   |                   |
| Bonus shares issued during the year<br>in the ratio of 15 shares for every<br>100 shares held               | 767,241                                         | —                | —                                                                | —                  | (767,241)                | (767,241)         | —                 |
| <b>Balance as at June 30, 2026</b>                                                                          | <b>5,882,186</b>                                | <b>9,085,133</b> | <b>4,873,315</b>                                                 | <b>280,251</b>     | <b>14,679,707</b>        | <b>28,918,406</b> | <b>34,800,592</b> |

The annexed notes from 1 to 50 form an integral part of these unconsolidated financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer



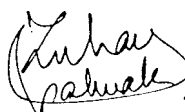
# UNCONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2026

|                                                                          | Note | 2026         | 2025        |
|--------------------------------------------------------------------------|------|--------------|-------------|
|                                                                          |      | Rupees '000  |             |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                              |      |              |             |
| Cash generated from operations                                           | 40   | 2,773,891    | 1,645,272   |
| Employee benefit obligations paid                                        |      | (5,019)      | (9,754)     |
| Finance cost paid—conventional                                           |      | (259,023)    | (332,513)   |
| Finance cost paid—islamic                                                |      | (756,626)    | (1,856,890) |
| Payments to workers' welfare fund and workers' profit participation fund |      | (104,276)    | —           |
| Income tax and levies paid                                               |      | (1,995,836)  | (478,313)   |
| Recovery of long-term loans                                              |      | 53           | 89          |
| Net cash used in operating activities                                    |      | (346,836)    | (1,032,109) |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                              |      |              |             |
| Purchase of property, plant and equipment                                |      | (333,669)    | (174,410)   |
| Proceeds from disposal of property, plant and equipment                  | 4    | 20,245       | 16,825      |
| Proceeds from disposal of subsidiary                                     |      | —            | 6,745,785   |
| Receipt of deferred consideration                                        |      | 2,471,920    | —           |
| Proceeds from disposal of short-term investment                          |      | 90,606       | —           |
| Purchase of intangibles                                                  | 7    | (361)        | —           |
| Purchase of investment properties                                        | 6    | (15,749)     | (130,870)   |
| Investment in subsidiary                                                 | 9    | (3,800,000)  | —           |
| Proceeds from sale of brands                                             | 34   | 3,700,000    | —           |
| Net cash generated from investing activities                             |      | 2,132,992    | 6,457,330   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                              |      |              |             |
| Dividend paid                                                            |      | (668)        | (976)       |
| Repayment of long-term borrowing                                         |      | (41,666)     | (5,824,881) |
| Proceeds from short-term borrowing                                       |      | 35,331,372   | 5,537,890   |
| Repayment of short-term borrowing                                        |      | (35,230,879) | (5,109,990) |
| Payments against lease liabilities                                       |      | (11,400)     | (9,788)     |
| Net cash generated from / (used in) financing activities                 |      | 46,759       | (5,407,745) |
| Net increase in cash and cash equivalents                                |      | 1,832,915    | 17,476      |
| Cash and cash equivalents at beginning of the year                       |      | (1,154,995)  | (1,172,713) |
| Unrealised exchange gain on cash and cash equivalents                    |      | 153          | 242         |
| Cash and cash equivalents at end of the year                             | 41   | 678,073      | (1,154,995) |

The annexed notes from 1 to 50 form an integral part of these unconsolidated financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer

# NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

## 1. THE COMPANY AND ITS OPERATIONS

- 1.1** The Searle Company Limited (the Company) was incorporated in Pakistan as a private limited company in October 1965. In November 1993, the Company was converted into a public limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited (PSX). The Company is principally engaged in the manufacture of pharmaceutical and other consumer products.

International Brands (Private) Limited is the Parent Company, which holds 50.03% (2025: 50.25%) shareholding in the Company.

Following are the subsidiary companies:

| Listed Company                                                                     | Principal place of business | Effective % age of holding |         |
|------------------------------------------------------------------------------------|-----------------------------|----------------------------|---------|
|                                                                                    |                             | 2026                       | 2025    |
| - IBL HealthCare Limited                                                           | Pakistan                    | 74.19%                     | 74.19%  |
| <b>Unlisted Companies</b>                                                          |                             |                            |         |
| - Searle Pharmaceuticals (Private) Limited                                         |                             | 100.00%                    | 100.00% |
| - Searle Laboratories (Private) Limited                                            |                             | 100.00%                    | 100.00% |
| - Searle Biosciences (Private) Limited                                             |                             | 100.00%                    | 100.00% |
| - IBL Future Technologies (Private) Limited                                        |                             | 100.00%                    | 100.00% |
| - Searle IV Solutions (Private) Limited                                            |                             | 100.00%                    | 100.00% |
| - Stellar Ventures (Private) Limited                                               |                             | 100.00%                    | 100.00% |
| - Mycart (Private) Limited *                                                       |                             | 50.00%                     | 50.00%  |
| - IBL Frontier Markets (Private) Limited *                                         |                             | 100.00%                    | 100.00% |
| - Prime Health (Private) Limited *                                                 |                             | 100.00%                    | 100.00% |
| - Searle Biopharma (Private) Limited [formerly Nextar Pharma (Private) Limited] ** |                             | 87.20%                     | 87.20%  |

\* Mycart (Private) Limited, IBL Frontier Markets (Private) Limited and Prime Health (Private) Limited are the subsidiaries of Stellar Ventures (Private) Limited being the indirect subsidiaries of the Company.

\*\* Searle Biopharma (Private) Limited is the subsidiary of Searle Biosciences (Private) Limited being the indirect subsidiary of the Company.

- 1.2** The geographical locations and addresses of the Company's business units, including plant are as under:

- The registered office of the Company is situated at One IBL Centre 2nd Floor, Plot No. 1, Block 7 & 8 Delhi Mercantile Co-operative Housing Society, Tipu Sultan Road Off Shahrah-e-Faisal, Karachi.
- The Company's manufacturing plants are located at F-319, S.I.T.E Area, Karachi, 32 km Multan Road, Lahore and E-44-45, North Western Industrial Zone, Port Qasim, Karachi.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

The warehouses and storage facilities of the Company are situated at:

- Plot No. 21-C, Sector 15/16, Gulshan-e-Mazdoor, Hub River Road, Karachi;
- Raiwind Road, Manga Mandi, Lahore;
- Kotlakpat, Plot No. 131/3, Quaid-e-Azam Industrial Estate, Gate 4, Near Fine Chowk, Kotlakhpot, Lahore;
- DHL Logistics, 26-Km Multan Road, Opposite Maraka PTCL Exchange, Lahore; and
- Shabab Studio Chung, 19-KM, Multan Road, Lahore.

**1.3** These unconsolidated financial statements are separate financial statements of the Company in which investments in subsidiaries have been accounted for at cost less accumulated impairment losses, if any. The consolidated financial statements of the Company and its subsidiaries have been presented separately. Details of the Company's investment in subsidiaries are stated in note 9 to these unconsolidated financial statements.

## **2. BASIS OF PREPARATION**

### **2.1 Statement of compliance**

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

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

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

### **2.2 Basis of measurement**

These unconsolidated financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policy notes.

### **2.3 Functional and presentation currency**

These unconsolidated financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 2.4 Use of critical accounting estimates and judgements

The preparation of unconsolidated financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the unconsolidated financial statements are as follows:

- a) Income tax—notes 3.2 & 38
- b) Revaluation of property, plant and equipment—notes 3.4 & 19
- c) Pricing of revenue from contracts with customers—notes 3.12 & 29
- d) Impairment of long term investments—subsidiaries—notes 3.7
- e) Residual value, useful lives and impairment of property, plant and equipment—notes 3.4 & 4
- f) Expected credit loss on trade receivable—notes 3.20 & 12
- g) Provision for staff retirement benefits—notes 3.1 & 21
- h) Fair valuation of investment properties—notes 3.6 & 6.2
- i) Provisions and contingencies—notes 3.24, 28 & 38

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The management believes that the change in outcome of estimates would not have a material impact on the amounts disclosed in the unconsolidated financial statements.

There have been no critical judgements other than those disclosed by the Company's management in applying the accounting policies that would have significant effect on the amounts recognised in the unconsolidated financial statements.

### 2.5 Changes in accounting standards, interpretations and pronouncements

#### a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2025. However, these do not have any significant impact on the Company's financial statements and therefore are not stated in these unconsolidated financial statements.

#### b) Standard and amendments to approved accounting standards that are not yet effective

There is a standard and certain other amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2026. The following amendments and standard have not been early adopted by the Company:



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### **IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (effective January 1, 2027):**

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

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

### **Amendment to IFRS 9 and IFRS 7-'Classification and Measurement of Financial Instruments' (effective January 1, 2026):**

These amendments:

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

The management is in process of assessing the impact of above changes.

Other than above, there are standards and certain amendments to accounting standards that are not yet effective and have not been early adopted by the Company. Such standards and amendments are not expected to have any significant impact on the Company's financial reporting and, therefore, have not been presented in these unconsolidated financial statements.

### **3. MATERIAL ACCOUNTING POLICY INFORMATION**

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

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 3.1 Staff retirement benefits

#### 3.1.1 Defined benefit plan

Defined benefit plans define an amount of pension or gratuity or medical benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognised in the unconsolidated statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds or the market rates on government bonds. These are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related benefit obligation.

The Company operates an approved unfunded gratuity scheme covering all unionised employees with five or more years of service with the Company. The provision has been made in accordance with actuarial valuations carried out as of June 30, 2026 using the projected unit credit method.

#### 3.1.2 Defined contribution plan

The Company operates a recognised provident fund scheme for all employees. Equal monthly contributions are made, both by the Company and the employees, to the fund at the rate of 10% per annum of the basic salary. The contributions are recognised as employee benefit expense when they are due.

#### 3.1.3 Compensated absences

The liability for accumulated compensated absences of employees is recognised in the year in which employees render service that increases their entitlement to future compensated absences.

### 3.2 Income tax

#### 3.2.1 Current

The charge for current taxation is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any.

#### 3.2.2 Deferred

Deferred tax is accounted for using the liability method on all temporary differences arising between tax base of assets and liabilities and their carrying amounts in the unconsolidated financial statements. Deferred tax liability is generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is charged or credited in the profit or loss, except in the case of items credited or charged to equity in which case it is included in equity.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

Deferred tax is determined using tax rates and prevailing law for taxation on income that have been enacted or substantively enacted on the unconsolidated statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

### 3.2.3 Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum taxes, which are not adjustable against the future tax liability, are classified as levies in the profit or loss as these levies fall under the scope of IFRIC 21/IAS 37.

Taxes on dividend from subsidiaries, associates and joint ventures are not considered as levies as these dividends are specifically covered under IAS 12.

### 3.3 Share capital

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

### 3.4 Property, plant and equipment

#### 3.4.1 Operating assets

These are stated at cost less accumulated depreciation / amortisation and impairment loss, if any, except leasehold land, building on leasehold land, plant and machinery, vehicles and air conditioning systems, which are stated at revalued amount less accumulated depreciation and impairment losses, if any.

Depreciation is charged to the profit or loss applying the straight line method, whereby the depreciable amount of an asset is written off over its estimated useful life. The revalued amount of building on leasehold land, plant and machinery, vehicles and air conditioning systems is depreciated equally over the remaining life from the date of valuation. Depreciation is charged on additions from the month the asset is available for use and on disposals upto the month preceding the month of disposal.

Increases in the carrying amounts arising on revaluation of property, plant and equipment are recognised, net of tax, in other comprehensive income and accumulated in reserves in the shareholders' equity. To the extent that the increase reverses a decrease previously recognised in the profit or loss, the increase is first recognised in the profit or loss. Decreases that reverse previous increases of the same asset are first recognised in the other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the revaluation surplus on property, plant and equipment to unappropriated profit. The accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount.

Gain or loss on disposal or retirement of property, plant and equipment is included in the profit or loss.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

The assets' residual values, the method of depreciation and useful lives are reviewed and adjusted, if appropriate, at each reporting date.

Maintenance and normal repairs are charged to the profit or loss as and when incurred. Major renewals and improvements, if any, are capitalised, when it is probable that future economic benefits will flow to the Company.

### 3.4.2 Capital work-in-progress

These are stated at cost less accumulated impairment, if any and consist of expenditures incurred and advances made in respect assets during the construction period. These are transferred to specific assets as and when assets become available for use.

Advance paid to suppliers for acquisition of property, plant and equipment including land and building is also classified under capital work-in-progress.

### 3.5 Lease liability and right-of-use asset

At inception of a contract, the Company assesses whether a contract is, or contains, a lease i.e. it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

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

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

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

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



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

The Company does not recognise right-of-use assets and lease liabilities for short term leases that have a term of 12 months or less, leases of low-value assets and recognises associated payments in the period in which these are incurred.

### 3.6 Investment property

The Company carries investment properties at their respective costs under the cost model in accordance with IAS 40–‘Investment Property’. The fair values are determined by the independent valuation experts and such valuations are carried out every year to determine the recoverable amount.

Assets classified under investment properties are carried at their respective cost less accumulated depreciation and accumulated impairment losses, if any.

The Company carries investment property under work in progress at their respective costs less accumulated impairment losses, if any. Depreciation is charged on such property after it is completed as per IAS 40–‘Investment Property’.

### 3.7 Investment in subsidiary companies

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

### 3.8 Inventories

These are valued at the lower of cost and net realisable value except goods-in-transit which are valued at invoice value plus other charges incurred thereon. Cost signifies standard cost adjusted by variances.

Cost of raw and packing material is determined using weighted average method and includes directly related expenses less trade discounts. Cost of work-in-process and finished goods includes cost of raw material, direct labour and related production overheads.

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less cost of completion and estimated cost necessarily to be incurred to make the sale.

The management continuously reviews its inventory for existence of any item which may be obsolete. Provision is made for slow moving inventory based on management’s estimation. These are based on historical experience and are continuously reviewed.

Stores and spares are valued at lower of cost, determined using weighted average method less provision for slow moving and obsolete stores and spares. Items in transit are valued at invoice value plus other charges incurred thereon.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 3.10 Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when these are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. Refer note 3.20 for a description of the Company's impairment policies.

### 3.11 Cash and cash equivalents

For the purpose of presentation in the Unconsolidated Statement of Cash Flows, cash and cash equivalents comprise cash in hand, balances with banks on current, savings and deposit accounts, short-term investments with original maturities of three months or less and short-term running finance availed by the Company, which are payable on demand and form an integral part of the Company's cash management.

### 3.12 Revenue recognition

Revenue is recognised when control of the products has transferred, being when the products are dispatched to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue is recognised as follows:

- Revenue from domestic sale of goods is recognised at a point in time when control of goods is transferred to the customer which coincides with the delivery of goods.
- Exports sales are recognised as revenue when invoiced with the transfer of control of goods, which coincides either with the date of bill of lading or upon delivery to customer or its representatives, based on term of arrangements.
- Income from toll manufacturing is recognised at a point in time when services are rendered.
- Dividend income is recognised when the right to receive payment is established.
- Interest income and rental income is recognised on accrual basis.

No element of financing is deemed present as the sales are made with a credit term of 60-180 days, which is consistent with the market practice.

The Transaction price for products are agreed under the contracts with customers.

Sales return is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer.

Discounts are offered on the basis of contracts with customers.

### 3.13 Borrowings and their cost

Borrowings are initially recognised at cost being the fair value of the consideration received together with the associated transaction cost. Subsequently, these are recognised at amortised cost using the effective interest method. Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs are capitalised as part of the cost of that asset. Borrowings payable within next twelve months are classified as current liabilities.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 3.14 Earnings per share

The Company presents basic and diluted earnings per share (EPS) for the shareholders. Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

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

### 3.15 Foreign currency translation and transaction

Transactions in foreign currencies are converted into Pak Rupees using the exchange rates prevailing on the dates of the transactions. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees using the exchange rates prevailing on the reporting date. Exchange differences are recognised in the profit or loss.

### 3.16 Research and development cost

Research and development cost except to the extent that an intangible asset is recognised, is charged in the year in which it is incurred. Development costs previously charged to the profit or loss are not recognised as an asset in the subsequent period.

### 3.17 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

### 3.18 Provisions

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

### 3.19 Impairment of non-financial asset

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, stock-in-trade and stores and spares are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the profit or loss.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 3.20 Financial instruments—Initial recognition and subsequent measurement

#### 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, amortised cost or cost as the case may be.

#### Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortised cost.

The Company determines the classification 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 flows characteristics.

Financial assets that meet the following conditions are subsequently measured at amortised 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 asset give rise on specified dates 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 is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates 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.

#### Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit and loss ("FVTPL"), or
- at amortised cost.



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

### Subsequent measurement

#### i) Financial assets at FVTOCI

Elected 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 recognised in other comprehensive income.

#### ii) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value, and subsequently carried at amortised 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 profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the profit or loss in the period in which these arise.

Where management has opted to recognise a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognised in other comprehensive income. Currently, there are no financial liabilities designated at FVTPL.

### Impairment of financial asset

The Company recognises loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortised cost at an amount equal to life time ECLs except for the following, which are measured at 12 months ECLs:

- bank balances for whom credit risk (the risk of default occurring over the expected life of the financial instrument) has not increased since the inception;
- employee receivables; and
- other short term loans and receivables that have not demonstrated any increase in credit risk since inception.

Loss allowance for trade receivables are always measured at an amount equal to life time ECLs.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

The Company considers a financial asset in default when it is more than 180 days past due. Moreover, the Company has identified the CPI and the unemployment rate of the country to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Life time ECLs are the ECLs that results from all possible defaults events over the expected life of a financial instrument. 12 month ECLs are portion of ECL that result from default events that are possible within 12 months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (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 its entirety or a portion thereof.

### Derecognition

#### i) Financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in the profit or loss. In addition, on derecognition of an investment in a debt instrument classified as FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to the 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 profit or loss, but is transferred to the statement of changes in equity.

#### ii) Financial liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the profit or loss.

### 3.21 Off-setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 3.22 Dividend distribution

Dividend distribution to shareholders is recognised as liability in the financial statements in the period in which the dividend is declared / approved.

### 3.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments.

### 3.24 Contingent liabilities

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

### 3.25 Share premium

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

### 3.26 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

**2026**                      2025

Rupees '000

## 4. PROPERTY, PLANT AND EQUIPMENT

Operating assets—note 4.1

**7,749,508**                      7,232,877

Capital work-in-progress—at cost—note 4.13

**549,675**                      399,532

**8,299,183**                      7,632,409

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 4.1 Operating assets

| Owned assets                          |                                                      |                                                |                                           |                                       |                                  |                                                         |                    |
|---------------------------------------|------------------------------------------------------|------------------------------------------------|-------------------------------------------|---------------------------------------|----------------------------------|---------------------------------------------------------|--------------------|
| Leasehold<br>land—notes<br>4.3 to 4.6 | Building on<br>leasehold<br>land—notes<br>4.3 to 4.6 | Plant and<br>machinery—<br>notes 4.3<br>to 4.5 | Office<br>equipment—<br>note 4.6<br>& 4.7 | Furniture and<br>fixtures—note<br>4.6 | Vehicles—<br>notes 4.3<br>to 4.5 | Air—<br>conditioning<br>systems—<br>notes 4.3<br>to 4.6 | Total              |
| Rupees '000                           |                                                      |                                                |                                           |                                       |                                  |                                                         |                    |
| <b>Net carrying value basis</b>       |                                                      |                                                |                                           |                                       |                                  |                                                         |                    |
| <b>Year ended June 30, 2026</b>       |                                                      |                                                |                                           |                                       |                                  |                                                         |                    |
| Opening net book value                | 3,953,397                                            | 1,186,083                                      | 1,698,175                                 | 64,992                                | 36,085                           | 44,700                                                  | 7,232,877          |
| Additions                             | 13,044                                               | 47,850                                         | 60,143                                    | 58,465                                | 553                              | 143,577                                                 | 327,103            |
| Revaluation surplus—note 4.2          | 209,643                                              | 186,033                                        | 414,766                                   | —                                     | —                                | 5,473                                                   | 870,085            |
| Disposals—note 4.11                   | —                                                    | —                                              | —                                         | (263)                                 | —                                | (30,106)                                                | (30,369)           |
| Depreciation charge—note 4.8          | —                                                    | (95,538)                                       | (446,460)                                 | (30,375)                              | (7,887)                          | (23,144)                                                | (650,188)          |
| <b>Closing net book value</b>         | <b>4,176,084</b>                                     | <b>1,324,428</b>                               | <b>1,726,624</b>                          | <b>92,819</b>                         | <b>28,751</b>                    | <b>140,500</b>                                          | <b>7,749,508</b>   |
| <b>Gross carrying value basis</b>     |                                                      |                                                |                                           |                                       |                                  |                                                         |                    |
| <b>As at June 30, 2026</b>            |                                                      |                                                |                                           |                                       |                                  |                                                         |                    |
| Cost or revalued                      | 4,176,084                                            | 1,324,428                                      | 1,726,624                                 | 339,347                               | 103,413                          | 140,500                                                 | 8,070,698          |
| Accumulated depreciation              | —                                                    | —                                              | —                                         | (246,528)                             | (74,662)                         | —                                                       | (321,190)          |
| <b>Closing net book value</b>         | <b>4,176,084</b>                                     | <b>1,324,428</b>                               | <b>1,726,624</b>                          | <b>92,819</b>                         | <b>28,751</b>                    | <b>140,500</b>                                          | <b>7,749,508</b>   |
| <b>Net carrying value basis</b>       |                                                      |                                                |                                           |                                       |                                  |                                                         |                    |
| <b>Year ended June 30, 2025</b>       |                                                      |                                                |                                           |                                       |                                  |                                                         |                    |
| Opening net book value                | 3,677,142                                            | 963,987                                        | 1,608,627                                 | 72,768                                | 42,772                           | 42,582                                                  | 6,634,953          |
| Additions                             | 6,145                                                | 28,443                                         | 112,214                                   | 14,239                                | 1,341                            | —                                                       | 191,715            |
| Revaluation surplus                   | 270,110                                              | 269,000                                        | 335,426                                   | —                                     | —                                | 15,978                                                  | 927,749            |
| Depreciation charge                   | —                                                    | (75,347)                                       | (358,092)                                 | (22,015)                              | (8,028)                          | (13,860)                                                | (521,540)          |
| <b>Closing net book value</b>         | <b>3,953,397</b>                                     | <b>1,186,083</b>                               | <b>1,698,175</b>                          | <b>64,992</b>                         | <b>36,085</b>                    | <b>44,700</b>                                           | <b>7,232,877</b>   |
| <b>Gross carrying value basis</b>     |                                                      |                                                |                                           |                                       |                                  |                                                         |                    |
| <b>As at June 30, 2025</b>            |                                                      |                                                |                                           |                                       |                                  |                                                         |                    |
| Cost or revalued                      | 3,953,397                                            | 1,186,083                                      | 1,698,175                                 | 281,241                               | 102,860                          | 44,700                                                  | 7,515,901          |
| Accumulated depreciation              | —                                                    | —                                              | —                                         | (216,249)                             | (66,775)                         | —                                                       | (283,024)          |
| <b>Net book value</b>                 | <b>3,953,397</b>                                     | <b>1,186,083</b>                               | <b>1,698,175</b>                          | <b>64,992</b>                         | <b>36,085</b>                    | <b>44,700</b>                                           | <b>7,232,877</b>   |
| <b>Depreciation rate (%)</b>          | <b>—</b>                                             | <b>5 &amp; 20</b>                              | <b>10, 20 &amp; 33</b>                    | <b>10, 20 &amp; 33</b>                | <b>10, 20 &amp; 33</b>           | <b>20</b>                                               | <b>10 &amp; 20</b> |

\* This represents non-cash additions in vehicles, the title of which are in the name of financial institution.



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**4.2** At June 30, 2026, the Company revalued its operating assets classified under leasehold land, building on leasehold land, plant and machinery, vehicles and air-conditioning systems which resulted in revaluation surplus amounting to Rs. 209.64 million (2025: Rs. 270.11 million), Rs. 186.03 million (2025: Rs. 269 million), Rs. 414.77 million (2025: Rs. 335.43 million), Rs. 5.47 million (2025: 15.98 million) and Rs. 54.17 million (2025: Rs. 37.24 million) respectively.

**4.3** Following assets have been revalued on the basis of present market values (level 2) for similar sized plots in the vicinity for land and replacement values of similar types of buildings, plant and machinery, vehicles and air-conditioning system during the year, details are as follows:

| Assets                                                                   | Location                                                                              | Area square yards |
|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------|-------------------|
| <b>Valuer: KGT (Private) Limited</b>                                     |                                                                                       |                   |
| Leasehold land                                                           | Plot # 5-B, Block 7& 8, Delhi Mercantile Muslim Co-operative Housing Society, Karachi | 505               |
| Leasehold land                                                           | E-58A, North Western Industrial Zone, Port Qasim Authority, Karachi                   | 7,366             |
| Leasehold land                                                           | E-44 & E-45, North Western Industrial Zone, Port Qasim Authority, Karachi             | 9,711             |
| Leasehold land                                                           | Plot # F- 319, S.I.T.E, Karachi                                                       | 25,362            |
| Building on leasehold land, air-conditioning system, plant and machinery | E-44 & E-45, North Western Industrial Zone, Port Qasim Authority, Karachi             | Not applicable    |
| Building on leasehold land, air-conditioning system, plant and machinery | Plot # F- 319, S.I.T.E, Karachi                                                       | Not applicable    |
| Vehicles                                                                 | Not Applicable                                                                        | Not applicable    |

**4.4** Forced sale value of the revalued assets as at June 30, are as follows:

|                              | 2026        | 2025      |
|------------------------------|-------------|-----------|
|                              | Rupees '000 |           |
| - Leasehold land             | 3,279,413   | 3,089,494 |
| - Building on leasehold land | 1,048,292   | 931,690   |
| - Plant and machinery        | 1,381,298   | 1,354,219 |
| - Vehicles                   | 112,400     | 35,760    |
| - Air-conditioning systems   | 195,907     | 187,083   |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**4.5** The revaluation of leasehold land, building on leasehold land, plant and machinery, vehicles and air-conditioning systems was carried out by an independent valuer, KGT (Private) Limited on June 30, 2026. The previous valuation was carried out by the same valuer on June 30, 2025.

**4.6** This includes owner occupied portion of investment property (One IBL Center) being used by the Company. The owner occupied portion has been determined on the basis of total covered area occupied by the Company i.e. 20,184 square fts (2025: 20,184 square fts), in terms of percentage 13.91% (2025: 13.91%). The net book value of the owner occupied portion is Rs. 299.22 million (2025: Rs. 303.71 million), having a fair value of Rs. 1,508.46 million (2025: Rs. 1,475.87 million).

**4.7** This includes purchase of office equipment from the related parties–IBL Unisys (Private) Limited and United Retail (Private) Limited amounting to Rs. 8.45 million (2025: Rs. 0.41 million) and Rs. 0.13 million (2025: Rs.Nil) respectively.

**2026**                      2025  
**Rupees '000**

**4.8** Depreciation for the year has been allocated as follows:

|                         |                |         |
|-------------------------|----------------|---------|
| Cost of sales           | <b>491,968</b> | 411,620 |
| Distributions cost      | <b>41,593</b>  | 30,861  |
| Administrative expenses | <b>116,627</b> | 79,059  |
|                         | <b>650,188</b> | 521,540 |

**4.9** Had there been no revaluation of leasehold land, building on leasehold land, plant and machinery, vehicles and air-conditioning systems, cost and written down value of revalued assets would have been as follows:

|                                 | Leasehold<br>land       | Building on<br>leasehold<br>land | Plant and<br>machinery | Air-<br>conditioning<br>systems | Vehicles        | Total              |
|---------------------------------|-------------------------|----------------------------------|------------------------|---------------------------------|-----------------|--------------------|
|                                 | ----- Rupees '000 ----- |                                  |                        |                                 |                 |                    |
| <b>Cost</b>                     | <b>604,681</b>          | <b>914,842</b>                   | <b>1,969,999</b>       | <b>331,590</b>                  | <b>156,163</b>  | <b>3,977,275</b>   |
| <b>Accumulated depreciation</b> | <b>–</b>                | <b>(391,518)</b>                 | <b>(1,359,325)</b>     | <b>(212,995)</b>                | <b>(23,585)</b> | <b>(1,987,423)</b> |
| <b>NBV as at June 30, 2026</b>  | <b>604,681</b>          | <b>523,324</b>                   | <b>610,674</b>         | <b>118,595</b>                  | <b>132,578</b>  | <b>1,989,852</b>   |
| NBV as at June 30, 2025         | 591,637                 | 515,113                          | 695,281                | 140,452                         | 5,468           | 1,947,951          |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 4.10 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

| Location                                                                                   | Usage                         | Total Area<br>(acres)<br>Square yards |
|--------------------------------------------------------------------------------------------|-------------------------------|---------------------------------------|
| - F-319, S.I.T.E area, Karachi–note 4.10.1                                                 | <b>Manufacturing facility</b> | 25,362                                |
| - E-58-A North Western Industrial Zone,<br>Port Qasim Authority, Karachi                   | <b>Land</b>                   | 7,366                                 |
| - Plot # 5-B, Block 7& 8, Delhi Mercantile Muslim<br>Co-operative Housing Society, Karachi | <b>Land</b>                   | 505                                   |
| - E-44 & E-45, North Western Industrial Zone,<br>Port Qasim Authority, Karachi             | <b>Manufacturing facility</b> | 9,711                                 |

### 4.10.1 Leasehold land, building on leasehold land, plant and machinery, office equipment, furniture and fixtures, vehicles and air-conditioning systems of plot # F-319, S.I.T.E, Karachi are subject to a first charge against the short term running facilities of Rs. 8,034.45 million (2025: Rs. 7,910.15 million) obtained from various commercial banks. This charge existed at June 30, 2026. The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

### 4.11 The details of disposal of property, plant and equipment are as follows:

| Description                                                                                    | Cost or revalued | Accumulated depreciation | Net book value | Sale proceeds | (Loss) / gain   | Mode of disposal               | Particulars of buyers | Relationship of buyer with Company or director, if any |
|------------------------------------------------------------------------------------------------|------------------|--------------------------|----------------|---------------|-----------------|--------------------------------|-----------------------|--------------------------------------------------------|
| Rupees '000                                                                                    |                  |                          |                |               |                 |                                |                       |                                                        |
| <b>Vehicle</b>                                                                                 | <b>35,124</b>    | <b>5,018</b>             | <b>30,106</b>  | <b>17,600</b> | <b>(12,506)</b> | <b>As per Company's Policy</b> | <b>Omega Motors</b>   | <b>N/A</b>                                             |
| <b>Operating assets having book value not exceeding five hundred thousand rupees–note 4.12</b> | <b>2,344</b>     | <b>2,082</b>             | <b>262</b>     | <b>2,645</b>  | <b>2,383</b>    | <b>As per Company's Policy</b> | <b>Various</b>        | <b>N/A</b>                                             |
| <b>2026</b>                                                                                    | <b>37,468</b>    | <b>7,100</b>             | <b>30,368</b>  | <b>20,245</b> | <b>(10,123)</b> |                                |                       |                                                        |
| Operating assets having book value not exceeding five hundred thousand rupees                  | 32,923           | 32,923                   | –              | 16,825        | 16,825          | As per Company's Policy        | Various               | N/A                                                    |
| <b>2025</b>                                                                                    | <b>32,923</b>    | <b>32,923</b>            | <b>–</b>       | <b>16,825</b> | <b>16,825</b>   |                                |                       |                                                        |

### 4.12 This includes a vehicle disposed off to IBL Operations (Private) Limited for consideration of Rs. 2.6 million (2025: Nil), with a carrying value of Nil (2025: Nil).

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 4.13 Capital work-in-progress—at cost

|                                            | Balance<br>as at<br>July 1,<br>2025 | Additions<br>during<br>the year | Transfers<br>to<br>operating<br>assets | Balance<br>as at<br>June 30,<br>2026 | Balance<br>as at<br>July 1,<br>2024 | Additions<br>during the<br>year | Transfers<br>to<br>operating<br>assets | Balance<br>as at<br>June 30,<br>2025 |
|--------------------------------------------|-------------------------------------|---------------------------------|----------------------------------------|--------------------------------------|-------------------------------------|---------------------------------|----------------------------------------|--------------------------------------|
|                                            | Rupees '000                         |                                 |                                        |                                      |                                     |                                 |                                        |                                      |
| Civil works                                | 72,507                              | 35,699                          | (50,830)                               | 57,376                               | 80,274                              | 20,677                          | (28,444)                               | 72,507                               |
| Plant, machinery and<br>others—note 4.13.1 | 276,594                             | 437,221                         | (266,080)                              | 447,735                              | 286,132                             | 146,794                         | (156,332)                              | 276,594                              |
|                                            | 349,101                             | 472,920                         | (316,910)                              | 505,111                              | 366,406                             | 167,471                         | (184,776)                              | 349,101                              |
| Advances against<br>purchase of land       | 300                                 | —                               | —                                      | 300                                  | 300                                 | —                               | —                                      | 300                                  |
| Advances to suppliers                      | 50,131                              | —                               | (5,867)                                | 44,264                               | 50,131                              | —                               | —                                      | 50,131                               |
|                                            | 399,532                             | 472,920                         | (322,777)                              | 549,675                              | 416,837                             | 167,471                         | (184,776)                              | 399,532                              |

**4.13.1** It includes plant and machinery amounting to Rs. 405.53 million (2025: Rs. 254.20 million) that has not commissioned yet. It also includes plant and machinery purchased from a related party Searle Biopharma (Private) Limited amounting to Rs. 18.95 million (2025: Rs.18.95 million) and air conditioner purchased from a related party IBL Operations (Private) Limited amounting to Rs. 3.63 million (2025 : Nil).

### 5. RIGHT-OF-USE ASSETS

2026                      2025  
Rupees '000

#### Plant and machinery

|                                    |         |         |
|------------------------------------|---------|---------|
| Balance as at July 01              | 40,770  | 50,430  |
| Depreciation for the year—note 5.1 | (9,660) | (9,660) |
| Closing as at June 30—note 5.2     | 31,110  | 40,770  |

**5.1** Depreciation expense on right-of-use assets has been charged to cost of sales.

**5.2** The Company has lease contracts of plant and machinery relating to SA Pharma and MyPlan located in Lahore, which is used for the purpose of manufacturing of pharmaceutical products. Leases of such plants have a lease term of 10 and 11 years ending on March 31, 2029 and October 31, 2030 respectively.



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                                             | 2026             | 2025      |
|-------------------------------------------------------------|------------------|-----------|
|                                                             | Rupees '000      |           |
| <b>6. INVESTMENT PROPERTIES-AT COST</b>                     |                  |           |
| Operating assets-notes 6.1 & 6.2                            | <b>2,843,617</b> | 2,807,793 |
| Investment property under work-in-progress-at cost-note 6.6 | <b>961</b>       | 115,700   |
|                                                             | <b>2,844,578</b> | 2,923,493 |

### 6.1 Operating assets

|                                   | Owned assets     |                            |                  |                      |                     |               |                        |                         |
|-----------------------------------|------------------|----------------------------|------------------|----------------------|---------------------|---------------|------------------------|-------------------------|
|                                   | Leasehold land   | Building on leasehold land | Office equipment | Electrical equipment | Lifts and elevators | Generators    | Furniture and fixtures | Air-conditioning system |
|                                   | Rupees '000      |                            |                  |                      |                     |               |                        |                         |
| <b>Gross carrying value basis</b> |                  |                            |                  |                      |                     |               |                        |                         |
| <b>Year ended June 30, 2026</b>   |                  |                            |                  |                      |                     |               |                        |                         |
| Opening net book value            | 1,924,799        | 665,878                    | 31,417           | 45,014               | 32,017              | 25,696        | 31,393                 | 51,579                  |
| Additions                         | –                | 16,995                     | 4,204            | 68,088               | –                   | –             | 34,599                 | 6,602                   |
| Depreciation charge               | –                | (45,487)                   | (9,585)          | (14,362)             | (4,135)             | (3,988)       | (9,112)                | (7,995)                 |
| <b>Closing net book value</b>     | <b>1,924,799</b> | <b>637,386</b>             | <b>26,036</b>    | <b>98,740</b>        | <b>27,882</b>       | <b>21,708</b> | <b>56,880</b>          | <b>2,843,617</b>        |
| <b>Net carrying value basis</b>   |                  |                            |                  |                      |                     |               |                        |                         |
| <b>As at June 30, 2026</b>        |                  |                            |                  |                      |                     |               |                        |                         |
| Cost                              | 1,924,799        | 914,891                    | 82,032           | 193,166              | 76,815              | 58,894        | 129,625                | 162,135                 |
| Accumulated depreciation          | –                | (277,505)                  | (55,996)         | (94,426)             | (48,933)            | (37,186)      | (72,745)               | (111,949)               |
| <b>Net book value</b>             | <b>1,924,799</b> | <b>637,386</b>             | <b>26,036</b>    | <b>98,740</b>        | <b>27,882</b>       | <b>21,708</b> | <b>56,880</b>          | <b>2,843,617</b>        |
| <b>Gross carrying value basis</b> |                  |                            |                  |                      |                     |               |                        |                         |
| <b>Year ended June 30, 2025</b>   |                  |                            |                  |                      |                     |               |                        |                         |
| Opening net book value            | 1,919,799        | 705,812                    | 39,252           | 54,684               | 37,396              | 30,493        | 38,731                 | 59,696                  |
| Additions                         | 5,000            | 4,997                      | 2,255            | –                    | 248                 | –             | –                      | 2,670                   |
| Depreciation charge               | –                | (44,931)                   | (10,090)         | (9,670)              | (5,627)             | (4,797)       | (7,338)                | (10,787)                |
| <b>Closing net book value</b>     | <b>1,924,799</b> | <b>665,878</b>             | <b>31,417</b>    | <b>45,014</b>        | <b>32,017</b>       | <b>25,696</b> | <b>31,393</b>          | <b>2,807,793</b>        |
| <b>Net carrying value basis</b>   |                  |                            |                  |                      |                     |               |                        |                         |
| <b>As at June 30, 2025</b>        |                  |                            |                  |                      |                     |               |                        |                         |
| Cost                              | 1,924,799        | 897,896                    | 77,828           | 125,078              | 76,815              | 58,894        | 95,026                 | 155,533                 |
| Accumulated depreciation          | –                | (232,018)                  | (46,411)         | (80,064)             | (44,798)            | (33,198)      | (63,633)               | (103,954)               |
| <b>Net book value</b>             | <b>1,924,799</b> | <b>665,878</b>             | <b>31,417</b>    | <b>45,014</b>        | <b>32,017</b>       | <b>25,696</b> | <b>31,393</b>          | <b>2,807,793</b>        |
| <b>Depreciation rate</b>          | <b>–</b>         | <b>5%</b>                  | <b>20%</b>       | <b>10%</b>           | <b>10%</b>          | <b>10%</b>    | <b>10%</b>             | <b>10%</b>              |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

- 6.2** Leasehold land and other assets (comprises of building on leasehold land, office equipment, electrical equipment, lifts and elevators, generators, furniture and fixtures and air-conditioning) on One IBL Centre classified under investment property and property, plant and equipment has been valued under the market value basis by an independent valuer, KGT (Private) Limited. Market value of One IBL Centre based on the valuation as of June 30, 2026 was Rs. 11.01 billion (2025: Rs. 10.78 billion).

The valuation of leasehold land and building on Plot # 24/5-A , Block 7 and 8 Delhi mercantile muslim co-operative housing society have been carried out by an independent valuer i.e. KGT (Private) Limited as at June 30, 2026. Market values for leasehold land and building on leasehold land is Rs. 290 million (2025: Rs. 275 million) and Rs. 5.71 million (2025: Rs. 5.44 million) respectively.

- 6.3** Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:

### Locations

|                                                                                    | Total Area<br>(acres)<br>Square yards |
|------------------------------------------------------------------------------------|---------------------------------------|
| One IBL Center, Block 7 and 8 Delhi Mercantile Muslim Co-operative Housing Society | 5,291                                 |
| Plot # 24/5-A , Block 7 and 8 Delhi Mercantile Muslim Co-operative Housing Society | 500                                   |

- 6.4** The rental income in respect of One IBL Centre property amounting to Rs. 108.92 million (2025: Rs. 101.51 million) has been recognised in the profit or loss as other income—refer note 34.

The direct operating expenses pertaining to One IBL Centre property comprising maintenance and utility costs amounting to Rs. 55.98 million (2025: Rs. 126.62 million) which is netted with income from provision of amenities which is specified in 'other income'—refer note 34.

- 6.5** The Company has entered into operating leases with tenants on its investment property consisting of certain office building including lift and elevators, generators, furniture and fixtures, air-conditioners and electrical equipment. These leases have multiple terms ranging from 5 to 10 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

|                                                                                                      | 2026        | 2025    |
|------------------------------------------------------------------------------------------------------|-------------|---------|
|                                                                                                      | Rupees '000 |         |
| <b>6.6 Movement in investment property under work in progress at One IBL Building Center—at cost</b> |             |         |
| Balance as at July 01                                                                                | 115,700     | —       |
| Additions during the year—note 6.6.1                                                                 | 14,217      | 125,400 |
| Transfers to operating assets—investment properties                                                  | (128,956)   | (9,700) |
| Balance as at June 30                                                                                | 961         | 115,700 |

- 6.6.1** This includes additions to building (civil works), furniture and fixtures, office equipments, electrical equipments and air-conditioning system purchased from related parties—United Retail (Private) Limited and IBL Logistics (Private) Limited amounting to Rs. Nil (2025: 105.70 million) and Rs. Nil (2025: Rs. 0.04 million) respectively.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                      | 2026        | 2025   |
|--------------------------------------|-------------|--------|
|                                      | Rupees '000 |        |
| <b>7. INTANGIBLE ASSETS</b>          |             |        |
| Operating intangible assets—note 7.1 | <b>326</b>  | 12,131 |

### 7.1 Operating intangible assets

|                              | Distribu-tion<br>rights | Brand name<br>and logo—note<br>7.1.1 | Product<br>license—note<br>7.1.2 | Software<br>licenses—<br>note 7.1.3 | Total     |
|------------------------------|-------------------------|--------------------------------------|----------------------------------|-------------------------------------|-----------|
|                              | Rupees '000             |                                      |                                  |                                     |           |
| Net carrying value basis     |                         |                                      |                                  |                                     |           |
| Year ended June 30, 2026     |                         |                                      |                                  |                                     |           |
| Opening net book value       | —                       | —                                    | 11,163                           | 968                                 | 12,131    |
| Additions                    | —                       | —                                    | —                                | 361                                 | 361       |
| Amortisation charge—note 7.2 | —                       | —                                    | (11,163)                         | (1,003)                             | (12,166)  |
| Closing net book value       | —                       | —                                    | —                                | 326                                 | 326       |
| Gross carrying value basis   |                         |                                      |                                  |                                     |           |
| As at June 30, 2026          |                         |                                      |                                  |                                     |           |
| Cost                         | 76,275                  | 74,703                               | 111,623                          | 166,521                             | 429,122   |
| Accumulated amortisation     | (76,275)                | (74,703)                             | (111,623)                        | (166,195)                           | (428,796) |
| Net book value               | —                       | —                                    | —                                | 326                                 | 326       |
| Gross carrying value basis   |                         |                                      |                                  |                                     |           |
| Year ended June 30, 2025     |                         |                                      |                                  |                                     |           |
| Opening net book value       | —                       | —                                    | 22,325                           | 3,643                               | 25,968    |
| Amortisation charge          | —                       | —                                    | (11,162)                         | (2,675)                             | (13,837)  |
| Closing net book value       | —                       | —                                    | 11,163                           | 968                                 | 12,131    |
| Net carrying value basis     |                         |                                      |                                  |                                     |           |
| As at June 30, 2025          |                         |                                      |                                  |                                     |           |
| Cost                         | 76,275                  | 74,703                               | 111,623                          | 166,160                             | 428,761   |
| Accumulated amortisation     | (76,275)                | (74,703)                             | (100,460)                        | (165,192)                           | (416,630) |
| Net book value               | —                       | —                                    | 11,163                           | 968                                 | 12,131    |
| Amortisation rate (%)        | 10                      | 10                                   | 10                               | 20 & 33.33                          |           |

**7.1.1** Brand name and logo include brands purchased from Cirin Pharmaceutical (Private) Limited which are fully amortised and still in use.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**7.1.2** This represents license obtained for the production of product “Tramal”.

**7.1.3** Software licenses include various licenses and enterprise resources planning software.

**7.2** Amortisation charge on intangible assets has been charged to administrative expenses.

### **8. DEFERRED TAX ASSETS**

The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, these have been offset in the unconsolidated statement of financial position as follows:

|                        | <b>2026</b>      | 2025      |
|------------------------|------------------|-----------|
|                        | Rupees '000      |           |
| Deferred tax asset     | <b>993,934</b>   | 1,930,111 |
| Deferred tax liability | <b>(819,118)</b> | (715,408) |
|                        | <b>174,816</b>   | 1,214,703 |



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 8.1 Analysis of change in deferred tax

|                                                       | Accelerated<br>tax<br>depreciation | Minimum tax | Surplus on<br>revaluation | Right-of-use<br>asset and<br>lease liability | Decelerated<br>tax<br>amortisation | Carry<br>forward tax<br>losses-Capital<br>assets-note 8.2 | Deferred<br>income | Provision<br>against<br>financial<br>assets | Employee<br>benefit<br>obligation | Provision for<br>impairment-<br>note 35 | Total     |
|-------------------------------------------------------|------------------------------------|-------------|---------------------------|----------------------------------------------|------------------------------------|-----------------------------------------------------------|--------------------|---------------------------------------------|-----------------------------------|-----------------------------------------|-----------|
|                                                       | Rupees '000                        |             |                           |                                              |                                    |                                                           |                    |                                             |                                   |                                         |           |
| July 1, 2025                                          | (114,140)                          | -           | (601,268)                 | 9,287                                        | 10,689                             | 1,700,965                                                 | 123,510            | 66,395                                      | 19,265                            | -                                       | 1,214,703 |
| Credit / (charge) to<br>profit or loss                | 59,637                             | -           | 153,898                   | 482                                          | (3,684)                            | (1,170,150)                                               | (99,419)           | 9,877                                       | 1,521                             | 324,336                                 | (723,502) |
| (Charge) / credit to<br>other<br>comprehensive income | -                                  | -           | (317,245)                 | -                                            | -                                  | -                                                         | -                  | -                                           | 860                               | -                                       | (316,385) |
| June 30, 2026                                         | (54,503)                           | -           | (764,615)                 | 9,769                                        | 7,005                              | 530,815                                                   | 24,091             | 76,272                                      | 21,646                            | 324,336                                 | 174,816   |
| July 1, 2024                                          | (96,251)                           | 232,612     | (478,118)                 | 9,524                                        | 15,067                             | -                                                         | -                  | 62,028                                      | 19,156                            | 1,508,000                               | 1,272,018 |
| Credit / (charge) to<br>profit or loss                | (17,889)                           | -           | 93,871                    | (237)                                        | (4,378)                            | 1,700,965                                                 | 123,510            | 4,367                                       | 103                               | (1,508,000)                             | 392,312   |
| (Charge) / credit to other<br>comprehensive income    | -                                  | -           | (217,021)                 | -                                            | -                                  | -                                                         | -                  | -                                           | 6                                 | -                                       | (217,015) |
| Adjusted against current<br>liability                 | -                                  | (232,612)   | -                         | -                                            | -                                  | -                                                         | -                  | -                                           | -                                 | -                                       | (232,612) |
| June 30, 2025                                         | (114,140)                          | -           | (601,268)                 | 9,287                                        | 10,689                             | 1,700,965                                                 | 123,510            | 66,395                                      | 19,265                            | -                                       | 1,214,703 |

**8.2** This represents deferred tax assets of Rs. 530.82 million recognized on capital losses arising from the disposal of a subsidiary.

**8.3** Under the Finance Act, 2019, the corporate tax rate has been fixed at 29% for tax year 2020 and onwards, while super tax had been recorded at 4% by the Company based on the litigation as discussed in note 38.2.4 to these unconsolidated financial statements. However, as per the Finance Act, 2026, companies are liable to pay super tax at 8% for tax year 2027 and onwards on income exceeding Rs. 500 million. Accordingly, deferred tax assets and liabilities have been recognised using a tax rate of 37%.

**2026**                      2025  
Rupees '000

### 9. LONG-TERM INVESTMENTS-SUBSIDIARIES

Subsidiary companies (at cost)-note 9.1  
Less: Impairment loss

|                    |           |
|--------------------|-----------|
| <b>13,466,718</b>  | 9,666,718 |
| <b>(1,118,400)</b> | -         |
| <b>12,348,318</b>  | 9,666,718 |

# Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

## 9.1 Subsidiary companies

|                                                                               | 2026             |                                        | 2025             |                                        |
|-------------------------------------------------------------------------------|------------------|----------------------------------------|------------------|----------------------------------------|
|                                                                               | Equity<br>% held | Investment<br>at cost<br>(Rupees '000) | Equity<br>% held | Investment<br>at cost<br>(Rupees '000) |
| <b>Quoted security</b>                                                        |                  |                                        |                  |                                        |
| <i>IBL HealthCare Limited—note 9.1.1</i>                                      |                  |                                        |                  |                                        |
| 73,093,957 (2025: 63,559,963)                                                 |                  |                                        |                  |                                        |
| Ordinary shares of Rs. 10 each                                                | 74.19%           | 1,300,911                              | 74.19%           | 1,300,911                              |
| Market price as at June 30, 2026: Rs. 98.51<br>(2025: Rs. 62.60) per share    |                  |                                        |                  |                                        |
| <b>Unquoted securities</b>                                                    |                  |                                        |                  |                                        |
| <i>Searle Biosciences (Private) Limited</i>                                   |                  |                                        |                  |                                        |
| 11,000,000 (2025: 11,000,000)                                                 |                  |                                        |                  |                                        |
| Ordinary shares of Rs. 10 each                                                | 100%             | 790,000                                | 100%             | 790,000                                |
| Advance against issue of shares—note 9.1.2                                    |                  | 3,800,000                              |                  | —                                      |
| Break up value as at June 30, 2026: Rs. 426.84<br>(2025: Rs. 89.10) per share |                  | 4,590,000                              |                  | 790,000                                |
| <i>IBL Future Technologies (Private) Limited</i>                              |                  |                                        |                  |                                        |
| 20,000,000 (2025: 20,000,000)                                                 |                  |                                        |                  |                                        |
| Ordinary shares of Rs. 10 each                                                | 100%             | 200,000                                | 100%             | 200,000                                |
| Break up value as at June 30, 2026: Rs. 10.03<br>(2025: Rs. 10.03) per share  |                  |                                        |                  |                                        |
| <i>Searle Laboratories (Private) Limited—note 9.1.3</i>                       |                  |                                        |                  |                                        |
| 12,500,000 (2025: 12,500,000)                                                 |                  |                                        |                  |                                        |
| Ordinary shares of Rs. 10 each                                                | 100%             | 125,000                                | 100%             | 125,000                                |
| Provision for impairment loss—note 35                                         |                  | (125,000)                              |                  | —                                      |
| Break up value as at June 30, 2026: Rs. 0.22<br>(2025: Rs. 0.18) per share    |                  | —                                      |                  | 125,000                                |
| <i>Searle Pharmaceuticals (Private) Limited—note 9.1.3</i>                    |                  |                                        |                  |                                        |
| 40,000 (2025: 40,000)                                                         |                  |                                        |                  |                                        |
| Ordinary shares of Rs. 10 each                                                | 100%             | 400                                    | 100%             | 400                                    |
| Provision for impairment loss—note 35                                         |                  | (400)                                  |                  | —                                      |
| Break up value as at June 30, 2026: nil<br>(2025: nil) per share              |                  | —                                      |                  | 400                                    |
| <i>Stellar Ventures (Private) Limited—note 9.1.4</i>                          |                  |                                        |                  |                                        |
| 12,100,000 (2025: 12,100,000)                                                 |                  |                                        |                  |                                        |
| Ordinary shares of Rs. 10 each                                                | 100%             | 3,750,407                              | 100%             | 3,750,407                              |
| Provision for impairment loss—note 35                                         |                  | (993,000)                              |                  | —                                      |
| Break up value as at June 30, 2026: Rs. 331.41<br>(2025: 331.65) per share    |                  | 2,757,407                              |                  | 3,750,407                              |
| <i>Searle IV Solutions (Private) Limited</i>                                  |                  |                                        |                  |                                        |
| 5,400,000 (2025: 5,400,000)                                                   |                  |                                        |                  |                                        |
| Ordinary shares of Rs. 100 each                                               | 100%             | 3,500,000                              | 100%             | 3,500,000                              |
| Break up value as at June 30, 2026: Rs. 301.56<br>(2025: 271.40) per share    |                  |                                        |                  |                                        |
|                                                                               |                  | 11,047,407                             |                  | 8,365,807                              |
|                                                                               |                  | 12,348,318                             |                  | 9,666,718                              |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 9.1.1 IBL Healthcare Limited

Section 236M of the Income tax Ordinance, 2001 (inserted through the Finance Act, 2014), specified that every company, quoted on stock exchange, while issuing bonus shares shall withhold five percent of the bonus shares to be issued. Bonus shares withheld shall only be issued to a shareholder, if the Company collects tax equal to five percent of the value of the bonus shares issued including bonus share withheld, determined on the basis of day-end price on the first day of closure of books. The tax was to be collected within fifteen days of the first day of closure of books, after which the company was required to deposit shares withheld to Central Depository Company, in favour of the Federal Government. This section was later deleted through the Finance Act, 2018.

Similarly, section 236Z of the Income tax Ordinance, 2001 (inserted through the Finance Act, 2023), specifies that every company, while issuing bonus shares shall withhold ten percent of the bonus shares to be issued. Bonus shares withheld shall only be issued to a shareholder, if the Company collects tax equal to ten percent of the value of the bonus shares issued including bonus share withheld, determined on the basis of day-end price on the first day of closure of books. The tax is to be collected within fifteen days of the first day of closure of books, after which the Company is required to dispose of the shares withheld.

Based on the requirement mentioned above, the Company is exposed to a tax liability of approximately Rs. 198.54 million (2025: Rs. 103.9 million), on account of bonus shares received from IBL HealthCare Limited from 2015 to 2018, 2024 and 2026. The Company has filed a petition in respect of tax on bonus shares in the Honourable High Court of Sindh, and expects a favourable outcome, based on a legal advice. Further, pending decision of the Honourable High Court of Sindh, IBL HealthCare Limited has withheld 4,131,113 shares (2025: 2,799,750 shares) with Central Depository Company of Pakistan Limited.

### 9.1.2 Searle Biosciences (Private) Limited

During the year, the Board of Directors, in their meeting held on May 11, 2026, and the shareholders at the Extraordinary General Meeting held on June 12, 2026, approved an equity investment of up to Rs. 4 billion in Searle Biosciences (Private) Limited (SBPL) for subscription of additional shares to be issued by SBPL. The subscription is subject to compliance with the procedural requirements prescribed under S.R.O. 328(I)/2026 dated February 19, 2026 issued by the Securities and Exchange Commission of Pakistan (SECP), including the induction of SBPL's securities into the Central Depository System (CDS) of the Central Depository Company Limited (CDC) and their declaration as 'eligible securities'. As these requirements remained pending as at June 30, 2026, the shares had not been subscribed by that date. However, at June 30, 2026 advance amounting to Rs. 3.8 billion has been given as advance against issuance of shares.

Subsequent to the year end, complying with the aforesaid procedural requirements, the board of directors of SBPL in their meeting held on September 04, 2026 approved the issue of 173 right shares for every 100 shares held i.e. 173% of the existing paid-up capital of the Company. The Company has issued 19 million ordinary shares at a price of Rs. 200 per share (inclusive of premium of Rs. 190 per share), aggregating to Rs. 3.8 billion, thereby converting the advance into equity through the issuance of ordinary shares.

### 9.1.3 Searle Laboratories (Private) Limited and Searle Pharmaceuticals (Private) Limited

During the year, management decided not to revive the operations of Searle Laboratories (Private) Limited and Searle Pharmaceuticals (Private) Limited and, accordingly, these subsidiaries became non-operational, with no ongoing business activities or identifiable future economic benefits. Therefore, their financial statements have been prepared on a non-going concern basis. In view of the absence of sufficient evidence supporting the recoverability of the respective investments, their recoverable amounts were determined to be lower than their carrying amounts. Accordingly, the entire carrying value of the investments in these subsidiaries has been impaired.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 9.1.4 Stellar Ventures (Private) Limited

During the year, management identified indicators of impairment, primarily due to lower-than-anticipated financial performance of the underlying investment held by the subsidiary, which affected the carrying amount of the subsidiary's net assets. Accordingly, an impairment assessment was performed and the recoverable amount of the investment was determined at Rs. 2.76 billion. In estimating the recoverable amount, management considered the value of the underlying operations and assets of the subsidiary. The assessment incorporated:

- fair value less cost to sell of the subsidiary's operations using discounted cash flow projections based on management forecasts; and
- fair value estimates of the subsidiary's investment property based on a market valuation approach, taking into account observable market data and comparable transactions.

The fair value measurement was categorised within Level 3 of the fair value hierarchy.

Key assumptions used in the discounted cash flow model included forecast revenues, operating margins, long-term growth rates and discount rates reflecting current market assessments of the time value of money and risks specific to the underlying businesses.

As the recoverable amount of Rs. 2.76 billion was lower than the carrying amount of the investment of Rs. 3.75 billion, an impairment loss of Rs. 993 million was recognised in the statement of profit or loss during the year.

#### Details relating to the discounted cash flow model used in the impairment test are as follows:

The significant assumptions used by the Company for determining the value in use as follows:

| Valuation basis                         | Fair value less cost to disposal                                                                                                                                                                                                                                                                                                                                                                  |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key assumptions                         | <ul style="list-style-type: none"><li>- Sales growth rates</li><li>- Profit margins</li><li>- Terminal growth rate</li><li>- Discount rate</li></ul>                                                                                                                                                                                                                                              |
| Determination of assumptions            | <p>Growth rates and profit margins are based on the internal forecasts and estimates of the management. These forecasts and estimates are based on both internal and external market information and past performance of the Company.</p> <p>Costs reflect past experience adjusted for inflation and expected changes. Discount rate is primarily based on weighted average cost of capital.</p> |
| Terminal growth rate                    | 3%                                                                                                                                                                                                                                                                                                                                                                                                |
| Discount rate                           | 20.98 to 22.46%                                                                                                                                                                                                                                                                                                                                                                                   |
| Period of specific projected cash flows | 6 years                                                                                                                                                                                                                                                                                                                                                                                           |



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                                                                     | 2026         | 2025         |
|-------------------------------------------------------------------------------------|--------------|--------------|
|                                                                                     | Rupees '000  |              |
| <b>10. LONG-TERM LOANS AND DEPOSITS</b>                                             |              |              |
| Long term deposits–note 10.1                                                        | 7,396        | 7,396        |
| Long term loans–considered good–note 10.2                                           | 70           | 151          |
| Less: Current portion of long term loans<br>–shown under loans and advances–note 13 | (62)         | (90)         |
|                                                                                     | <b>7,404</b> | <b>7,457</b> |

**10.1** These are security deposits held with K-Electric Limited and do not carry any mark up arrangement.

**10.2** This represents interest-free loans given to employees other than executives provided for a period of 3.5 years. These are secured against provident fund balances of respective employees.

|                        | 2026             | 2025             |
|------------------------|------------------|------------------|
|                        | Rupees '000      |                  |
| <b>11. INVENTORIES</b> |                  |                  |
| Raw materials          | 2,575,461        | 1,839,814        |
| Packing materials      | 1,077,958        | 1,018,092        |
| Stores and spares      | 186,696          | 176,983          |
| Work-in-process        | 366,945          | 237,333          |
| Finished goods         | 1,026,545        | 444,881          |
|                        | <b>5,233,605</b> | <b>3,717,103</b> |

**11.1** Inventories include inventory in transit amounting to Rs. 500.85 million (2025: Rs. 707.97 million).

**11.2** Inventories include inventory held by third parties amounting to Rs. 932.94 million (2025: Rs. 575.87 million).

|                                                         | 2026             | 2025             |
|---------------------------------------------------------|------------------|------------------|
|                                                         | Rupees '000      |                  |
| <b>12. TRADE RECEIVABLES</b>                            |                  |                  |
| - Due from related parties, unsecured–note 12.2 to 12.5 | 7,570,261        | 7,390,351        |
| - Export receivables–note 12.6                          | 608,210          | 844,040          |
| - Others, unsecured                                     | 1,619,930        | 1,451,771        |
|                                                         | <b>9,798,401</b> | <b>9,686,162</b> |
| Less: Allowance for expected credit loss–note 12.8      | (203,501)        | (198,557)        |
|                                                         | <b>9,594,900</b> | <b>9,487,605</b> |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**12.1** As at June 30, 2026, the age analysis of receivables other than related parties is as follows:

|                               | 2026             | 2025             |
|-------------------------------|------------------|------------------|
|                               | Rupees '000      |                  |
| Not yet due                   | 1,452,660        | 1,780,045        |
| Past due but not yet impaired |                  |                  |
| –1 to 30 days                 | 155,386          | 27,312           |
| –30 to 90 days                | 222,062          | 126,749          |
| –90 to 180 days               | 110,340          | 108,969          |
| –180 to 365 days              | 88,422           | 17,206           |
| –older than 365 days          | 199,270          | 235,530          |
|                               | <b>2,228,140</b> | <b>2,295,811</b> |

### 12.2 Due from related parties, unsecured

|                                              |                  |                  |
|----------------------------------------------|------------------|------------------|
| Subsidiary companies                         |                  |                  |
| - Searle Biosciences (Private) Limited       | 361,798          | 361,798          |
| - IBL HealthCare Limited                     | 125,901          | 81,732           |
| - Searle Biopharma (Private) Limited         | 297,200          | –                |
| - Searle IV Solutions (Private) Limited      | 11,251           | –                |
| Associated companies                         |                  |                  |
| - IBL Operations (Private) Limited–note 12.7 | 6,755,734        | 6,927,927        |
| - United Brands Limited                      | 18,377           | 18,894           |
|                                              | <b>7,570,261</b> | <b>7,390,351</b> |

**12.3** The maximum amounts due from related parties at the end of any month during the year are as follows:

|                                         | 2026        | 2025       |
|-----------------------------------------|-------------|------------|
|                                         | Rupees '000 |            |
| <b>Subsidiary companies</b>             |             |            |
| - Searle Biosciences (Private) Limited  | 361,798     | 368,928    |
| - IBL HealthCare Limited                | 264,258     | 153,220    |
| - Searle Biopharma (Private) Limited    | 297,200     | –          |
| - Searle IV Solutions (Private) Limited | 11,251      | –          |
| <b>Associated companies</b>             |             |            |
| IBL Operations (Private) Limited        | 11,786,094  | 15,596,808 |
| IBL Logistics (Private) Limited         | –           | 83,630     |
| United Brands Limited                   | 18,377      | 18,894     |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**12.4** These are stated net of amount payable from the following parties:

|                                    | 2026             | 2025           |
|------------------------------------|------------------|----------------|
|                                    | Rupees '000      |                |
| IBL Operations (Private) Limited   | 1,221,116        | 102,984        |
| Searle Biopharma (Private) Limited | 3,895            | –              |
|                                    | <b>1,225,011</b> | <b>102,984</b> |

**12.5** As at June 30, 2026, the age analysis of these related parties is as follows:

|                               | 2026             | 2025             |
|-------------------------------|------------------|------------------|
|                               | Rupees '000      |                  |
| Not yet due                   | 3,901,708        | 5,161,867        |
| Past due but not yet impaired |                  |                  |
| –1 to 30 days                 | 2,341,243        | 1,847,792        |
| –30 to 90 days                | 947,135          | 18,894           |
| –90 to 180 days               | –                | –                |
| –180 to 365 days              | 16,529           | –                |
| –older than 365 days          | 363,646          | 361,798          |
|                               | <b>7,570,261</b> | <b>7,390,351</b> |

**12.6** Out of total export receivables amounting to Rs. 608.21 million (2025: 844.04 million), receivables amounting to Rs. 507.61 million (2025: 548.97 million) are secured against export letters of credit, whereas receivables amounting to Rs. 100.6 million (2025: 295.07 million) are unsecured.

**12.7** The Competition Commission of Pakistan (CCP) through its order dated September 13, 2007 instructed the Company to reduce terms of trade credit with IBL Operations (Private) Limited, an associated concern, re-negotiate the offered rate of commission and conduct audit of the transactions. The Company had filed a counter case in Honourable High Court of Sindh to revert the order. However during 2024, Honourable High Court of Sindh through its order dated June 07, 2024, had dismissed the Company's appeal against the aforesaid matter. During the prior year, the Company has filed an appeal in Honourable Supreme Court of Pakistan vide Appeal No. 3933 of 2024 which is currently pending adjudication. Based on the opinion of its legal advisor, the Company believes that it has a strong case and the matter is likely to be decided in favour of the Company.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                                            | 2026        | 2025      |
|------------------------------------------------------------|-------------|-----------|
|                                                            | Rupees '000 |           |
| <b>12.8 Allowance for expected credit loss</b>             |             |           |
| Balance at beginning of the year                           | 198,557     | 185,323   |
| Provision during the year-note 33                          | 4,944       | 13,234    |
| Balance at end of the year                                 | 203,501     | 198,557   |
| <b>13. LOANS AND ADVANCES – considered good</b>            |             |           |
| <b>Advance to:</b>                                         |             |           |
| <b>Secured</b>                                             |             |           |
| –employees for business operations –note 13.1              | 286,138     | 112,694   |
| –employees against salary–note 13.1                        | 30,084      | 13,475    |
| <b>Unsecured</b>                                           |             |           |
| –suppliers–note 13.2                                       | 479,215     | 292,834   |
| –against imports                                           | 230,220     | 117,892   |
| –related party–note 13.3 to 13.6                           | 2,738,061   | 1,490,929 |
|                                                            | 3,763,718   | 2,027,824 |
| Current portion of long-term<br>loans to employees–note 10 | 62          | 90        |
|                                                            | 3,763,780   | 2,027,914 |

- 13.1** These advances are for business operations and will be adjusted against submission of actual expenses. Advances against salary are repayable on monthly basis. The maximum aggregate amount of these advances outstanding at any time during the year was Rs. 320.54 million (2025: Rs. 303.36 million).



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

- 13.2** Advance to supplier is adjustable with respect to inventory and services received from the respective vendors.

|                                                 | 2026             | 2025             |
|-------------------------------------------------|------------------|------------------|
| <b>13.3 Due from related parties, unsecured</b> | Rupees '000      |                  |
| Subsidiary companies                            |                  |                  |
| - Searle Biosciences (Private) Limited          | 1,004,394        | 786,394          |
| - Searle IV Solutions (Private) Limited         | 1,300,745        | 499,345          |
| - Searle Pharmaceuticals (Private) Limited      | 144,168          | —                |
| - Stellar Ventures (Private) Limited            | 280,240          | 205,190          |
| Associated companies                            |                  |                  |
| - United Retail (Private) Limited               | 497              | —                |
| - IBL Logistics (Private) Limited               | 8,017            | —                |
|                                                 | <b>2,738,061</b> | <b>1,490,929</b> |

- 13.4** The maximum amounts outstanding from related parties at the end of any month during the year are as follows:

|                                            | 2026        | 2025    |
|--------------------------------------------|-------------|---------|
| <b>Subsidiary companies</b>                | Rupees '000 |         |
| - Searle Biosciences (Private) Limited     | 1,004,394   | 891,589 |
| - Searle IV Solutions (Private) Limited    | 1,300,745   | 641,510 |
| - Stellar Ventures (Private) Limited       | 280,240     | 211,577 |
| - Searle Pharmaceuticals (Private) Limited | 144,168     | —       |
| - Prime Health (Private) Limited           | —           | 3,000   |
| <b>Associated companies</b>                |             |         |
| - Universal Ventures (Private) Limited     | —           | 4,468   |
| - IBL Logistics (Private) Limited          | 21,000      | —       |
| - United Retail (Private) Limited          | 497         | —       |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**13.5** As at June 30, 2026 the age analysis of advances from related parties are as follows:

|                      | 2026             | 2025             |
|----------------------|------------------|------------------|
|                      | Rupees '000      |                  |
| –1 to 30 days        | 192,135          | –                |
| –30 to 90 days       | 526,553          | 51,613           |
| –90 to 180 days      | 266,200          | 464,122          |
| –180 to 365 days     | 647,007          | 3,152            |
| –older than 365 days | 1,106,166        | 972,042          |
|                      | <b>2,738,061</b> | <b>1,490,929</b> |

**13.6** On June 03, 2025, the Company received an order from SECP imposing penalty amounting to Rs. 4.5 million, disregarding the appeal of the Company that advances to subsidiaries—other than the normal course of business are not subject to any interest and formal arrangement. However, the Company has filed a suit against the above order in the Honourable High Court of Sindh and based on the legal opinion, the management is confident that ultimate decision of the case will be in favor of the Company, hence no penalty has been accrued and paid in these unconsolidated financial statements. Further, based on the advice of legal counsel, no interest has been accrued on advances to 100% owned subsidiaries.

|                                                      | 2026           | 2025           |
|------------------------------------------------------|----------------|----------------|
|                                                      | Rupees '000    |                |
| <b>14. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS</b> |                |                |
| <b>Deposits</b>                                      |                |                |
| Trade deposits—note 14.1                             | 280,214        | 176,067        |
| Less: Provision for doubtful deposits                | (2,640)        | (2,640)        |
|                                                      | <b>277,574</b> | <b>173,427</b> |
| <b>Prepayments</b>                                   | <b>24,753</b>  | <b>30,599</b>  |
|                                                      | <b>302,327</b> | <b>204,026</b> |

**14.1** This includes deposits made to institutions for tender deposit amounting to Rs. 244.76 million (2025: Rs. 140.61 million).

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 15. OTHER RECEIVABLES

2026                      2025  
Rupees '000

#### Receivables from related parties

##### *Due from subsidiary companies—note 15.1*

|                                                                                      |                |         |
|--------------------------------------------------------------------------------------|----------------|---------|
| - IBL Healthcare Limited against:<br>Royalty—note 15.6                               | 35,279         | 54,587  |
| - Searle Biosciences (Private) Limited against:<br>Facility management fee—note 34.7 | 220,000        | 220,000 |
| Expenses—note 15.4                                                                   | 171,052        | 171,052 |
| - Searle Biopharma (Private) Limited against:<br>Expenses—note 15.7                  | 99,963         | 3,680   |
| Sale of brands—note 34.7                                                             | 200,000        | —       |
| - Searle IV Solutions (Private) Limited against:<br>Expenses—note 15.4               | 73,081         | 60,097  |
| - IBL Frontier Markets (Private) Limited against:<br>Rental income                   | —              | 52,873  |
|                                                                                      | <b>799,375</b> | 562,289 |

##### *Due from parent company & associated companies note—15.2*

|                                                                                  |                |         |
|----------------------------------------------------------------------------------|----------------|---------|
| - International Brands (Private) Limited against:<br>Expenses—notes 15.4 & 15.5  | 306,091        | 213,798 |
| Rental income                                                                    | —              | 24,133  |
| Group relief—note A1503                                                          | —              | 58,040  |
| - IBL Operations (Private) Limited against:<br>Expenses—note 15.4                | 1,848          | 8,857   |
| Rental income                                                                    | 666            | 6,619   |
| - IBL Unisys (Private) Limited against:<br>Rental income                         | —              | 776     |
| Expenses—note 15.4                                                               | —              | 1,116   |
| - United Brands Limited:<br>Expenses—note 15.4                                   | 50             | —       |
| - IBL Logistics (Private) Limited against:<br>Expenses—note 15.4                 | 252            | —       |
| - Universal Ventures (Private) Limited against:<br>Sale of subsidiary—note 15.10 | 86,452         | 86,452  |
|                                                                                  | <b>395,359</b> | 399,791 |

##### *Due from other related parties note—15.2*

|                                                                          |                |         |
|--------------------------------------------------------------------------|----------------|---------|
| - United Retail (Private) Limited against:<br>Rental income—note 34.3    | 14,216         | 7,400   |
| Expenses                                                                 | 116,390        | 67,786  |
| - Universal Retail (Private) Limited against:<br>Rental income—note 34.3 | 55,836         | 35,624  |
| Expenses                                                                 | 187,749        | 140,631 |
|                                                                          | <b>374,191</b> | 251,441 |
| Surplus arising under retirement benefit fund—note 15.9                  | <b>5,250</b>   | 5,250   |

#### Receivables from other than related parties

|                                    |                  |           |
|------------------------------------|------------------|-----------|
| Others, considered good—note 15.11 | <b>1,568,347</b> | 4,042,359 |
|                                    | <b>3,142,522</b> | 5,261,130 |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

- 15.1** These are settled in the ordinary course of business without any defined payment terms. The maximum aggregate amount outstanding at the end of any month during the year are as follows:

|                                        | 2026        | 2025    |
|----------------------------------------|-------------|---------|
|                                        | Rupees '000 |         |
| IBL Healthcare Limited                 | 70,233      | 50,527  |
| Searle Biosciences (Private) Limited   | 391,052     | 398,182 |
| Searle Biopharma (Private) Limited     | 299,963     | 29,724  |
| Searle IV Solutions (Private) Limited  | 73,081      | 60,097  |
| IBL Frontier Markets (Private) Limited | 50,623      | 52,873  |

- 15.2** The maximum aggregate amount outstanding at the end of any month during the year from parent company, associated companies and other related parties are as follows:

|                                        | 2026        | 2025    |
|----------------------------------------|-------------|---------|
|                                        | Rupees '000 |         |
| IBL Operations (Private) Limited       | 26,453      | 8,423   |
| International Brands (Private) Limited | 379,618     | 98,434  |
| IBL Unisys (Private) Limited           | 2,621       | 91,739  |
| IBL Logistics (Private) Limited        | 252         | 85,322  |
| United Retail (Private) Limited        | 130,606     | 75,186  |
| Universal Retail (Private) Limited     | 274,857     | 267,520 |
| Universal Ventures (Private) Limited   | 86,452      | 86,452  |
| United Brands Limited                  | 50          | –       |

- 15.3** The age analysis of these related parties is as follows:

|                               | 2026             | 2025             |
|-------------------------------|------------------|------------------|
|                               | Rupees '000      |                  |
| Not yet due                   | 367,173          | 102,205          |
| Past due but not yet impaired |                  |                  |
| –1 to 30 days                 | 19,693           | 18,004           |
| –30 to 90 days                | 63,624           | 52,478           |
| –90 to 180 days               | 37,315           | 84,730           |
| –180 to 365 days              | 441,392          | 201,411          |
| –older than 365 days          | 639,728          | 754,693          |
|                               | <b>1,568,925</b> | <b>1,213,521</b> |



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

- 15.4** These are expenses paid by the Company on behalf of the related parties.
- 15.5** This includes Rs. 197.39 million paid by the company on account of consultancy charges to Ijara Capital Partners Limited ('ICPL') during the prior year.
- 15.6** This relates to royalty paid by the Company on behalf of IBL Healthcare Limited.
- 15.7** This relates to the payment of salaries made by the Company for the employees of Searle Biopharma (Private) Limited.
- 15.8** This represents excess amount paid in relation to group relief availed by the Company. The amount was paid by the Company on the basis of estimation for the purpose of discharging tax liability as per Income Tax Ordinance, 2001, which was settled during the year.
- 15.9** This represents surplus on funded gratuity scheme discontinued by the Company with effect from December 31, 2012.
- 15.10** This represents balance receivable against the disposal of a subsidiary that has been adjusted against an equivalent portion of the consideration payable for the acquisition of Stellar Ventures (Private) Limited.
- 15.11** This includes outstanding receivable of Rs. 1.4 billion (2025: Rs. 3.56 billion) from Ijara Capital Partners Limited ('ICPL') and Noventa Pharma (Private) Limited ('the buyers') arising from the disposal of a Subsidiary. The total sale consideration approved by the shareholders amounted to Rs. 10.53 billion, of which Rs. 5.44 billion was paid upon completion of the conditions precedent stipulated in the Share Purchase Agreement (SPA) and the remaining Rs. 5.09 billion was payable on a deferred basis over a period of 24 months in accordance with the payment schedule specified in the SPA. The outstanding balance represents remaining seven installments of deferred consideration payable by the buyers.

### **16. SHORT-TERM INVESTMENT-AT AMORTISED COST**

This represents an investment of Rs. 400 million in an Islamic Term Deposit Certificate maintained with Al Baraka Bank (Pakistan) Limited. The deposit carries profit at the rate of 11.41% per annum and has a maturity of 1 month.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 17. CASH AND BANK BALANCES

Cash in hand:

- local currency
- foreign currency

**With banks in:**  
**Islamic**

- current account–local currency
- current account–foreign currency

**Conventional**

- current account–local currency
- current account–foreign currency

**2026**                      2025  
Rupees '000

|                  |         |
|------------------|---------|
| <b>200</b>       | 210     |
| <b>3,248</b>     | 4,334   |
| <b>3,448</b>     | 4,544   |
|                  |         |
| <b>12,910</b>    | 3,471   |
| <b>3,369</b>     | –       |
| <b>16,279</b>    | 3,471   |
|                  |         |
| <b>1,516,450</b> | 119,622 |
| <b>38,819</b>    | 12,574  |
| <b>1,555,269</b> | 132,196 |
| <b>1,574,996</b> | 140,211 |

### 18. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

**Authorised share capital**

**2026**                      2025  
(Number of shares)

|                    |             |                                |
|--------------------|-------------|--------------------------------|
| <b>700,000,000</b> | 700,000,000 | Ordinary shares of Rs. 10 each |
|--------------------|-------------|--------------------------------|

**2026**                      2025  
Rupees '000

|                  |           |
|------------------|-----------|
| <b>7,000,000</b> | 7,000,000 |
|------------------|-----------|

**Issued, subscribed and paid up share capital**

**2026**                      2025  
(Number of shares)

|                    |             |                                                   |
|--------------------|-------------|---------------------------------------------------|
| <b>161,596,926</b> | 161,596,926 | Shares allotted for consideration paid in cash    |
| <b>24,000</b>      | 24,000      | Shares allotted for consideration other than cash |
| <b>426,597,661</b> | 349,873,498 | Shares allotted as bonus shares                   |
| <b>588,218,587</b> | 511,494,424 |                                                   |

**2026**                      2025  
Rupees '000

|                  |           |
|------------------|-----------|
| <b>1,615,969</b> | 1,615,969 |
| <b>240</b>       | 240       |
| <b>4,265,977</b> | 3,498,736 |
| <b>5,882,186</b> | 5,114,945 |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 18.1 Movement in issued, subscribed and paid-up share capital

2026 2025

#### Number of shares

#### Ordinary Shares

|                                                           |             |             |
|-----------------------------------------------------------|-------------|-------------|
| Number of shares outstanding at the beginning of the year | 511,494,424 | 511,494,424 |
| Bonus shares issued-note 18.3                             | 76,724,163  | —           |
| Number of shares outstanding at the end of the year       | 588,218,587 | 511,494,424 |

**18.2** All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

**18.3** The Board of Directors in its meeting held on October 03, 2025, recommended the issuance of bonus shares in the proportion of fifteen shares for every one hundred shares held (i.e. 15%). On October 28, 2025, it was approved by the members in Annual General Meeting that the bonus shares will be issued out of the Company's un-appropriated profits and shall rank pari passu in all respects with the existing ordinary shares of the Company. The total size of issue is Rs. 767.24 million divided into 76.72 million ordinary shares of Rs. 10 each.

### 19. REVALUATION SURPLUS ON PROPERTY, PLANT AND EQUIPMENT

The revaluation surplus represents net cumulative increase in the carrying amount as a result of revaluation of property, plant and equipment carried at revalued amount.

2026 2025  
(Rupees in '000)

|                                                                          |           |           |
|--------------------------------------------------------------------------|-----------|-----------|
| Revaluation surplus at beginning of the year                             | 4,582,517 | 4,062,375 |
| Adjustment related to opening deferred tax balance due to change in rate | (72,881)  | —         |
| Surplus arising on revaluation :                                         |           |           |
| - Leasehold land                                                         | 209,643   | 270,110   |
| - Building on leasehold land                                             | 186,033   | 269,000   |
| - Plant and machinery                                                    | 414,766   | 335,426   |
| - Vehicle                                                                | 5,473     | 15,978    |
| - Air-conditioning and systems                                           | 54,170    | 37,235    |
| Deferred tax liability on revaluation surplus                            | (244,364) | (217,021) |
|                                                                          | 625,721   | 710,728   |
| Transfer of revaluation surplus on disposal of vehicle                   |           | —         |
| - Revaluation Surplus                                                    | (29,591)  | —         |
| - Deferred tax on revaluation surplus                                    | 10,949    | —         |
|                                                                          | (18,642)  | —         |
| Net amount transferred to unappropriated profit on account of            |           |           |
| - Incremental depreciation                                               | (386,349) | (284,457) |
| - Deferred tax on incremental depreciation                               | 142,949   | 93,871    |
|                                                                          | (243,400) | (190,586) |
|                                                                          | 4,873,315 | 4,582,517 |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

- 19.1** The revaluation surplus on property, plant and equipment is a capital reserve and is not available for distribution to the Company in accordance with section 241 of the Companies Act, 2017.

### 20. GENERAL RESERVE

General reserve is maintained for fulfilling various business needs including meeting contingencies, offsetting future losses and enhancing the working capital.

|                                              | 2026          | 2025   |
|----------------------------------------------|---------------|--------|
|                                              | Rupees '000   |        |
| <b>21. EMPLOYEE BENEFIT OBLIGATIONS</b>      |               |        |
| Staff retirement gratuity–unfunded–note 21.1 | <b>58,506</b> | 58,380 |

#### 21.1 General description

As stated in note 3.1.1, the Company operates unfunded gratuity scheme for eligible employees. The scheme defines an amount of gratuity benefit that an employee will receive on retirement subject to minimum service under the scheme. The latest actuarial valuation was carried out as at June 30, 2026 using the Projected Unit Credit (PUC) Method.

#### 21.2 Risk on account of defined benefit plan

The Company faces the following risks on account of defined benefit plans:

**Final salary risk**–The risk that the final salary at the time of cessation of service is greater than what the Company has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

**Discount rate fluctuation**–The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans' bond holdings.

|                                                                         | 2026           | 2025    |
|-------------------------------------------------------------------------|----------------|---------|
|                                                                         | Rupees '000    |         |
| <b>21.3 Statement of financial position reconciliation</b>              |                |         |
| Present value of defined benefit obligation                             | <b>58,506</b>  | 58,380  |
| <b>21.4 Movement in the present value of defined benefit obligation</b> |                |         |
| Obligation as at July 1                                                 | <b>58,380</b>  | 57,838  |
| Current service cost–note 21.5                                          | <b>2,566</b>   | 2,463   |
| Interest cost–note 21.5                                                 | <b>6,565</b>   | 7,815   |
| Benefits paid–note 21.7                                                 | <b>(5,019)</b> | (9,754) |
| Remeasurements on obligation–note 21.6                                  | <b>(3,986)</b> | 18      |
| Obligation as at June 30                                                | <b>58,506</b>  | 58,380  |



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                                                      | 2026           | 2025            |
|----------------------------------------------------------------------|----------------|-----------------|
| <b>21.5 Expense recognised in profit or loss</b>                     |                |                 |
|                                                                      | Rupees '000    |                 |
| Current service cost                                                 | (2,566)        | (2,463)         |
| Interest cost                                                        | (6,565)        | (7,815)         |
|                                                                      | <b>(9,131)</b> | <b>(10,278)</b> |
| <b>21.6 Remeasurement recognised in other comprehensive income</b>   |                |                 |
| Experience (gain) / loss                                             | <b>(3,986)</b> | 18              |
| <b>21.7 Net recognised liability</b>                                 |                |                 |
| Balance as at July 1                                                 | <b>58,380</b>  | 57,838          |
| Expense for the year                                                 | <b>9,131</b>   | 10,278          |
| Benefits paid                                                        | <b>(5,019)</b> | (9,754)         |
| Remeasurement (gain) / loss recognised in other comprehensive income | <b>(3,986)</b> | 18              |
| Balance as at June 30                                                | <b>58,506</b>  | 58,380          |

| <b>21.8 Actuarial assumptions</b>          | 2026          | 2025   |
|--------------------------------------------|---------------|--------|
| Discount rate used for year end obligation | <b>11.75%</b> | 11.75% |
| Expected rate of increase in salaries      | <b>11.75%</b> | 11.75% |
| Retirement age (years)                     | <b>60</b>     | 60     |

Mortality was assumed to be SLIC (2001-05) for males and females, as the case may be, but rated down by one year.

**21.9** The sensitivity of the defined benefit obligation to changes in the weighted average principal assumption is:

|                          | Impact on defined benefit obligation |                        |                        |
|--------------------------|--------------------------------------|------------------------|------------------------|
|                          | Change in assumption                 | Increase in assumption | Decrease in assumption |
| Discount rate at 30 June | 1%                                   | (3,528)                | 3,982                  |
| Future salary increases  | 1%                                   | 4,474                  | (4,020)                |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**21.10** If longevity increases by 1 year, the resultant increase in obligation is insignificant.

**21.11** The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the gratuity liability recognised within the unconsolidated statement of financial position.

**21.12** As per actuarial advice, the Company is expected to recognise a service cost of Rs. 9.27 million in 2027.

**21.13** The weighted average service duration of employees is 6.7 years.

### **21.14 Expected maturity analysis of undiscounted retirement benefit plan of the company**

| Gratuity fund           | Less than a year | Between 1–2 years | Between 2–5 years | Between 5–10 years | Over 10 years |
|-------------------------|------------------|-------------------|-------------------|--------------------|---------------|
|                         | (Rupees '000)    |                   |                   |                    |               |
| <b>At June 30, 2026</b> | <b>528</b>       | <b>7,011</b>      | <b>10,829</b>     | <b>27,781</b>      | <b>30,376</b> |
| At June 30, 2025        | 544              | 4,373             | 13,817            | 27,030             | 35,662        |

## **22. LONG-TERM BORROWINGS**

### **Islamic**

|                                                  |                 |          |
|--------------------------------------------------|-----------------|----------|
|                                                  | <b>2026</b>     | 2025     |
|                                                  | Rupees '000     |          |
| Diminishing Musharakah—note 22.1 & 22.2          | <b>162,280</b>  | 60,370   |
| Less: Current portion of long-term loans—note 25 | <b>(36,388)</b> | (14,303) |
|                                                  | <b>125,892</b>  | 46,067   |

**22.1** During the year, the Company obtained diminishing musharakah financing facilities aggregating to Rs. 143.58 million from First Habib Modaraba for the acquisition of four vehicles. The facilities carry profit at 3-months KIBOR plus 1% per annum, subject to a floor rate of 5%, and are repayable over terms ranging from five to six years through periodic buyouts of Musharakah units.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

- 22.2** The facilities are secured by hypothecation / charge over the financed vehicles and plant and machinery. In addition, legal title to and registration of the financed assets remain in the name of First Habib Modaraba until full settlement of the respective facilities.

|                                                   | 2026          | 2025   |
|---------------------------------------------------|---------------|--------|
|                                                   | Rupees '000   |        |
| <b>23. LEASE LIABILITIES</b>                      |               |        |
| Lease liabilities under IFRS 16–notes 23.1 & 23.2 | <b>57,514</b> | 68,914 |
| Non current portion                               | <b>43,470</b> | 57,514 |
| Current portion                                   | <b>14,044</b> | 11,400 |

- 23.1** The amount of future lease payments and the period in which these become due are as follows:

|                                                   | 2026                          |                                     |                                         | 2025                          |                                     |                                         |
|---------------------------------------------------|-------------------------------|-------------------------------------|-----------------------------------------|-------------------------------|-------------------------------------|-----------------------------------------|
|                                                   | Future Minimum Lease Payments | Interest expense on lease liability | Present Value of Minimum Lease Payments | Future Minimum Lease Payments | Interest expense on lease liability | Present Value of Minimum Lease Payments |
|                                                   | (Rupees in '000)              |                                     |                                         |                               |                                     |                                         |
| Not later than one year                           | <b>21,677</b>                 | <b>7,633</b>                        | <b>14,044</b>                           | 20,930                        | 9,530                               | 11,400                                  |
| Later than one year but not later than five years | <b>51,353</b>                 | <b>7,883</b>                        | <b>43,470</b>                           | 71,030                        | 15,478                              | 55,552                                  |
| Later than five years                             | –                             | –                                   | –                                       | 2,000                         | 38                                  | 1,962                                   |
|                                                   | <b>73,030</b>                 | <b>15,516</b>                       | <b>57,514</b>                           | 93,960                        | 25,046                              | 68,914                                  |

- 23.2** Following is the carrying amount of lease liabilities and the movement during the year:

|                       | 2026            | 2025     |
|-----------------------|-----------------|----------|
|                       | Rupees '000     |          |
| Balance as at July 01 | <b>68,914</b>   | 78,702   |
| Interest expense      | <b>9,530</b>    | 11,142   |
| Payments              | <b>(20,930)</b> | (20,930) |
| Balance as at June 30 | <b>57,514</b>   | 68,914   |

- 23.3** Finance cost on lease liabilities for the year ended June 30, 2026 was Rs. 9.53 million (2025: Rs. 11.14 million). Total cash outflow for leases was Rs. 20.93 million (2025: Rs. 20.93 million). The lease liability was measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate of 15.48%.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

- 23.4** The Company recognised warehouse rental expense relating to short-term leases amounting to Rs. 131.7 million (2025: Rs. 127.39) in the statement of profit or loss during the year.

|                                                               | 2026             | 2025             |
|---------------------------------------------------------------|------------------|------------------|
|                                                               | Rupees '000      |                  |
| <b>24. TRADE AND OTHER PAYABLES</b>                           |                  |                  |
| Creditors                                                     | 1,502,355        | 1,354,475        |
| Bills payable in foreign currency                             | 1,042,346        | 1,414,453        |
| Payable to related parties–note 24.1                          | 23,471           | 415,164          |
| Royalty payable–note 24.2                                     | 39,868           | 59,187           |
| Accrued liabilities                                           | 2,292,907        | 1,345,680        |
| Payable to provident fund–note 24.3                           | 26,890           | 135,227          |
| Accrued mark-up–short term borrowings                         | 226,727          | 219,605          |
| Taxes deducted at source and payable to statutory authorities | 844,641          | 928,417          |
| Workers' Profits Participation Fund–note 24.4                 | 226,656          | 51,089           |
| Workers' Welfare Fund–note 24.5                               | 100,641          | 72,083           |
| Other liabilities                                             | 129,714          | 106,849          |
|                                                               | <b>6,456,216</b> | <b>6,102,229</b> |

- 24.1** This represent payable to related parties which are as follows:

### Subsidiary Companies:

|                                                |              |                |
|------------------------------------------------|--------------|----------------|
| Searle Laboratories (Private) Limited          | 1,489        | 1,489          |
| IBL HealthCare Limited                         | –            | 154,470        |
| Searle Biopharma (Private) Limited–note 24.1.1 | –            | 14,015         |
| IBL Frontier Markets (Private) Limited         | –            | 2,250          |
|                                                | <b>1,489</b> | <b>172,224</b> |

### Parent & Associated Companies:

|                                        |               |                |
|----------------------------------------|---------------|----------------|
| International Brands (Private) Limited | 11,797        | 67,820         |
| United Brands Limited                  | –             | 518            |
| IBL Unisys (Private) Limited           | 9,433         | 96,456         |
| IBL Logistics (Private) Limited        | –             | 77,236         |
|                                        | <b>21,230</b> | <b>242,030</b> |

### Other related parties:

|                                    |               |                |
|------------------------------------|---------------|----------------|
| United Retail (Private) Limited    | –             | 429            |
| Universal Retail (Private) Limited | 752           | 481            |
|                                    | <b>752</b>    | <b>910</b>     |
|                                    | <b>23,471</b> | <b>415,164</b> |

- 24.1.1** This included payable to Searle Biopharma (Private) Limited–subsidiary on account of purchase of finished goods.

- 24.2** This includes royalty payable to M/s Sanofi Winthrop Industry as per agreement.



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

- 24.3** The investment in listed equity securities out of the provident fund is in excess of the limit prescribed under the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder. However, the fund is in the process of ensuring compliance with the prescribed limits.

|                                                                        | 2026             | 2025      |
|------------------------------------------------------------------------|------------------|-----------|
|                                                                        | Rupees '000      |           |
| <b>24.4 Workers' Profit Participation Fund</b>                         |                  |           |
| Balance as at July 01                                                  | 51,089           | 15,018    |
| Charge for the year—note 33                                            | 218,647          | 32,682    |
|                                                                        | <b>269,736</b>   | 47,700    |
| Interest on funds utilised in Company's business—note 36               | 725              | 3,389     |
| Payments made during the year                                          | (43,805)         | —         |
| Closing as at June 30                                                  | <b>226,656</b>   | 51,089    |
| <b>24.5 Workers' Welfare Fund</b>                                      |                  |           |
| Balance as at July 01                                                  | 72,083           | 35,328    |
| Charge for the year—note 33                                            | 89,029           | 36,755    |
|                                                                        | <b>161,112</b>   | 72,083    |
| Payment made during the year                                           | (60,471)         | —         |
| Closing as at June 30                                                  | <b>100,641</b>   | 72,083    |
| <b>25. SHORT-TERM BORROWINGS</b>                                       |                  |           |
| <b>Secured borrowings</b>                                              |                  |           |
| <b>Conventional</b>                                                    |                  |           |
| Running finance facilities—notes 25.1, 25.3 & 25.5                     | 1,296,923        | 1,295,206 |
| Export refinance facility—notes 25.1 & 25.5                            | 100,000          | —         |
| Short-term finance facility—note 25.1 & 25.6                           | 500,000          | 300,000   |
|                                                                        | <b>1,896,923</b> | 1,595,206 |
| <b>Islamic</b>                                                         |                  |           |
| Running musharaka—notes 25.1, 25.2 & 25.4                              | 5,801,134        | 6,100,641 |
| Export refinance facility—notes 25.1 & 25.5                            | 100,000          | —         |
| Current portion of long-term borrowings—note 22                        | 36,388           | 14,303    |
|                                                                        | <b>5,937,522</b> | 6,114,944 |
|                                                                        | <b>7,834,445</b> | 7,710,150 |
| <b>Unsecured borrowing</b>                                             |                  |           |
| IBL Future Technologies (Private) Limited—subsidiary Company—note 25.7 | 200,000          | 200,000   |
|                                                                        | <b>8,034,445</b> | 7,910,150 |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

- 25.1** The Company has entered into financing arrangements from various banks amounting to Rs. 9,700 million (2025: Rs. 7,950 million) which includes financing facilities obtained under Islamic mode amounting to Rs. 7,650 million (2025: Rs. 6,350 million). The arrangements are secured jointly by registered mortgage of Rs. 2,813.50 million (2025: Rs. 1,937.5 million) of immovable property together with joint pari passu charge on all current assets of the Company to the extent of Rs. 14,583.67 million (2025: Rs. 11,095.83 million).
- 25.2** The amount utilised under the Islamic mode of financing amounted to Rs. 5,901.13 million (2025: Rs. 6,100.64 million).
- 25.3** The rates of mark-up ranged between 11.74% to 13.99% (2025: 12.33% to 21.83%) per annum.
- 25.4** The rates of profit ranged between 10.58% to 13.03% (2025: 12.08% to 22.72%) per annum.
- 25.5** The Company obtained funded working capital financing facilities amounting to Rs. 350 million under Export Refinance Facility (ERF Part I & II) which is secured by pari passu hypothecation charges over stocks, receivables and plant and machinery, together with a pari passu charge over the Company's land and building situated at Plot No. F-319, SITE, Karachi. The Export Refinance Facility carries mark-up at SBP Refinance Rate plus 1% per annum (effective rate: 5.5% per annum).
- 25.6** This short term finance facility has been obtained to meet the working capital requirement amounting to Rs. 500 million (2025: Rs. 300 million). The facility has a tenor of up to one year, with each tranche having a maximum tenor of 120 days and repayable through a single bullet payment on maturity. The facility is secured by joint pari passu hypothecation charge over current assets (stocks and receivables) and fixed assets (plant and machinery) amounting to Rs. 541.67 million, together with a joint pari passu equitable mortgage over the Company's land and building situated at Plot No. F-319, SITE, Karachi amounting to Rs. 125 million, aggregating to Rs. 666.67 million. The facility carries mark-up at the relevant KIBOR plus a negotiated spread on a tranche-by-tranche basis.
- 25.7** This represents interest free loan which is repayable on demand.

## 26. CONTRACT LIABILITIES

The contract liabilities primarily relate to the advance consideration received from customers for future sales as per the Company's policy, for which revenue is recognised at a point in time when goods are delivered. Revenue recognised from contract liabilities during the year amounted to Rs. 18.57 million (2025: Rs. 9.51 million).

## 27. UNPAID DIVIDEND

2026 2025

Rupees '000

This consists of unpaid dividend on account of:

|                                   |                |                |
|-----------------------------------|----------------|----------------|
| - Bonus shares withheld-note 27.1 | 146,038        | 146,038        |
| - Unavailability of bank details  | 35,591         | 36,022         |
| - Others                          | 280            | 280            |
|                                   | <b>181,909</b> | <b>182,340</b> |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

- 27.1** This represents dividend on bonus shares withheld pertaining to 115 shareholders on which a stay order from the Honourable High Court of Sindh has been obtained against the requirement of section 236M of Income Tax Ordinance, 2001.

### 28. CONTINGENCIES AND COMMITMENTS

#### 28.1 Contingencies

|               | Name of the court, agency or authority | Description of the factual basis of the proceeding and relief sought                                                                                                                                                                                                                                                                                                | Principal parties                          | Date instituted |
|---------------|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------|
| <b>28.1.1</b> | High Court of Sindh                    | The Company has filed a petition against tax on bonus shares in the Honourable High Court of Sindh and expects a favourable outcome. For further detail, refer note 9.1.1 of these unconsolidated financial statements.                                                                                                                                             | The Company and The Federation of Pakistan | 11-Nov-15       |
| <b>28.1.2</b> | High Court of Sindh                    | Exemption provided to the companies falling under Group Relief (section 59B of Income Tax Ordinance, 2001), from tax on intercorporate dividend as mentioned under Clause 103A of Part I of the Second Schedule of the Income Tax Ordinance, 2001, is not applicable now on account of deletion of Section 59B from the said clause, through the Finance Act, 2016. | The Company and The Federation of Pakistan | 2017 to 2023    |
|               |                                        | The Constitutional Petition filed by the Company against tax on intercorporate dividend received from the subsidiary companies has now been disposed off by the Honourable High Court of Sindh vide the Order dated March 22, 2023 holding tax recoverable.                                                                                                         |                                            |                 |
|               |                                        | Recovery notices were then received under section 138(1) of the Ordinance for Tax Years 2014 to 2023 for tax recovery on intercorporate dividend, against which the Company obtained stay from the Honourable High Court of Sindh on its petitions.                                                                                                                 |                                            |                 |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

| Name of the court, agency or authority | Description of the factual basis of the proceeding and relief sought | Principal parties | Date instituted |
|----------------------------------------|----------------------------------------------------------------------|-------------------|-----------------|
|----------------------------------------|----------------------------------------------------------------------|-------------------|-----------------|

The Company has approached the Supreme Court of Pakistan which has granted interim relief vide the Order dated August 28, 2023 [C.P No. 2096-2111/23].

In view of the above, no provision has been made for aggregate amount of tax on intercorporate dividend from Tax Years 2014 to 2023 aggregating Rs 1,618.47 million. The company expects a favourable outcome based on the legal advice.

**28.1.3** The Company had been contesting the validity and applicability of levy under section 4B and 4C before the Honourable High Court of Sindh. However, the Federal Constitutional Court of Pakistan, through its judgment dated 27 January 2026, has upheld section 4B and 4C as intra vires, confirming that the levy is constitutionally valid and continues to apply. For further details, refer note 38.2.3 and 38.2.4 to these unconsolidated financial statements. Other tax contingencies are disclosed in note-38.2 to these unconsolidated financial statements.

**28.1.4** The Company has received an order from SECP imposing a penalty of Rs. 4.5 million for non-compliance of section 199 of the Act. However, the Company has filed a suit against the above order in the Honourable High Court of Sindh as disclosed in note 13.6 to these unconsolidated financial statements.

**28.1.5** The management, based on legal or tax advice, is confident that the ultimate decisions in the above cases (notes 28.1.1 to 28.1.2) will be in favour of the Company, hence no provision has been made in respect of the aforementioned litigations.

### 28.2 Commitments

2026

2025

Rupees '000

#### 28.2.1 Commitments in respect of capital expenditures

Property, plant and equipment

26,552

6,766

**28.2.2** Post-dated cheques issued in favour of Collector of Customs for import of inventory at June 30, 2026 amounted to Rs. 538.95 million (2025: Rs. 197.65 million).

**28.2.3** The facility for opening letters of credit and guarantees as at June 30, 2026 amounted to Rs. 4,015 million (2025: Rs. 3,265 million) of which the amount remaining unutilised as at year end amounted to Rs. 2,716 million (2025: Rs. 1,180 million).

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                                  | 2026              | 2025       |
|--------------------------------------------------|-------------------|------------|
| <b>29. REVENUE FROM CONTRACTS WITH CUSTOMERS</b> | Rupees '000       |            |
| Local sale of goods—note 29.3                    | <b>34,095,083</b> | 25,448,732 |
| Export sales                                     | <b>2,882,980</b>  | 2,603,553  |
|                                                  | <b>36,978,063</b> | 28,052,285 |
| Toll manufacturing                               | <b>313,675</b>    | 6,981      |
|                                                  | <b>37,291,738</b> | 28,059,266 |
| Sales tax                                        | <b>(412,908)</b>  | (230,136)  |
|                                                  | <b>36,878,830</b> | 27,829,130 |
| Less:                                            |                   |            |
| Trade discount                                   | <b>3,730,731</b>  | 2,219,078  |
| Sales returns                                    | <b>1,506,267</b>  | 836,680    |
|                                                  | <b>5,236,998</b>  | 3,055,758  |
|                                                  | <b>31,641,832</b> | 24,773,372 |
| <b>29.1 Geographical Markets</b>                 |                   |            |
| Pakistan                                         | <b>29,182,970</b> | 22,463,866 |
| Afghanistan                                      | <b>178,807</b>    | —          |
| Srilanka                                         | <b>1,127,113</b>  | 886,980    |
| Cambodia                                         | <b>303,717</b>    | 473,427    |
| Myanmar                                          | <b>413,786</b>    | 456,380    |
| Oman                                             | <b>27,215</b>     | 188,108    |
| Vietnam                                          | <b>59,243</b>     | 108,978    |
| Laos                                             | <b>49,625</b>     | 36,703     |
| Senegal                                          | <b>15,978</b>     | 17,426     |
| Uganda                                           | <b>40,828</b>     | 32,071     |
| Philippines                                      | <b>18,997</b>     | 24,908     |
| Kenya                                            | <b>20,371</b>     | 24,075     |
| Tajikistan                                       | <b>40,470</b>     | 27,980     |
| Rwanda                                           | <b>6,267</b>      | 14,566     |
| Iraq                                             | <b>82,027</b>     | —          |
| Sudan                                            | <b>58,863</b>     | —          |
| Others                                           | <b>15,555</b>     | 17,904     |
|                                                  | <b>31,641,832</b> | 24,773,372 |



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**29.2** Revenue from IBL Operations (Private) Limited—a related party represents approximately Rs. 23.34 billion (2025: Rs. 17.46 billion) which constitute 73.76% (2025: 62.22%) of the Company's total net revenue.

**29.3** Consequent to an Order 4480/2018 dated August 3, 2018 issued by the Honourable Supreme Court of Pakistan, the Drug Regulatory Authority of Pakistan (DRAP) fixed maximum retail price of drugs vide notification S.R.O 1610/2018 dated December 31, 2018. Further, DRAP vide Notification S.R.O 34(1)/2019 dated January 10, 2019 increased the maximum retail prices of drugs by nine percent over and above the maximum retail prices as determined under hardship category during the year 2018 and fifteen percent over and above existing maximum retail prices determined under Drug Pricing Policy, 2018 for drugs other than those specified under hardship category.

The Honourable High Court of Sindh vide Order dated January 22, 2019 has disposed off all the legal cases of the Company against DRAP. As mandated under the orders dated August 3, 2018 and November 14, 2018 passed by the Honourable Supreme Court of Pakistan in Human Rights Case No. 2858 of 2006, the Company may file an appeal before the Appellate Board of DRAP as provided under Section 9 of the Drugs Act, 1976, if the Company is dissatisfied by the prices fixed by DRAP.

Consequent to the above, the Company challenged the prices for five of its products namely, Peditral, Gravinat, Metodine, CalanSR and Hydryllin set by DRAP in its Appellate Board and the Appellate Board under its orders dated June 18, 2020 and June 25, 2019 rejected the said application of the Company. The Company has challenged the said orders in the Honourable High Court of Sindh and an interim order has been passed restricting DRAP from taking any coercive action against the Company.

During the financial year 2021, the Company received a notice from the Drug Regulatory Authority of Pakistan (DRAP) directing the Company to reduce the price of its generic brand, Co-Extor, by 15% below the corresponding originator brand through its letter dated May 5, 2021, alleging that the product was being sold at prices higher than those approved by DRAP. The Company challenged the said directive and obtained a stay order dated May 20, 2021 from the Honourable High Court of Sindh restraining DRAP from taking any coercive action against the Company.

Subsequently, the Company pursued the statutory appellate remedy before the Drug Regulatory Authority of Pakistan (DRAP) constituted under the Drugs Act, 1976. The appeal was dismissed through an order dated August 31, 2021. Thereafter, the Company instituted civil proceedings challenging, inter alia, the pricing directive and the validity of the appellate proceedings. By order dated July 22, 2026, the Civil Court held that the Company had exhausted its statutory remedy before the Appellate Board and that any remaining grievances concerning the validity of the appellate proceedings and compliance with principles of natural justice should be pursued before the Honourable High Court of Sindh under Article 199 of the Constitution. Accordingly, the Company was returned for presentation before the appropriate forum. The Company is presently pursuing the matter through the available legal remedies.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

During the financial year 2023, the Company has received an annual price adjustment on all of its products at a rate of 7% on essential products and 10% on other products based on CPI 2022 and at a rate of 14% on essential products and 20% on other products allowed via SRO 595 (I)/2023 dated May 19, 2023 to cope up with the current situation of inflation and dollar parity.

During the financial year 2024, the government has approved deregulation of drug prices not included in the National Essential Medicines List (NEML) via SRO 230 (I)/2024 dated February 19, 2024, on recommendation of the Ministry of National Health. Therefore the prices of medicines, other than essential, will be exempted from the section 12 of Drugs Act, 1976 which grants autonomy to the Company to independently raise prices of non-essential drugs.

Following the aforesaid deregulation, five of the six products subject to the pricing litigation have been deregulated and, accordingly, the Company believes that no retrospective price adjustment in respect of these products will be demanded. Pursuant to the aforementioned deregulation, the Company received an annual price adjustment of 14% based on CPI 2023, applicable only to its essential products.

During the year, the Company received an annual price adjustment of 3.14% on its essential products based on CPI 2025 (2025: 7% based on CPI 2024).

Exposure of the Company due to abovementioned litigations (including deregulated products) amounted to Rs. 4.14 billion (2025: Rs. 4.14 billion).

As disclosed in note 34 of these unconsolidated financial statements, during the year the Company transferred the Co-Extor brand to Searle Biopharma (Private) Limited. The pricing litigation disclosed herein pertains to the Co-Extor product and involves an exposure of Rs. 512.31 million out of total impact of Rs. 4.14 Billion.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                           | 2026              | 2025              |
|-------------------------------------------|-------------------|-------------------|
|                                           | Rupees '000       |                   |
| <b>30. COST OF SALES</b>                  |                   |                   |
| Raw and packing material consumed         | 9,180,052         | 7,095,175         |
| Processing charges                        | 899,536           | 776,202           |
| Salaries, wages and benefits              | 786,456           | 614,964           |
| Provision for staff gratuity (unfunded)   | 3,110             | 5,920             |
| Provident fund contribution               | 32,864            | 24,664            |
| Carriage and duties                       | 76,144            | 68,118            |
| Fuel, water and power                     | 437,259           | 483,951           |
| Rent, rate and taxes                      | 63,191            | 59,654            |
| Canteen expenses                          | 52,870            | 46,666            |
| Stationery and supplies                   | 20,171            | 20,283            |
| Travelling                                | 61,161            | 47,441            |
| Repairs and maintenance                   | 187,529           | 153,647           |
| Security expenses                         | 22,994            | 25,944            |
| Vehicle expenses                          | 26,750            | 22,900            |
| Insurance                                 | 11,214            | 9,729             |
| Legal and professional charges            | 15,718            | 2,430             |
| Depreciation                              | 501,628           | 421,280           |
| Medical expenses                          | 32,811            | 19,052            |
| Research cost                             | 141,830           | 46,329            |
| Others                                    | 9,299             | 7,902             |
|                                           | <b>12,562,587</b> | <b>9,952,251</b>  |
| Add: Opening work-in-process              | 237,333           | 167,010           |
| Less: Closing work-in-process             | (366,945)         | (237,333)         |
| <b>Cost of goods manufactured</b>         | <b>12,432,975</b> | <b>9,881,928</b>  |
| Add: Opening inventory of finished goods  | 444,881           | 185,825           |
| Add: Finished goods purchased             | 3,103,210         | 2,637,736         |
| Less: Closing inventory of finished goods | (1,026,545)       | (444,881)         |
|                                           | <b>14,954,521</b> | <b>12,260,608</b> |
| Less: Cost of samples                     | (64,997)          | (75,422)          |
|                                           | <b>14,889,524</b> | <b>12,185,186</b> |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                               | 2026              | 2025        |
|-------------------------------|-------------------|-------------|
| <b>31. DISTRIBUTION COSTS</b> |                   | Rupees '000 |
| Salaries, wages and benefits  | <b>3,297,080</b>  | 2,487,736   |
| Advertising and promotion     | <b>1,398,676</b>  | 613,189     |
| Travelling                    | <b>1,433,775</b>  | 1,108,933   |
| Carriage and duties           | <b>985,787</b>    | 842,396     |
| Bonus to salesmen             | <b>796,700</b>    | 548,791     |
| Samples                       | <b>387,266</b>    | 432,327     |
| Stationery and supplies       | <b>23,556</b>     | 30,830      |
| Vehicle running               | <b>89,124</b>     | 79,763      |
| Personnel training            | <b>394,861</b>    | 115,354     |
| Legal and professional        | <b>39,453</b>     | 23,330      |
| Service charges –note 31.1    | <b>248,516</b>    | 152,617     |
| Fees and subscription         | <b>212,117</b>    | 173,878     |
| Communication                 | <b>38,519</b>     | 37,966      |
| Provident fund contribution   | <b>94,696</b>     | 78,466      |
| Insurance                     | <b>26,279</b>     | 15,824      |
| Depreciation                  | <b>41,593</b>     | 30,861      |
| Medical expenses              | <b>104,106</b>    | 57,479      |
| Replacement products          | <b>87,538</b>     | 149,174     |
| Rent, rate and taxes          | <b>148,781</b>    | 154,703     |
| Repairs and maintenance       | <b>6,300</b>      | 11,151      |
| Fuel, water and power         | <b>148,619</b>    | 251,318     |
| Canteen expenses              | <b>5,018</b>      | 6,769       |
| Security expenses             | <b>19,531</b>     | 10,662      |
| Others                        | <b>32,168</b>     | 10,053      |
|                               | <b>10,060,059</b> | 7,423,570   |

**31.1** These service charges mainly comprise of payments made to distributors for sale to institutions as per the agreement.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                              | 2026             | 2025             |
|----------------------------------------------|------------------|------------------|
|                                              | Rupees '000      |                  |
| <b>32. ADMINISTRATIVE EXPENSES</b>           |                  |                  |
| Salaries, wages and benefits                 | 367,898          | 406,986          |
| Corporate services charged by Parent Company | 145,200          | 145,200          |
| Legal and professional charges               | 124,311          | 233,300          |
| Donations—notes 32.1 to 32.2                 | 172,140          | 137,564          |
| Depreciation                                 | 211,291          | 172,299          |
| Repairs and maintenance                      | 75,656           | 184,954          |
| Software maintenance services                | 254,394          | 117,610          |
| Rent, rate and taxes                         | 10,629           | 5,757            |
| Stationery and supplies                      | 36,078           | 29,525           |
| Amortisation—note 7                          | 12,166           | 13,837           |
| Insurance                                    | 70,229           | 82,543           |
| Travelling                                   | 45,519           | 16,525           |
| Auditors' remuneration—note 32.3             | 33,001           | 33,721           |
| Fees and subscription                        | 38,814           | 26,245           |
| Vehicle expenses                             | 32,182           | 22,608           |
| Canteen expenses                             | 2,624            | 4,524            |
| Provident fund contribution                  | 13,069           | 14,434           |
| Communication                                | 14,281           | 9,504            |
| Security expenses                            | 7,329            | 4,911            |
| Medical expenses                             | 14,911           | 10,708           |
| Provision for staff gratuity (unfunded)      | 6,020            | 4,358            |
| Personnel training                           | 11,614           | 2,632            |
| Others                                       | 12,164           | 10,437           |
| Reimbursement of expenses—note 32.4          | 110,000          | 94,162           |
|                                              | <b>1,821,520</b> | <b>1,784,344</b> |

**32.1** Donations to a single party exceeding higher of Rs. 1 million or 10% of total donations i.e. Rs. 17.21 million are as follows:

|                                | 2026          | 2025          |
|--------------------------------|---------------|---------------|
|                                | Rupees '000   |               |
| AKAR Hospital—note 32.1.2      | —             | 38,064        |
| Munash Enterprises—note 32.1.1 | 27,172        | —             |
| The Citizens Foundation        | 44,000        | 19,000        |
| Karachi Relief Trust           | —             | 18,300        |
|                                | <b>71,172</b> | <b>75,364</b> |



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**32.1.1** This represents medicines distributed to different relief camps through Munash Enterprises.

**32.1.2** During prior year, AKAR Hospital ceased to be a related party of the Company. Previously, the hospital had been under the oversight of the Company's management.

**32.2** During the year, the Company also donated Rs. 74.1 million to its related parties:

|                                             | 2026          | 2025          |
|---------------------------------------------|---------------|---------------|
|                                             | Rupees '000   |               |
| AKAR Hospital—note 32.1.2                   | —             | 38,064        |
| The Citizen Foundation                      | 44,000        | 19,000        |
| Karachi Relief Trust                        | 16,600        | 18,300        |
| Rashid Abdullah Foundation                  | 3,500         | 4,500         |
| Indus Valley School of Art and Architecture | —             | 500           |
| Indus Hospital & Health Network             | 10,000        | —             |
|                                             | <b>74,100</b> | <b>80,364</b> |

**32.2.1** Following directors' interest in the above related parties is limited to the extent of their involvement as directors:

| Name of Related Party                                      | Association             |
|------------------------------------------------------------|-------------------------|
| - The Citizen Foundation                                   | Munis Abdullah—Trustee  |
| - Karachi Relief trust—note 32.2.2                         | Adnan Asdar Ali—Trustee |
| - Rashid Abdullah Foundation                               | Munis Abdullah—Trustee  |
| - Indus Hospital & Health Network —note 32.2.2             | Adnan Asdar Ali—Trustee |
| - Indus Valley School of Art and Architecture —note 32.2.2 | Adnan Asdar Ali—Trustee |

**32.2.2** From December 31, 2025, Karachi Relief Trust, Indus Valley School of Art and Architecture and Indus Hospital & Health Network ceased to be a related party of the Company as Adnan Asdar Ali resigned from the Board of Directors.

**32.2.3** The Directors or their spouse has no interest in any other donee entity.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                                                                                               | 2026          | 2025   |
|---------------------------------------------------------------------------------------------------------------|---------------|--------|
| <b>32.3 Auditors' remuneration</b>                                                                            | Rupees '000   |        |
| Audit fee–standalone                                                                                          | <b>10,000</b> | 8,000  |
| - Consolidation                                                                                               | <b>4,000</b>  | 3,000  |
| - Subsidiaries note–note 32.3.1                                                                               | <b>1,900</b>  | 1,900  |
| Fee for review of interim financial information and Statement of Compliance with Code of Corporate Governance | <b>2,750</b>  | 2,100  |
| Taxation services                                                                                             | <b>12,000</b> | 7,621  |
| Other certifications, attestations and other services                                                         | <b>–</b>      | 9,646  |
| Out-of-pocket expenses                                                                                        | <b>2,351</b>  | 1,454  |
|                                                                                                               | <b>33,001</b> | 33,721 |

**32.3.1** This represents audit fees of IBL Future Technologies (Private) Limited, Searle Laboratories (Private) Limited and Searle Pharmaceuticals (Private) Limited.

**32.4** This represents reimbursement of expenses incurred by IBL Healthcare Limited for the tender based sales.

|                                                      | 2026           | 2025   |
|------------------------------------------------------|----------------|--------|
| <b>33. OTHER EXPENSES</b>                            | Rupees '000    |        |
| Workers' Profit Participation Fund–note 24.4         | <b>218,647</b> | 32,682 |
| Workers' Welfare Fund–note 24.5                      | <b>89,029</b>  | 36,755 |
| Central Research Fund                                | <b>38,349</b>  | 6,085  |
| Provision for expected credit loss–note 12.8         | <b>4,944</b>   | 13,234 |
| Loss on disposal of property, plant and equipment    | <b>10,123</b>  | –      |
| Loss on disposal of short-term investments–note 33.1 | <b>9,394</b>   | –      |
|                                                      | <b>370,486</b> | 88,756 |

**33.1** This represents loss amounting to Rs. 9.39 million relating to the disposal of unsecured perpetual Term Finance Certificates (TFCs) from Habib Bank Limited at a consideration of Rs. 90.61 million. The TFC carried mark-up of KIBOR plus 1.6% per annum.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                                                                  | 2026             | 2025    |
|----------------------------------------------------------------------------------|------------------|---------|
|                                                                                  | Rupees '000      |         |
| <b>34. OTHER INCOME</b>                                                          |                  |         |
| <b>Income from financial assets–others</b>                                       |                  |         |
| Interest income from Term Finance Certificates                                   | –                | 16,935  |
| Unwinding of deferred consideration                                              | 322,124          | 37,128  |
| Interest income on delayed payments–note 34.1                                    | –                | 135,000 |
|                                                                                  | <b>322,124</b>   | 189,063 |
| <b>Income from non-financial assets</b>                                          |                  |         |
| Rental income from investment property–note 34.3                                 | 108,919          | 101,505 |
| Income from provision of amenities in respect of investment properties–note 34.4 | 125,342          | 58,719  |
| Gain on disposal of property, plant and equipment                                | –                | 16,825  |
| Income from architectural & interior designing–note 34.5                         | 11,639           | 1,380   |
| Scrap sales                                                                      | 37,142           | 29,215  |
| Marketing and promotional services–note 34.6                                     | 36,494           | –       |
| Gain on sale of brands–note 34.7                                                 | 3,900,000        | –       |
|                                                                                  | <b>4,219,536</b> | 207,644 |
|                                                                                  | <b>4,541,660</b> | 396,707 |

**34.1** This represents finance income charged to the buyers for the delaying payment received in respect of sale of subsidiary.

**34.2** Future undiscounted lease payments to be received under operating leases as at June 30, 2026 are as follows :

|                       | 2026           | 2025    |
|-----------------------|----------------|---------|
|                       | Rupees '000    |         |
| Within one year       | 115,223        | 104,751 |
| Between 1 and 2 years | 44,159         | 115,223 |
| Between 2 and 3 years | 21,886         | 44,159  |
| Between 3 and 4 years | 12,804         | 21,886  |
| Between 4 and 5 years | –              | 12,804  |
| More than 5 years     | –              | –       |
|                       | <b>194,072</b> | 298,823 |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**34.3** This includes rental income from related parties, which are as follows:

|                                          | 2026          | 2025          |
|------------------------------------------|---------------|---------------|
|                                          | Rupees '000   |               |
| - International Brands (Private) Limited | 22,572        | 20,463        |
| - Searle Pakistan (Private) Limited      | –             | 7,100         |
| - United Retail (Private) Limited        | 6,816         | 7,400         |
| - Universal Retail (Private) Limited     | 39,473        | 34,624        |
| - IBL Operations (Private) Limited       | 10,232        | 9,080         |
| - IBL Healthcare Limited                 | 5,415         | 4,847         |
| - IBL Unisys (Private) Limited           | 2,984         | 2,811         |
|                                          | <b>87,492</b> | <b>86,325</b> |

**34.4** This amount is stated net of charges pertaining to utilities utilised by the tenants.

**34.5** These represent architectural and interior designing services provided by Company, under the brand name “Habitt Spaces” to the customers. This includes providing designing, drawing, bills of quantity and top supervision services to the customers.

**34.6** This represents marketing and promotional services rendered by The Searle Company Limited to Searle Pakistan (Private) Limited in relation to export sales.

**34.7** The Board of Directors of the Company, in their meeting held on May 11, 2026, and subsequently the shareholders at an Extraordinary General Meeting held on June 12, 2026, approved the sale of certain brands and market authorisation rights relating to the Company’s bioscience business to Searle Biopharma (Private) Limited, an indirect subsidiary of the Company. The agreement between the Company and Searle Biopharma (Private) Limited became effective on June 15, 2026. The transaction included the transfer of brands relating to Extor, Co-Extor, Tirzepatide, Semavi-Tabs, Actinib, Upada and Dalimab, and market authorisation rights relating to Rexeva, Tuximab, Cizumab, Denosu and Trastam. Pursuant to the related business transfer agreement, the transfer was effected for an aggregate consideration of Rs. 3.9 billion as part of the Group’s business reorganisation and portfolio rationalisation strategy.

Accordingly, the Company recognised a gain on disposal of the transferred brands and market authorisation rights amounting to Rs. 3.9 billion in these unconsolidated financial statements.

## **35. IMPAIRMENT LOSS ON INVESTMENT IN SUBSIDIARIES**

**35.1** During the year, the Company recognised impairment losses on its investments in Searle Laboratories (Private) Limited, Searle Pharmaceuticals (Private) Limited and Stellar Ventures (Private) Limited amounting to Rs. 125 million, Rs. 0.4 million and Rs. 993 million, respectively. Further details regarding the impairment assessment and underlying assumptions are disclosed in note 9 to these unconsolidated financial statements.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

- 35.2** In prior year, an impairment loss on the divestment of Searle Pakistan (Private) Limited amounting to Rs. 927.24 million was recognised. The divestment was completed on January 31, 2025. This includes the net financing impact arising from the extension and deferred payment arrangement with Ijara Capital Partners Limited ("ICPL") and Noventa Pharma (Private) Limited.

|                                                          | 2026             | 2025             |
|----------------------------------------------------------|------------------|------------------|
| <b>36. FINANCE COST</b>                                  | Rupees '000      |                  |
| Bank charges                                             | 53,095           | 55,620           |
| Interest on Workers' Profit Participation Fund—note 24.4 | 725              | 3,389            |
| Exchange loss—net                                        | 33,550           | 39,109           |
| Mark-up on:                                              |                  |                  |
| –Long-term borrowings—note 36.1                          |                  |                  |
| Musharaka facility                                       | –                | 665,077          |
| Interest on diminishing musharakah                       | 13,105           | 11,513           |
| –Short-term borrowings—note 36.1                         | 944,421          | 1,221,772        |
| Interest on lease liabilities—note 23.2                  | 9,530            | 11,142           |
| Interest on loan from provident fund                     | 2,620            | 19,246           |
|                                                          | <b>1,057,046</b> | <b>2,026,868</b> |

- 36.1** The amount of profit charged under Islamic mode of financing amounted to Rs. 762.23 million (2025: Rs. 1,676.07 million).

|                     | 2026        | 2025  |
|---------------------|-------------|-------|
| <b>37. LEVIES</b>   | Rupees '000 |       |
| Minimum tax u/s 148 | 19,604      | 7,577 |

- 37.1** This represents minimum tax under section 148 of Income Tax Ordinance, 2001, representing levies in term of requirements of IFRIC 21/IAS 37.

|                                         | 2026             | 2025           |
|-----------------------------------------|------------------|----------------|
| <b>38. INCOME TAX EXPENSE</b>           | Rupees '000      |                |
| Income tax                              |                  |                |
| For the year                            | 1,748,135        | 688,523        |
| Prior year charge / (reversal)          | 371,993          | (3,934)        |
| Deferred tax charge / (credit)—note 8.1 | 723,502          | (392,312)      |
|                                         | <b>2,843,630</b> | <b>292,277</b> |



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 38.1 Relationship between tax expense and accounting profit

|                                           | 2026             | 2025     |
|-------------------------------------------|------------------|----------|
|                                           | Rupees '000      |          |
| Profit before income tax                  | <b>6,846,853</b> | 726,315  |
| Tax at applicable rate of 29% (2025: 29%) | <b>1,985,587</b> | 210,631  |
| Effect of:                                |                  |          |
| - final/ minimum tax regime               | <b>5,685</b>     | (14,043) |
| - super tax                               | <b>489,164</b>   | 84,164   |
| - change in rate                          | <b>(68,859)</b>  | –        |
| - effect of prior year                    | <b>371,993</b>   | (3,934)  |
| - others                                  | <b>60,060</b>    | 15,459   |
|                                           | <b>2,843,630</b> | 292,277  |

### 38.2 Current status of tax assessments

#### 38.2.1 Tax Years 2009 to 2017

The taxation authorities amended the Company's tax assessments for tax years 2009 to 2017 through orders issued under Section 120 of the Income Tax Ordinance, 2001, whereby various expenses, deductions and tax credits were disallowed. The principal adjustments relate to non-deduction of withholding tax on distributors' margins, inadmissibility of group relief claims, disallowance of finance costs on long-term loans on the grounds that such costs were not incurred in deriving business income, advertisement expenses, salesmen's bonuses, bonus shares, discounts granted to a group company, compensation paid on delayed execution of contracts, deemed interest income on interest-free loans extended to a group company, disallowance of tax credits and other expenditures falling within the ambit of Section 21(c) of the Income Tax Ordinance, 2001 due to non-compliance with withholding tax requirements.

The aggregate exposure arising from these assessments amounted to approximately Rs. 618.62 million. Appeals against these orders are currently pending adjudication before the Appellate Tribunal Inland Revenue (ATIR).

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 38.2.2 Tax Years 2018 to 2024

The amendment for the tax year 2018 was made vide Order dated June 29, 2024 under section 122(1) of the Ordinance on completion of the audit proceedings where whereby the taxable income declared in the return of income amounting to Rs. 111.33 million was amended to Rs. 4,757.82 million. The amendment primarily arose due to disallowance of consultancy charges, processing charges and corporate services charges treated as non-business expenditure, addition on account of differences between imports reported in the return and reflected on the FBR ITMS portal, and disallowance of initial allowance claimed on additions to property, plant and equipment under section 23 of the Ordinance, resulting in a net increase in taxable income of Rs. 4,646.49 million.

Consequently, a tax demand of Rs. 1,306 million was raised. The Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) vide letter dated July 26, 2024, which is yet to be heard. The Company's contention is that the refund order issued was not considered while framing the amendment order. The matter is pending adjudication before the appellate forum.

The amendment for the tax year 2019 was made vide Order dated August 30, 2023 under section 122(1)/(5) of the Ordinance on completion of the audit proceedings where the disallowances of expenses have been made for non-withholding of taxes under Purchases and certain other head of expenses aggregating Rs. 2,628.62 million and tax demand of Rs. 324.39 million was raised after adjusting available advance tax. Rectification against the order was filed vide letter dated September 25, 2023. The Company has filed appeals before the Commissioner Inland Revenue (Appeals) against the aforesaid orders, which were heard on January 15, 2026, and the decisions are awaited.

During the year, the Appellate Tribunal Inland Revenue decided the Company's appeal, maintaining certain additions and disallowances amounting to 2.63 billion while remanding certain issues for reconsideration. The Company has filed a reference before the Honourable High Court of Sindh and the remanded matters remain pending before the relevant tax authorities.

The Company has received an amended assessment order for tax year 2020, whereby the taxable income was revised, resulting in an additional tax demand of Rs. 287.75 million. The demand primarily relates to the disallowance of certain expenses and the reversal of previously allowed refund adjustments. The Company has filed an appeal against the aforesaid order before the Appellate Tribunal Inland Revenue, which is currently pending adjudication.

Further, during the year, an order dated June 29, 2026 was passed under sections 161/205 of the Income Tax Ordinance, 2001 in respect of tax year 2020, raising an additional demand of Rs. 462.31 million on account of alleged withholding tax defaults on various expense heads. The Company has filed an appeal before the Commissioner Inland Revenue (Appeals) against the aforesaid order, which is pending adjudication. The Company also intends to seek rectification in respect of certain errors and non-consideration of submissions made during the proceedings.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

The Company has received an amended assessment order for tax year 2021, whereby the previously determined tax refund of Rs. 186.07 million was revised to Rs. 34.56 million, primarily due to the disallowance of certain expenses. The Company has filed an appeal against the aforesaid order before the Appellate Tribunal Inland Revenue, which is currently pending adjudication.

Further, for tax year 2022, tax refundable of Rs. 489.93 million has been revised to a tax payable of Rs. 45.58 million due to disallowance of tax deducted at source of Rs. 192.04 million and revision of tax liability amounting to Rs. 621.75 million due to disallowance of certain expenses through order dated June 27, 2025 under section 122(5A) of the Ordinance.

For tax year 2024, tax refundable of Rs. 524.08 million has been revised to a tax payable of Rs. 46.3 million due to revision of income assessed to Rs. 1.76 billion due to disallowance of certain expenses through order dated April 27, 2026 under section 122(5A) of the Ordinance. The Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) vide letter dated May 22, 2026, which is yet to be heard.

Considering the factual and legal position on the actions taken and on the legal advice, the Company expects a favourable outcome.

### 38.2.3 Super tax under section 4B

The petition filed by the Company against the imposition of super tax for rehabilitation of temporarily displaced persons under section 4B of the Income Tax Ordinance, 2001 for tax years 2015 to 2019 before the Honourable High Court of Sindh was rejected vide order dated July 21, 2020. Consequently, the Company received various notices from the tax authorities for recovery of super tax for tax years 2015 to 2019.

Separate orders for tax years 2016, 2018 and 2019 were framed under section 4B of the Ordinance which were challenged in appeal on legal as well as computational matters, including the applicability of super tax on income subject to Final Tax Regime (FTR).

Orders for tax years 2018 and 2019 were maintained by the appellate authorities and the Appellate Tribunal Inland Revenue, against which the Company had preferred references before the Honourable High Court of Sindh. For tax year 2016, the Honourable High Court of Sindh had remanded back the proceedings to ATIR. The Honourable Supreme Court of Pakistan had also granted stay against recovery subject to deposit of 50% of the disputed amount.

During the year, the Federal Constitutional Court of Pakistan, through its judgment dated January 27, 2026, upheld section 4B of the Income Tax Ordinance, 2001 as intra vires, confirming that the levy is constitutionally valid and enforceable. Accordingly, all petitions filed by the Company in this regard stand dismissed.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

Consequent to the aforesaid judgment, the total exposure of the Company under section 4B for tax years 2015 to 2019, based on the demand position, amounts to Rs. 403.27 million. Out of the aforesaid amount, the Company has recorded a provision of Rs. 100.31 million on its return position in these unconsolidated financial statements. The remaining balance of Rs. 302.96 million has not been recognised based on the following contentions:

- Taxability of exempt intercorporate dividend income in light of stay obtained from the Honourable High Court of Sindh refer-note 28.1.2.
- Erroneous additions in the notices received; and
- Status of pending appeal of the Company before the appellate authorities.

Based on the advice of its legal and tax consultants, the Company expects a favourable outcome in respect of the aforesaid matters.

### 38.2.4 Super tax under section 4C

The Government had levied a super tax for tax year 2022 and onwards on high earning persons under section 4C of the Income Tax Ordinance, 2001. Further, enhanced super tax rates were introduced for specified sectors, including the pharmaceutical sector. Through the Finance Act 2023, the Government had introduced new slab rates for super tax for taxpayers having income in excess of Rs 300 million. The Company had challenged the validity and applicability of section 4C and the enhanced rates introduced through subsequent Finance Acts before the competent judicial forums.

However, during the year, the Federal Constitutional Court of Pakistan, through its judgment dated January 27, 2026, upheld section 4C of the Income Tax Ordinance, 2001 as intra vires, confirming that the levy is constitutionally valid and enforceable. Accordingly, all petitions filed by the Company in this regard stand dismissed.

Consequent to the aforesaid judgment, the total exposure of the Company under section 4C for tax years 2022 to 2025 amounts to Rs. 946.56 million, based on the amended assessment orders. Out of the aforesaid amount, the Company has recorded super tax under section 4C amounting to Rs. 546.84 million based on its return position in these unconsolidated financial statements. Out of the said provision, the Company has made payments of Rs. 303.02 million based on the advice of tax consultants for tax years 2022 to 2024.

The Company has not recognised provision for the remaining amount of Rs. 381.71 million in these unconsolidated financial statements based on the pending appeal of the company before the appellate authorities for tax year 2022 to 2024.

Based on the advice of its legal and tax consultants, the Company expects a favourable outcome in respect of the aforesaid matters.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                                                                           |                  | (Restated)  |
|-------------------------------------------------------------------------------------------|------------------|-------------|
|                                                                                           | 2026             | 2025        |
|                                                                                           |                  | Rupees '000 |
| <b>39. BASIC AND DILUTED EARNINGS PER SHARE</b>                                           |                  |             |
| Profit for the year                                                                       | <b>4,003,223</b> | 434,038     |
| Weighted average number of outstanding shares at the end of year (in thousands)–note 39.1 | <b>588,219</b>   | 588,219     |
| Earnings per share (Rupees)                                                               | <b>6.81</b>      | 0.74        |

|                                                          |                | (Restated)               |
|----------------------------------------------------------|----------------|--------------------------|
|                                                          | 2026           | 2025                     |
|                                                          |                | No. of Shares<br>In '000 |
| <b>39.1 Weighted average number of ordinary shares</b>   |                |                          |
| Issued ordinary shares as at July 01                     | <b>511,494</b> | 511,494                  |
| Effect of number of shares issued through bonus          | <b>76,725</b>  | 76,725                   |
|                                                          |                | –                        |
| Weighted average number of ordinary shares as at June 30 | <b>588,219</b> | 588,219                  |

**39.2** Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2026 and 2025.



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                                                | Note | 2026               | 2025        |
|----------------------------------------------------------------|------|--------------------|-------------|
| 40. CASH GENERATED FROM OPERATIONS                             |      | Rupees '000        |             |
| Profit before levies and income tax                            |      | <b>6,866,457</b>   | 733,892     |
| Add / (less): Adjustments for non-cash charges and other items |      |                    |             |
| Depreciation of property, plant and equipment                  | 4.8  | <b>650,188</b>     | 521,540     |
| Depreciation of right-of-use assets                            | 5    | <b>9,660</b>       | 9,660       |
| Depreciation of investment properties                          | 6.1  | <b>94,664</b>      | 93,240      |
| Loss / (gain) on disposal of property, plant and equipment     | 33   | <b>10,123</b>      | (16,825)    |
| Loss on disposal of short-term investments                     | 33   | <b>9,394</b>       | –           |
| Gain on sale of brands                                         | 34   | <b>(3,900,000)</b> | –           |
| Amortisation of intangible assets                              | 7.1  | <b>12,166</b>      | 13,837      |
| Amortisation of transaction cost                               |      | <b>–</b>           | 28,881      |
| Provision for retirement benefits obligation                   | 21.5 | <b>9,131</b>       | 10,278      |
| Interest on lease liabilities                                  | 23.2 | <b>9,530</b>       | 11,142      |
| Interest on loan from provident fund                           | 36   | <b>2,620</b>       | 19,246      |
| Unwinding of deferred consideration                            | 34   | <b>(322,124)</b>   | (37,128)    |
| Provision for expected credit loss                             | 33   | <b>4,944</b>       | 13,234      |
| Impairment loss on investment in subsidiaries                  | 35   | <b>1,118,400</b>   | 927,463     |
| Workers' Profit Participation Fund                             | 24.4 | <b>218,647</b>     | 32,682      |
| Workers' Welfare Fund                                          | 24.5 | <b>89,029</b>      | 36,755      |
| Finance cost                                                   |      | <b>1,011,346</b>   | 1,928,490   |
| Unrealised exchange loss / (gain)                              |      | <b>10,174</b>      | (12,588)    |
| Profit before working capital changes                          |      | <b>5,904,349</b>   | 4,313,799   |
| <b>Effect on cash flows due to working capital changes</b>     |      |                    |             |
| Decrease / (increase) in current assets                        |      |                    |             |
| Inventories                                                    |      | <b>(1,516,502)</b> | (1,407,997) |
| Trade receivables                                              |      | <b>(97,621)</b>    | 1,215,286   |
| Loans and advances                                             |      | <b>(1,735,866)</b> | (367,163)   |
| Trade deposits and short-term prepayments                      |      | <b>(98,301)</b>    | (341)       |
| Refunds due from government–sales tax                          |      | <b>30,069</b>      | (46,822)    |
| Other receivables                                              |      | <b>168,812</b>     | (659,871)   |
|                                                                |      | <b>(3,249,409)</b> | (1,266,908) |
| Increase / (decrease) in current liabilities                   |      |                    |             |
| Trade and other payables                                       |      | <b>118,951</b>     | (1,401,619) |
|                                                                |      | <b>(3,130,458)</b> | (2,668,527) |
| Cash generated from operations                                 |      | <b>2,773,891</b>   | 1,645,272   |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

|                                                  | 2026           | 2025               |
|--------------------------------------------------|----------------|--------------------|
|                                                  | Rupees '000    |                    |
| <b>41. CASH AND CASH EQUIVALENTS</b>             |                |                    |
| Cash and bank balances—note 17                   | 1,574,996      | 140,211            |
| Short-term investment—note 16                    | 400,000        | —                  |
| Running finance under markup arrangement—note 25 | (1,296,923)    | (1,295,206)        |
|                                                  | <b>678,073</b> | <b>(1,154,995)</b> |

## 42. SEGMENT INFORMATION

Based on internal management reporting structure for the year, no reportable segments were identified that were of continuing significance for decision making.

## 43. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

|                             | Chief Executive |                | Directors    |              | Executives       |                |
|-----------------------------|-----------------|----------------|--------------|--------------|------------------|----------------|
|                             | 2026            | 2025           | 2026         | 2025         | 2026             | 2025           |
|                             | Rupees '000     |                |              |              |                  |                |
| Managerial remuneration     | 24,502          | 41,145         | —            | —            | 531,439          | 405,321        |
| Housing allowance           | 11,026          | 18,515         | —            | —            | 239,148          | 182,394        |
| Utility allowance           | 2,450           | 4,114          | —            | —            | 53,144           | 40,532         |
| Other allowance             | 444             | 14,658         | —            | —            | 94,902           | 98,230         |
| Medical expenses—note 43.4  | —               | 236            | —            | —            | 356              | 14,205         |
| Benefits                    | 3,780           | 37,487         | —            | —            | 75,977           | 105,771        |
| Bonus                       | 7,981           | 6,857          | —            | —            | 134,369          | 68,975         |
| Retirement benefits         | 2,450           | 4,114          | —            | —            | 50,297           | 39,885         |
| Others                      | 232             | 350            | —            | —            | 21,986           | 16,951         |
| Directors' fees—note 43.2   | —               | —              | 3,375        | 1,800        | —                | —              |
|                             | <b>52,865</b>   | <b>127,476</b> | <b>3,375</b> | <b>1,800</b> | <b>1,201,618</b> | <b>972,264</b> |
| Number of persons—note 43.3 | <b>1</b>        | <b>1</b>       | <b>6</b>     | <b>6</b>     | <b>159</b>       | <b>119</b>     |

**43.1** In addition to the above, the chief executive and some of the executives have been provided with free use of the Company maintained cars.

**43.2** During the year, the Company has paid fees to six non-executive directors (2025: five) an aggregate amount of Rs. 3.38 million (2025: Rs. 1.80 million) on account of meetings attended by them.

**43.3** During the year, Mr. Muhammad Zubair Haider Sheikh, resigned as Director of the Company with effect from March 30, 2026, in place of which Ms. Ameena Saiyid has been appointed as Director on June 19, 2026 to fill the casual vacancy.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**43.4** Medical expenses are being reimbursed by the Company.

### 44. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise the parent company, subsidiary companies, associated companies or undertakings, directors of the Company, key management personnel and staff retirement funds. The Company continues to have a policy whereby transactions with related parties are entered into at mutually agreed terms and conditions. Remuneration of key management personnel are in accordance with their terms of contracts.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive, Chief Financial Officer, Company Secretary, Directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

| Nature of relationship                    |                                          | Nature of transactions | 2026      | 2025    |
|-------------------------------------------|------------------------------------------|------------------------|-----------|---------|
| Rupees '000                               |                                          |                        |           |         |
| <b>Parent Company</b>                     |                                          |                        |           |         |
| International Brands<br>(Private) Limited | - Corporate service charges              |                        | 145,200   | 145,200 |
|                                           | - Rent income                            |                        | 22,572    | 20,463  |
|                                           | - Income from provision of amenities     |                        | 15,789    | 15,630  |
|                                           | - Expenses paid by the parent            |                        | 766       | 4,660   |
|                                           | - Expenses paid by the Company           |                        | 11,797    | 197,391 |
| <b>Subsidiary Companies:</b>              |                                          |                        |           |         |
| IBL Healthcare<br>Limited                 | - Revenue                                |                        | 384,392   | 471,330 |
|                                           | - Rent income                            |                        | 5,415     | 4,847   |
|                                           | - Purchases                              |                        | 60,652    | 194,235 |
|                                           | - Income from provision of amenities     |                        | 3,169     | 3,253   |
|                                           | - Payments made on behalf of the Company |                        | 1,082     | 142,067 |
|                                           | - Reimbursement of expenses              |                        | 110,000   | 95,810  |
|                                           | - Royalty                                |                        | 51,000    | 39,121  |
|                                           | - Others                                 |                        | 385       | —       |
| Searle Biosciences<br>(Private) Limited   | - Advances against equity investment     |                        | 3,800,000 | —       |
|                                           | - Advance against financial assistance   |                        | 218,000   | 16,404  |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

| Nature of relationship                      |                                                    | Nature of transactions | 2026        | 2025    |
|---------------------------------------------|----------------------------------------------------|------------------------|-------------|---------|
|                                             |                                                    |                        | Rupees '000 |         |
| Searle Pakistan<br>(Private) Limited        | - Revenue                                          |                        | —           | 137,839 |
|                                             | - Rent income                                      |                        | —           | 7,100   |
|                                             | - Payments made on behalf of the Company           |                        | —           | 223     |
|                                             | - Material loan given                              |                        | —           | 28,922  |
|                                             | - Purchases                                        |                        | —           | 207,072 |
| <b>Subsidiary Companies:</b>                |                                                    |                        |             |         |
| Searle Biopharma<br>(Private) Limited       | - Revenue                                          |                        | 298,115     | —       |
|                                             | - Payments made by Company on behalf of subsidiary |                        | —           | 26,764  |
|                                             | - Purchases                                        |                        | 63,217      | 35,058  |
|                                             | - Material loan obtained                           |                        | 97,645      | —       |
|                                             | - Reimbursement of expenses                        |                        | 38,513      | —       |
|                                             | - Sale of brands                                   |                        | 3,900,000   | —       |
| Searle Pharmaceuticals<br>(Private) Limited | - Advance against financial assistance             |                        | 144,168     | —       |
|                                             |                                                    |                        |             |         |
| Stellar Ventures<br>(Private) Limited       | - Advance against financial assistance             |                        | 75,050      | 124,433 |
|                                             |                                                    |                        |             |         |
| Prime Health<br>(Private) Limited           | - Advance repaid                                   |                        | —           | 8,900   |
|                                             | - Service charges                                  |                        | 7,806       | 5,692   |
| Searle IV Solutions<br>(Private) Limited    | - Revenue                                          |                        | 9,535       | —       |
|                                             | - Salaries                                         |                        | 4,549       | —       |
|                                             | - Material loan                                    |                        | 8,435       | —       |
|                                             | - Rent for warehouse                               |                        | 6,502       | —       |
|                                             | - Stock claim                                      |                        | 10,765      | —       |
|                                             | - Processing charges                               |                        | 817,413     | 836,532 |
|                                             | - Advance against financial assistance             |                        | 801,400     | 202,042 |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

| Nature of relationship              |                                               | Nature of transactions | 2026              | 2025       |
|-------------------------------------|-----------------------------------------------|------------------------|-------------------|------------|
| Rupees '000                         |                                               |                        |                   |            |
| <b>Associated Companies:</b>        |                                               |                        |                   |            |
| IBL Operations<br>(Private) Limited | - Revenue                                     |                        | <b>25,219,696</b> | 17,458,708 |
|                                     | - Rent income                                 |                        | <b>10,232</b>     | 9,080      |
|                                     | - Income from provision of amenities          |                        | <b>4,904</b>      | 4,959      |
|                                     | - Inventory claims                            |                        | <b>1,023,608</b>  | 698,766    |
|                                     | - Discounts claimed                           |                        | <b>1,171,749</b>  | 632,648    |
|                                     | - Purchases                                   |                        | <b>1,158</b>      | —          |
|                                     | - Expenses paid on behalf of the Company      |                        | <b>364,747</b>    | 275,639    |
|                                     | - Sale of vehicles                            |                        | <b>2,600</b>      | —          |
|                                     | - Purchase of asset                           |                        | <b>3,628</b>      | —          |
|                                     | - Donations                                   |                        | <b>—</b>          | 83         |
| United Brands<br>Limited            | - Revenue                                     |                        | <b>—</b>          | 28,193     |
|                                     | - Expenses paid on behalf of the Company      |                        | <b>50</b>         | —          |
| IBL Unisys<br>(Private) Limited     | - Rent income                                 |                        | <b>2,984</b>      | 2,811      |
|                                     | - Income from provision of amenities          |                        | <b>1,535</b>      | 1,551      |
|                                     | - IT services                                 |                        | <b>86,637</b>     | 117,659    |
|                                     | - Advance for services                        |                        | <b>—</b>          | 12,326     |
|                                     | - Purchases of IT hardware                    |                        | <b>12,674</b>     | 404        |
|                                     | - Reimbursement of expenses                   |                        | <b>3,600</b>      | —          |
|                                     | - Office expenses                             |                        | <b>1,509</b>      | —          |
| IBL Logistics<br>(Private) Limited  | - Carriage and duties services                |                        | <b>12,457</b>     | 234,042    |
|                                     | - Expenses paid on behalf of the Company      |                        | <b>526</b>        | 113        |
|                                     | - Advance against transportation charges      |                        | <b>8,017</b>      | —          |
| United Retail<br>(Private) Limited  | - Rent income                                 |                        | <b>6,816</b>      | 7,400      |
|                                     | - Income from provision of amenities          |                        | <b>58,932</b>     | 72,584     |
|                                     | - Architectural & interior designing services |                        | <b>150</b>        | —          |
|                                     | - Purchases                                   |                        | <b>6,283</b>      | —          |
|                                     | - Expenses paid on behalf of the Company      |                        | <b>18,352</b>     | 12,872     |
|                                     | - Purchases of computer equipments            |                        | <b>127</b>        | —          |
|                                     | - Advance against supplies                    |                        | <b>497</b>        | —          |
|                                     | - Purchase of investment property             |                        | <b>—</b>          | 105,700    |
|                                     | - Others                                      |                        | <b>—</b>          | 13,261     |



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

| Nature of relationship                         |   | Nature of transactions                      | 2026           | 2025    |
|------------------------------------------------|---|---------------------------------------------|----------------|---------|
|                                                |   |                                             | Rupees '000    |         |
| <b>Associated Companies:</b>                   |   |                                             |                |         |
| Universal Retail<br>(Private) Limited          | - | Rent income                                 | <b>39,473</b>  | 34,624  |
|                                                | - | Income from provision of amenities          | <b>88,322</b>  | 93,503  |
|                                                | - | Purchases                                   | <b>1,798</b>   | —       |
|                                                | - | Architectural & interior designing services | <b>2,000</b>   | —       |
| AKAR Hospital                                  | - | Donations                                   | —              | 38,119  |
| Multinet<br>(Private) Limited                  | - | Internet services                           | <b>1,548</b>   | 4,469   |
| Karachi Relief Trust                           | - | Donations                                   | <b>16,600</b>  | 18,300  |
| Rashid Abdullah<br>Foundation                  | - | Donations                                   | <b>3,500</b>   | 4,500   |
| The Citizen Foundation                         | - | Donations                                   | <b>44,000</b>  | 19,000  |
| Indus Hospital & Health<br>Network             | - | Donations                                   | <b>10,000</b>  | —       |
| Indus Valley School of Art<br>and Architecture | - | Donations                                   | —              | 500     |
| Searle Pakistan Limited<br>Provident Fund      | - | Interest repayments                         | <b>2,620</b>   | 17,553  |
| Staff retirementt benefits:                    | - | Contributions to provident fund             | <b>280,503</b> | 235,665 |
| Key management<br>compensation:                | - | Salaries and other employee<br>benefits     | <b>412,432</b> | 400,299 |
|                                                | - | Contributions to provident fund             | <b>37,244</b>  | 28,286  |
|                                                | - | Advances given                              | <b>29,100</b>  | 11,995  |
|                                                | - | Advances adjusted                           | <b>10,075</b>  | 7,390   |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

**44.1** The status of outstanding balances with related parties as at June 30, 2026 is included in the respective notes to the unconsolidated financial statements. These are settled in the ordinary course of business.

**44.2** Following are the related parties including associated companies with whom the Company had entered into transactions or have arrangements / agreements in place:

| S. No. | Company name                                  | Basis of Relationship         | Aggregate % of shareholding |
|--------|-----------------------------------------------|-------------------------------|-----------------------------|
| 1.     | International Brands (Private) Limited        | Parent                        | 50.03%                      |
| 2.     | Searle Pharmaceuticals (Private) Limited      | Subsidiary                    | 100%                        |
| 3.     | Searle Biosciences (Private) Limited          | Subsidiary                    | 100%                        |
| 4.     | IBL Healthcare Limited                        | Subsidiary                    | 74.19%                      |
| 5.     | Searle Biopharma (Private) Limited            | Indirect Subsidiary           | 87.20%                      |
| 6.     | Searle IV Solutions (Private) Limited         | Subsidiary                    | 100%                        |
| 7.     | Stellar Ventures (Private) Limited            | Subsidiary                    | 100%                        |
| 8.     | Prime Health (Private) Limited                | Indirect Subsidiary           | 100%                        |
| 9.     | IBL Operations (Private) Limited              | Due to common Ultimate Parent | N/A                         |
| 10.    | IBL Unisys (Private) Limited                  | Due to common Ultimate Parent | N/A                         |
| 11.    | United Brands Limited                         | Due to common Ultimate Parent | N/A                         |
| 12.    | IBL Logistics (Private) Limited               | Due to common Ultimate Parent | N/A                         |
| 13.    | Universal Retail (Private) Limited            | Common Management             | N/A                         |
| 14.    | United Retail (Private) Limited               | Common Management             | N/A                         |
| 15.    | The Citizens Foundation                       | Common Directorship           | N/A                         |
| 16.    | Rashid Abdullah Foundation                    | Common Directorship           | N/A                         |
| 17.    | Universal Ventures (Private) Limited          | Common Directorship           | N/A                         |
| 18.    | Searle Pakistan Limited–Provident Fund        | Staff Retirement Benefit Fund | N/A                         |
| 19.    | Multinet (Private) Limited *                  | Common Directorship           | N/A                         |
| 20.    | Karachi Relief Trust *                        | Common Directorship           | N/A                         |
| 21.    | Indus Hospital & Health Network *             | Common Directorship           | N/A                         |
| 22.    | Indus Valley School of Art and Architecture * | Common Directorship           | N/A                         |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

*\* From December 31, 2025, Multinet (Private) Limited, Karachi Relief Trust, Indus Valley School of Art and Architecture and Indus Hospital & Health Network ceased to be a related party of the Company as Adnan Asdar Ali resigned from the Board of Directors.*

### 45. PLANT CAPACITY AND ACTUAL PRODUCTION

The capacity and production of the Company's plant are indeterminable as these are multi-product and involve varying processes of manufacture.

### 46. SHARIAH DISCLOSURES (under clause VII of Part I of Fourth Schedule of the Companies Act, 2017)

The requirement of Shariah Disclosures given in section VII of Fourth schedule of the Companies Act, 2017 are as under except for clause (vi) to (viii) and (x), which are zero / not applicable:

#### Disclosures in relation to the statement of financial position—Liability

|                                                    | 2026        | 2025      |
|----------------------------------------------------|-------------|-----------|
|                                                    | Rupees '000 |           |
| - Short-term financing as per Islamic mode—note 25 | 5,937,522   | 6,114,944 |
| - Long-term financing as per Islamic mode—note 22  | 162,280     | 60,370    |
| - Mark-up accrued on Conventional loan—note 24     | 50,044      | 48,258    |
| - Mark-up accrued on Islamic loan—note 24          | 176,683     | 171,347   |

#### Disclosures in relation to the statement of financial position—Assets

|                                                                |            |           |
|----------------------------------------------------------------|------------|-----------|
| - Shariah-compliant long-term investments—subsidiaries—note 9  | 12,348,318 | 9,666,718 |
| - Shariah-compliant short term investment—subsidiaries—note 16 | 400,000    | —         |
| - Shariah-compliant bank balances—note 17                      | 16,279     | 3,471     |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### Disclosures required in relation to the statement of profit or loss and other comprehensive income

|                                                                    |                   |            |
|--------------------------------------------------------------------|-------------------|------------|
| - Revenue earned from a Shariah compliant business segment–note 29 | <b>31,641,832</b> | 24,773,372 |
| - Exchange gain–note 36                                            | <b>153</b>        | 242        |
| - Profit paid on Islamic mode of financing                         | <b>756,626</b>    | 1,856,890  |

### Break-up of other income excluding profits in bank deposits and TDRs

#### Shariah compliant income:

|                                                                                  |                  |         |
|----------------------------------------------------------------------------------|------------------|---------|
| - Scrap sales–note 34                                                            | <b>37,142</b>    | 29,215  |
| - Rental income from investment property–note 34                                 | <b>108,919</b>   | 101,505 |
| - Income from provision of amenities in respect of investment properties–note 34 | <b>125,342</b>   | 58,719  |
| - Gain on disposal of property, plant and equipment–note 34                      | <b>–</b>         | 16,825  |
| - Income from architectural & interior designing–note 34                         | <b>11,639</b>    | 1,380   |
| - Marketing and promotional services–note 34                                     | <b>36,494</b>    | –       |
| - Gain on sale of brands–note 34                                                 | <b>3,900,000</b> | –       |
| - Unwinding of deferred consideration                                            | <b>322,124</b>   | 37,128  |

#### Shariah non-compliant income

|                                                          |          |         |
|----------------------------------------------------------|----------|---------|
| - Interest Income from Term Finance Certificates–note 34 | <b>–</b> | 16,935  |
| - Interest income on delayed payments –note 34.1         | <b>–</b> | 135,000 |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 46.1 Relationship with shariah compliant financial institutions

#### Islamic Banks

The Company has the following available facilities :

|                                   | Running<br>Musharka | Import<br>Murabaha | Istisna   | Letter of<br>Guarantee | Letter of<br>Credit | Export<br>Refinance<br>Scheme |
|-----------------------------------|---------------------|--------------------|-----------|------------------------|---------------------|-------------------------------|
|                                   | (Rupees in '000)    |                    |           |                        |                     |                               |
| Meezan Bank Limited               |                     |                    |           |                        |                     |                               |
| –main limit                       | 700,000             | –                  | –         | –                      | –                   | –                             |
| –sub-limit                        | –                   | –                  | –         | –                      | 200,000             | –                             |
| Al Baraka Bank (Pakistan) Limited | –                   | –                  | 1,200,000 | –                      | 800,000             | –                             |
| Askari Bank Limited               |                     |                    |           |                        |                     |                               |
| –main limit                       | 500,000             | 200,000            | –         | –                      | –                   | –                             |
| –sub-limit                        | –                   | –                  | –         | 200,000                | 200,000             | –                             |
| Bank Alfalah Limited              | 500,000             | –                  | –         | –                      | 300,000             |                               |
| Soneri Bank Limited               |                     |                    |           |                        |                     |                               |
| –main limit                       | 300,000             | –                  | –         | –                      | 200,000             | –                             |
| –sub-limit                        | –                   | –                  | –         | 100,000                |                     | –                             |
| Faysal Bank Limited               |                     |                    |           |                        |                     |                               |
| –main limit                       | 1,500,000           | –                  | –         | –                      | 500,000             | –                             |
| –sub-limit                        | –                   | –                  | –         | 50,000                 | –                   | –                             |
| Bank AL Habib Limited             | –                   | 250,000            | –         | –                      | 250,000             | –                             |
| Dubai Islamic Bank Pakistan       |                     |                    |           |                        |                     |                               |
| –main limit                       | 700,000             | –                  | –         | –                      | 300,000             | –                             |
| –sub-limit                        | –                   | 200,000            | –         | 90,000                 | –                   | –                             |
| Habib Bank Limited                |                     |                    |           |                        |                     |                               |
| –main limit                       | 1,200,000           | –                  | –         | 15,000                 | 500,000             | –                             |
| –sub-limit                        | –                   | 500,000            | –         | –                      | –                   | 350,000                       |
| United Bank Limited               | –                   | *500,000           | –         | –                      | 500,000             | –                             |
| Bank Islami Pakistan Limited      |                     |                    |           |                        |                     |                               |
| –main limit                       | 500,000             | –                  | –         | 100,000                | –                   | –                             |
| –sub-limit                        | –                   | –                  | –         | 500,000                | 500,000             | –                             |

\* The Import Murabaha facility includes sub-limits of Rs. 500 million, Rs. 350 million and Rs. 100 million for FE-Export, Ameen Musharakah Running Finance (AMRF) and IERF-I/II, respectively.



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### Window Takaful Operators

The Company has Takaful relationship with Jubilee General Insurance Company Limited.

## 47. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

### 47.1 Financial risk factors

The Company's activities expose it to variety of financial risks namely market risk (including interest rate risk, currency risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost effective funding as well as manage financial risk to minimise earnings volatility and provide maximum return to shareholders. The Company has exposure to following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

### Risk management framework

The Board meets frequently throughout the year for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 47.2 Financial assets and liabilities by category and their respective maturities

|                                      | 2026                    |                         |             | 2025                    |                         |             |
|--------------------------------------|-------------------------|-------------------------|-------------|-------------------------|-------------------------|-------------|
|                                      | Maturity up to one year | Maturity after one year | Total       | Maturity up to one year | Maturity after one year | Total       |
|                                      | Rupees '000             |                         |             |                         |                         |             |
| Financial assets                     |                         |                         |             |                         |                         |             |
| At amortised cost                    |                         |                         |             |                         |                         |             |
| Loans, advances and deposits         | 3,015,697               | 7,404                   | 3,023,101   | 1,664,446               | 7,457                   | 1,671,903   |
| Trade receivables                    | 9,594,900               | –                       | 9,594,900   | 9,487,605               | –                       | 9,487,605   |
| Other receivables                    | 3,142,522               | –                       | 3,142,522   | 5,261,130               | –                       | 5,261,130   |
| Bank balances                        | 1,571,548               | –                       | 1,571,548   | 135,667                 | –                       | 135,667     |
| Cash in hand                         | 3,448                   | –                       | 3,448       | 4,544                   | –                       | 4,544       |
| Short-term investment                | 400,000                 | –                       | 400,000     | 100,000                 | –                       | 100,000     |
|                                      | 17,728,115              | 7,404                   | 17,735,519  | 16,653,392              | 7,457                   | 16,660,849  |
| Financial liabilities                |                         |                         |             |                         |                         |             |
| Long-term borrowings                 | 36,388                  | 125,892                 | 162,280     | 14,303                  | 46,067                  | 60,370      |
| Trade and other payables             | 5,284,278               | –                       | 5,284,278   | 5,050,640               | –                       | 5,050,640   |
| Lease Liability                      | 14,044                  | 43,470                  | 57,514      | 11,400                  | 57,514                  | 68,914      |
| Short term borrowings                | 7,998,057               | –                       | 7,998,057   | 7,895,847               | –                       | 7,895,847   |
| Unpaid dividend                      | 181,909                 | –                       | 181,909     | 182,340                 | –                       | 182,340     |
| Unclaimed dividend                   | 36,590                  | –                       | 36,590      | 36,827                  | –                       | 36,827      |
|                                      | 13,551,266              | 169,362                 | 13,720,628  | 13,191,357              | 103,581                 | 13,294,938  |
| On reporting date gap                | 4,176,849               | (161,958)               | 4,014,891   | 3,462,035               | (96,124)                | 3,365,911   |
| Net financial (liabilities) / assets |                         |                         |             |                         |                         |             |
| Interest bearing                     | (7,448,489)             | (169,362)               | (7,617,851) | (7,621,550)             | (103,581)               | (7,725,131) |
| Non-interest bearing                 | 11,625,338              | 7,404                   | 11,632,742  | 11,083,585              | 7,457                   | 11,091,042  |

#### a) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company is exposed to currency risk and interest rate risk only.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### (i) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest rates. As per market practices, Company's borrowings are on variable interest rate exposing the Company to interest rate risk.

At June 30, 2026, the Company has variable interest bearing financial liabilities of Rs. 7.96 billion (2025: Rs. 7.76 billion).

### Cash flows sensitivity analysis for variable rate instruments

A change in interest rate varied by 200 basis points with all the other variables held constant, profit before income tax for the year would have been approximately Rs. 159.21 million (2025: Rs. 155.12 million) higher / lower, mainly as a result of lower / higher interest expense on floating rate borrowings.

### (ii) Currency risk

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

|                              | 2026             |                  | 2025             |                  |
|------------------------------|------------------|------------------|------------------|------------------|
|                              | Rupees           | Foreign Currency | Rupees           | Foreign Currency |
|                              | ---(In 000)---   |                  | ---(In 000)---   |                  |
| <b>Financial assets:</b>     |                  |                  |                  |                  |
| Bank balances—USD            | 45,436           | 163              | 16,908           | 60               |
| Trade receivables—USD        | 608,210          | 2,187            | 844,040          | 2,976            |
| <b>Financial liabilities</b> |                  |                  |                  |                  |
| Trade and other payables     | (1,042,346)      | (4,983)          | (1,414,452)      | (5,489)          |
| - USD                        | (757,716)        | (2,720)          | (1,335,975)      | (4,702)          |
| - GBP                        | (75,812)         | (206)            | (23,379)         | (60)             |
| - EURO                       | (142,967)        | (450)            | (53,985)         | (162)            |
| - JPY                        | —                | —                | (1,113)          | (565)            |
| - CNY                        | (65,851)         | (1,607)          | —                | —                |
| <b>Net exposure</b>          | <b>(388,700)</b> | <b>(2,633)</b>   | <b>(553,504)</b> | <b>(2,453)</b>   |

The following significant exchange rates were applicable during the year:

|                                              | Reporting date rate |                  |
|----------------------------------------------|---------------------|------------------|
|                                              | 2026                | 2025             |
|                                              | Buying / Selling    | Buying / Selling |
| US Dollars (USD) to Pakistani Rupee          | 278.05 / 278.55     | 283.60 / 284.10  |
| Great British Pound (GBP) to Pakistani Rupee | 367.98 / 368.64     | 388.97 / 389.65  |
| Euro (EUR) to Pakistani Rupee                | 316.95 / 317.52     | 332.25 / 332.83  |
| Chinese Yuan (CNY) to Pakistani Rupee        | 40.91 / 40.99       | 39.59 / 39.66    |
| Japanese Yen (JPY) to Pakistani Rupee        | 1.71 / 1.72         | 1.97 / 1.97      |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### Sensitivity analysis

As at June 30, 2026, if the Pakistani Rupee had weakened / strengthened by 10% against the relevant foreign currencies to which the Company is exposed, with all other variables held constant, profit before income tax for the year would have been lower / higher by Rs. 38.87 million (2025: Rs. 55.35 million), as a result of foreign exchange gains / losses on translation of foreign currencies denominated trade and other payables, and trade receivables.

### (iii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to individual financial instruments company, its issuer, or factors affecting all similar financial instrument traded in the market. The Company has no investment as at June 30, 2026 which is subject to a change in market price.

### b) Credit Risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparties failed to perform as contracted. The maximum exposure to credit risk is equal to the carrying amount of financial assets. Out of the total financial assets of Rs. 17,736 million (2025: Rs. 16,661 million) the financial assets exposed to credit risk amounts to Rs. 17,732 million (2025: Rs. 16,656 million). The carrying amount of respective financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

|                                  | 2026              | 2025              |
|----------------------------------|-------------------|-------------------|
|                                  | Rupees '000       |                   |
| Loans and advances—notes 10 & 13 | 2,738,131         | 1,491,080         |
| Trade deposits—notes 10 & 14     | 284,970           | 180,823           |
| Trade receivables—note 12        | 9,594,900         | 9,487,605         |
| Other receivables—note 15        | 3,142,522         | 5,261,130         |
| Short-term investment—note 16    | 400,000           | 100,000           |
| Bank balances—note 17            | 1,571,548         | 135,667           |
|                                  | <b>17,732,071</b> | <b>16,656,305</b> |

Trade receivables of the Company are not exposed to significant credit risk as the major amount is due from IBL Operations (Private) Limited—an associated company. However, the Company has established policies and procedures for timely recovery of trade receivables. With respect to parties other than affiliates, the Company mitigates its exposure and credit risk by applying credit limits to its customers.

Deposits, loans, advances and other receivables are not exposed to any material credit risk as loans and advances mainly relate to subsidiary companies amounting to Rs. 2,738.06 million (2025: Rs. 1,490.93 million) and other receivables mainly pertains to related parties amounting to Rs. 1,568.93 million (2025: Rs. 1,213.52 million).

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

Bank balance and short term investment is held only with reputable banks with high quality external rating assessed by external rating agency. Following are the credit ratings of banks within which balances are held or credit lines available:

| Bank Name                       | Rating Agency | Rating    |            |
|---------------------------------|---------------|-----------|------------|
|                                 |               | Long Term | Short Term |
| Albaraka Bank Pakistan Limited  | VIS           | AA-       | A1         |
| Askari Bank Limited             | PACRA         | AA+       | A1+        |
| Bank Al Falah Limited           | PACRA         | AAA       | A1+        |
| Bank Al Habib Limited           | PACRA         | AAA       | A1+        |
| Dubai Islamic Bank Limited      | VIS           | AA        | A1+        |
| Faysal Bank Limited             | PACRA         | AA+       | A1+        |
| Habib Bank Limited              | VIS           | AA+       | A1+        |
| Habib Metropolitan Bank Limited | PACRA         | AAA       | A1+        |
| Meezan Bank Limited             | VIS           | AAA       | A1+        |
| National Bank of Pakistan       | PACRA         | AAA       | A1+        |
| Soneri Bank Limited             | PACRA         | AA        | A1+        |
| The Bank Of Punjab              | PACRA         | AAA       | A1+        |
| Bank Islami Pakistan Limited    | PACRA         | AA-       | A1         |
| United Bank Limited             | VIS           | AAA       | A1+        |
| Allied Bank Limited             | VIS           | AAA       | A1+        |
| Bank Makramah Limited           | VIS           | A-        | A2         |

### Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. The management does not consider that it has any concentration of credit risk at reporting date.



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with the financial liabilities that are settled by delivering cash or another financial asset. 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 the financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient cash to meet expected working capital requirements by having credit lines available.

| 2026                                 |                    |                          |                            |                         |                            |              |
|--------------------------------------|--------------------|--------------------------|----------------------------|-------------------------|----------------------------|--------------|
|                                      | Carrying<br>amount | Contractual cashflows    |                            |                         |                            | Total        |
|                                      |                    | Six<br>months<br>or less | Six to<br>twelve<br>months | Two to<br>five<br>years | More<br>than five<br>years |              |
|                                      |                    | (Rupees in '000)         |                            |                         |                            |              |
| Non-derivative financial liabilities |                    |                          |                            |                         |                            |              |
| Long-term financing                  | 162,280            | (27,494)                 | (27,494)                   | (154,466)               | –                          | (209,454)    |
| Lease Liabilities                    | 57,514             | (10,465)                 | (11,212)                   | (51,353)                | –                          | (73,030)     |
| Trade and other payables             | 5,284,278          | (5,284,278)              | –                          | –                       | –                          | (5,284,278)  |
| Short-term borrowings                | 7,998,057          | (7,998,057)              | –                          | –                       | –                          | (7,998,057)  |
| Unpaid dividend                      | 181,909            | (181,909)                | –                          | –                       | –                          | (181,909)    |
| Unclaimed dividend                   | 36,590             | (36,590)                 | –                          | –                       | –                          | (36,590)     |
|                                      | 13,720,628         | (13,538,793)             | (38,706)                   | (205,819)               | –                          | (13,783,318) |
| 2025                                 |                    |                          |                            |                         |                            |              |
|                                      | Carrying<br>amount | Contractual cashflows    |                            |                         |                            | Total        |
|                                      |                    | Six months<br>or less    | Six to<br>twelve<br>months | Two to<br>five years    | More than<br>five years    |              |
|                                      |                    | (Rupees in '000)         |                            |                         |                            |              |
| Non-derivative financial liabilities |                    |                          |                            |                         |                            |              |
| Long-term financing                  | 60,370             | (11,478)                 | (10,671)                   | (54,838)                | –                          | (76,987)     |
| Lease Liabilities                    | 68,914             | (10,465)                 | (10,465)                   | (71,029)                | (2,000)                    | (93,959)     |
| Trade and other payables             | 5,050,640          | (5,050,640)              | –                          | –                       | –                          | (5,050,640)  |
| Short-term borrowings                | 7,895,847          | (7,895,847)              | –                          | –                       | –                          | (7,895,847)  |
| Unpaid dividend                      | 182,340            | (182,340)                | –                          | –                       | –                          | (182,340)    |
| Unclaimed dividend                   | 36,827             | (36,827)                 | –                          | –                       | –                          | (36,827)     |
|                                      | 13,294,938         | (13,187,597)             | (21,136)                   | (125,867)               | (2,000)                    | (13,336,600) |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 47.3 Capital risk management

The Company's objectives when managing capital are to safeguard company's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

The debt to capital ratio are as follows:

|                       | 2026        | 2025       |
|-----------------------|-------------|------------|
|                       | Rupees '000 |            |
| Total borrowings      | 8,160,337   | 7,956,217  |
| Cash and bank-note 17 | (1,574,996) | (140,211)  |
| Net debt              | 6,585,341   | 7,816,006  |
| Equity                | 34,800,592  | 30,239,683 |
| Total capital         | 41,385,933  | 38,055,689 |
| Debt to capital ratio | 16%         | 21%        |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 47.4 Reconciliation of movements of liabilities to cash flows arising from financing activities

|                                                | 2026                  |                      |                             |                  |
|------------------------------------------------|-----------------------|----------------------|-----------------------------|------------------|
|                                                | Short-term borrowings | Long-term borrowings | Unpaid / unclaimed dividend | Total            |
|                                                | (Rupees in '000)      |                      |                             |                  |
| Balance as at July 1, 2025                     | 6,600,641             | 60,370               | 219,167                     | 6,880,178        |
| <i>Changes from financing cash flows</i>       |                       |                      |                             |                  |
| Repayment of loan                              | (35,230,879)          | (41,666)             | —                           | (35,272,545)     |
| Proceeds received                              | 35,331,372            | —                    | —                           | 35,331,372       |
| Dividend paid                                  | —                     | —                    | (668)                       | (668)            |
| <b>Total changes from financing activities</b> | <b>100,493</b>        | <b>(41,666)</b>      | <b>(668)</b>                | <b>58,159</b>    |
| <i>Other changes</i>                           |                       |                      |                             |                  |
| Purchase of property, plant and equipment      | —                     | 143,576              | —                           | 143,576          |
| Interest expense                               | —                     | 13,105               | —                           | 13,105           |
| Interest paid                                  | —                     | (13,105)             | —                           | (13,105)         |
| Changes in short-term borrowings               | —                     | —                    | —                           | —                |
| <b>Total loan related other changes</b>        | <b>—</b>              | <b>143,576</b>       | <b>—</b>                    | <b>143,576</b>   |
| <b>Balance as at June 30, 2026</b>             | <b>6,701,134</b>      | <b>162,280</b>       | <b>218,499</b>              | <b>7,081,913</b> |

|                                                | 2025                  |                      |                             |                    |
|------------------------------------------------|-----------------------|----------------------|-----------------------------|--------------------|
|                                                | Short-term borrowings | Long-term borrowings | Unpaid / unclaimed dividend | Total              |
|                                                | (Rupees in '000)      |                      |                             |                    |
| Balance as at July 1, 2024                     | 6,172,741             | 5,856,370            | 220,143                     | 12,249,254         |
| <i>Changes from financing cash flows</i>       |                       |                      |                             |                    |
| Repayment of loan                              | (5,109,990)           | (5,810,578)          | —                           | (10,920,568)       |
| Proceeds received                              | 5,537,890             | —                    | —                           | 5,537,890          |
| Dividend paid                                  | —                     | —                    | (976)                       | (976)              |
| <b>Total changes from financing activities</b> | <b>427,900</b>        | <b>(5,810,578)</b>   | <b>(976)</b>                | <b>(5,383,654)</b> |
| <i>Other changes</i>                           |                       |                      |                             |                    |
| Interest expense                               | —                     | 665,077              | —                           | 665,077            |
| Interest paid                                  | —                     | (679,380)            | —                           | (679,380)          |
| Amortisation of transaction cost               | —                     | 28,881               | —                           | 28,881             |
| Changes in short-term borrowings               | —                     | —                    | —                           | —                  |
| <b>Total loan related other changes</b>        | <b>—</b>              | <b>14,578</b>        | <b>—</b>                    | <b>14,578</b>      |
| <b>Balance as at June 30, 2025</b>             | <b>6,600,641</b>      | <b>60,370</b>        | <b>219,167</b>              | <b>6,880,178</b>   |

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 48. MEASUREMENT OF FAIR VALUES

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

When measuring the fair value of an asset or a liability, the Company uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Management engages an independent external expert / valuer to carry out valuation of its non-financial assets (i.e. leasehold land, building, plant and machinery, vehicles and air-conditioning system) with sufficient regularity. Involvement of external valuers is decided upon by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

The Company measures the Leasehold Land, Building, Plant and Machinery, Vehicles and Air-conditioning System at fair value and all of the resulting fair value estimates in relation to leasehold land, building, plant and machinery, vehicles and air-conditioning system of the Company are included in Level 2.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the unconsolidated financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

The following table provides the valuation approach, inputs used and inter-relationship between significant unobservable inputs and fair value measurement of the Company's Land and Buildings measured at fair value:

| Assets measured at fair value                                                          | Date of valuation | Valuation approach and inputs used                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Inter-relationship between significant observable inputs and fair value measurement                                                                                                          |
|----------------------------------------------------------------------------------------|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revalued property, plant and equipment                                                 |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                              |
| - Leasehold land, building, plant and machinery, vehicles and air-conditioning systems | June 30, 2026     | The valuation model is based on price per square meter and current replacement cost method adjusted for depreciation factor for the existing assets in use. In determining the valuations for land and buildings, the valuer refers to current market conditions, structure, current replacement cost, sale prices of comparable land in similar location adjusted for differences in key attributes such as land size and inquires with numerous independent local estate agents / realtors in the vicinity to establish the present market value. The fair valuation of land and building is considered to represent a level 2 valuation based on significant observable inputs being the location and condition of the assets. | The fair values are subject to change owing to changes in input. However, the management do not expect material sensitivity to the fair values arising from the change in observable inputs. |

The management assessed that the fair values of cash and cash equivalents, other receivables, trade deposits, trade debts, short-term borrowings, trade and other payables, accrued mark-up and unclaimed dividends approximate their carrying amounts largely due to short-term maturities of these instruments. For long-term deposits and long-term financing, the management consider that their carrying values approximates fair value owing to credit standing of counterparties and interest payable on borrowings are at market rates.



## Notes to and forming part of the Unconsolidated Financial Statements

For the year ended June 30, 2026

### 49. NUMBER OF EMPLOYEES

The total number of employees and average number of employees at year end and during the year respectively are as follows:

|                                                                         | 2026  | 2025  |
|-------------------------------------------------------------------------|-------|-------|
| Number of employees including contractual employees at year end         | 3,285 | 3,308 |
| Average number of employees including contractual employees at year end | 3,305 | 3,234 |
| Number of employees working in the factory at year end                  | 361   | 355   |
| Average number of employees working in the factory at year end          | 359   | 349   |

### 50. GENERAL

#### 50.1. Non-adjusting events after reporting date

##### 50.1.1. Dividend

The Board of Directors of the Company in the meeting held on September 25, 2026, has approved the following appropriation:

|                                                                               | 2026        | 2025    |
|-------------------------------------------------------------------------------|-------------|---------|
|                                                                               | Rupees '000 |         |
| - Nil bonus shares (June 30, 2025: 15 bonus shares for every 100 shares held) | -           | 767,242 |
| - Cash dividend of Rs. 1.00 per share (June 30, 2025: Rs. Nil per share)      | 588,219     | -       |

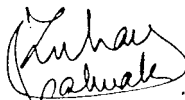
The approval of the members of the Company for the cash dividend shall be obtained at the Annual General Meeting to be held on October 22, 2026. This would be recognised in the Company's unconsolidated financial statements in the year in which such dividend is declared / approved.

#### 50.2. Date of authorisation for issue

These unconsolidated financial statements were approved and authorised for issue by the Board of Directors of the Company on September 25, 2026.



Chief Executive



Director



Chief Financial Officer

# Consolidated Financial Statements

The background of the page features a person in a blue suit holding a tablet. The tablet screen displays a complex financial diagram, possibly a flowchart or a detailed financial statement. Overlaid on the image are various financial charts, including a line graph with a red line and a bar chart with yellow bars. The overall color scheme is blue, with white text for the title.

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# Consolidated Directors' Report to the members

The Directors take pleasure in presenting the annual report together with the audited financial statements of the holding company for the year ended June 30, 2026.

This information is submitted in accordance with section 227 of the Companies Act, 2017 and Chapter XII of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

This report is to be submitted to the members at the 61st Annual General Meeting of the holding company to be held on 22nd October 2026.

## OVERVIEW

Pakistan's economy continued its recovery during FY2026, with the Pakistan Economic Survey 2025–26 estimating provisional real GDP growth of 3.7%. The operating environment remained challenging amid persistent cost pressures and evolving geopolitical uncertainties. Regional tensions and disruptions to international trade and shipping routes posed risks to global supply chains and the availability of imported raw materials.

The pharmaceutical industry continued to play a vital role in meeting the country's healthcare needs, despite a challenging manufacturing environment. Rising input costs, international freight uncertainties and supply-chain vulnerabilities reinforced the importance of cost discipline, operational efficiency and reliable product availability.

Against this backdrop, Searle group remained focused on strengthening its manufacturing capabilities, ensuring uninterrupted product supply and enhancing operational resilience.

## OPERATING RESULTS

FY2026 was a year of strong, broad-based progress for the Searle Group. Consolidated revenue grew by 29% to PKR 36.81 billion, driven by improved product availability, a more efficient supply chain and focused commercial execution. Gross profit rose to PKR 19.14 billion, with gross margin expanding by 278 basis points to 51.98% (FY2025: 49.20%). Consolidated profit from operations increased by 43% to PKR 5.29 billion (FY2025: PKR 3.69 billion).

These results underscore the strength of the Group's core pharmaceutical portfolio and its growing ability to serve patients and healthcare professionals reliably.

Financial discipline delivered further gains. Finance costs fell by 48% to PKR 1.09 billion, driven by tighter working capital management and rationalisation of the borrowing portfolio.

The Group also continued to invest in future growth. The launches of Rexeva (denosumab) and Xavy (tirzepatide) broadened its presence in specialised therapies. It also expanded its toll manufacturing business, improving capacity utilisation and creating an additional revenue stream.

During the year, the holding Company reached a key milestone in its biological medicines strategy. Following approval by the Board and shareholders, the holding Company transferred its biological and associated brands, together with the related marketing authorisation rights, to its indirect subsidiary, Searle Biopharma (Private) Limited (formerly Nextar Pharma (Private) Limited). The transaction became effective on June 15, 2026; its terms and rationale were disclosed to shareholders through the Pakistan Stock Exchange.

The Board believes biological medicines require a dedicated team with the specialised focus and capabilities to build this portfolio. Consolidating these products within Searle Biopharma is designed to enable coordinated product development, targeted investment and sustained growth within the Group. It also allows the Group to organise its portfolio around the distinct needs of its established pharmaceutical operations and its emerging biological medicines business.

The transfer resulted in a one-off gain of PKR 3.9 billion, recognised in other income in the Company's standalone financial statements. As an intra-group transaction, this gain has been eliminated in full on consolidation. The Board therefore regards the growth in consolidated revenue and gross profit, together with lower finance costs, as the most meaningful indicators of underlying performance.

The Group recognised an impairment charge of PKR 993 million following a review of the recoverable value of businesses outside its core pharmaceutical operations that are more sensitive to changes in discretionary consumer spending. Pressure on household budgets has moderated demand, resulting in performance below earlier expectations. Management is focused on improving the performance of these businesses and will continue to review their prospects as consumer demand evolves.

Profit before income tax rose by approximately 173%

to PKR 4.18 billion (FY2025: PKR 1.53 billion), driven by stronger underlying operations and lower finance costs, partly offset by the PKR 993 million impairment charge.

Income tax expense rose substantially. This includes a PKR 1.17 billion partial reversal of a deferred tax asset on capital losses recognised in prior years, a non-cash adjustment arising from a reassessment of the portion of the asset that can currently be recognised.

As a result, the Group reported a profit after tax of PKR 536 million, a turnaround from a loss of PKR 1.37 billion in FY2025. This result was achieved after absorbing both the impairment charge and the deferred tax adjustment.

The Board is highly encouraged by the strong growth in sales, margins, alongside the significant reduction in finance costs and the Group's return to profitability. These achievements mark an important inflection point for the Group and provide a strong platform for its next phase of growth. With a sharper focus on innovation, operational excellence, portfolio transformation and disciplined capital allocation, the Group is well positioned to accelerate its growth, strengthen its competitive position and unlock significant value across its businesses. The Board remains confident that the Group has the capabilities, opportunities and ambition to build a stronger, more resilient and high-performing enterprise, creating sustainable long-term value for all stakeholders.

## EARNINGS PER SHARE

Basic earnings per share after taxation for the period was PKR 0.75 (2025: PKR (2.38)). There is no dilution effect on the basic earnings per share of the holding company, as the holding company had no convertible dilutive potential ordinary shares outstanding as at June 30, 2026.

## DIVIDEND

The Board of Directors has recommended cash dividend of 10% for the year ended June 30, 2026. During the previous year ended June 30, 2025, the Group declared stock dividend of 15%.

## FINANCIAL STATEMENTS AND AUDITORS

The Board of Directors, on the recommendation of the Board Audit Committee, has recommended the appointment of M/s KPMG Taseer Hadi & Co., Chartered Accountants, as statutory auditors of the holding company at a remuneration to be mutually agreed, subject to member's approval.

## HOLDING COMPANY

International Brands (Private) Limited is the holding company of Searle group, which holds 50.03% shareholding in the holding company.

|                                               | June 30,<br>2026<br>(Rupees in thousand) | 2025               |
|-----------------------------------------------|------------------------------------------|--------------------|
| <b>Continuing operations:</b>                 |                                          |                    |
| Revenue from contracts with customers         | 36,808,961                               | 28,599,834         |
| Cost of sales                                 | (17,673,926)                             | (14,527,889)       |
| <b>Gross Profit</b>                           | <b>19,135,035</b>                        | <b>14,071,945</b>  |
| Distribution costs                            | (11,214,637)                             | (8,710,784)        |
| Administrative expenses                       | (2,032,649)                              | (1,996,460)        |
| Other expenses                                | (434,708)                                | (93,803)           |
| Other income                                  | 833,645                                  | 421,750            |
| Impairment loss on investment in subsidiaries | (993,000)                                | -                  |
| <b>Profit from operations</b>                 | <b>5,293,686</b>                         | <b>3,692,648</b>   |
| Finance cost                                  | (1,093,895)                              | (2,100,887)        |
| <b>Profit before levies and income tax</b>    | <b>4,199,791</b>                         | <b>1,591,761</b>   |
| Levies – minimum tax and final tax            | (22,987)                                 | (60,532)           |
| <b>Profit before income tax</b>               | <b>4,176,804</b>                         | <b>1,531,229</b>   |
| Income tax expense                            | (3,641,065)                              | (723,861)          |
| <b>Profit for the year</b>                    | <b>535,739</b>                           | <b>807,368</b>     |
| <b>Discontinued operations:</b>               |                                          |                    |
| Loss from discontinued operations             | -                                        | (2,179,511)        |
| <b>Profit / (loss) for the year</b>           | <b>535,739</b>                           | <b>(1,372,143)</b> |



## SUBSIDIARIES OF THE COMPANY

Following are the subsidiary companies:

### Listed Company

- IBL HealthCare Limited

### Unlisted Companies

- Searle Pharmaceuticals (Private) Limited
- Searle Laboratories (Private) Limited
- Searle Biosciences (Private) Limited
- IBL Future Technologies (Private) Limited
- Searle IV Solutions (Private) Limited
- Stellar Ventures (Private) Limited
- Mycart (Private) Limited \*
- IBL Frontier Markets (Private) Limited \*
- Prime Health (Private) Limited \*
- Searle Biopharma (Private) Limited
- [formerly Nextar Pharma (Private) Limited] \*\*

| Principal place of business | Effective % age of holding |         |
|-----------------------------|----------------------------|---------|
|                             | 2026                       | 2025    |
| Pakistan                    | 74.19%                     | 74.19%  |
|                             | 100.00%                    | 100.00% |
|                             | 100.00%                    | 100.00% |
|                             | 100.00%                    | 100.00% |
|                             | 100.00%                    | 100.00% |
|                             | 100.00%                    | 100.00% |
|                             | 100.00%                    | 100.00% |
|                             | 50.00%                     | 50.00%  |
|                             | 100.00%                    | 100.00% |
|                             | 100.00%                    | 100.00% |
|                             | 87.20%                     | 87.20%  |

\* Mycart (Private) Limited, IBL Frontier Markets (Private) Limited and Prime Health (Private) Limited are the subsidiaries of Stellar Ventures (Private) Limited being the indirect subsidiaries of the Holding Company.

\*\* Searle Biopharma (Private) Limited is the subsidiary of Searle Biosciences (Private) Limited being the indirect subsidiary of the Holding Company.

## PATTERN OF SHAREHOLDING

The pattern of shareholding along with categories of shareholders as at June 30, 2026 as required under section 227 of the Companies Act, 2017 and Listing Regulations as annexed.

## BUSINESS CONDUCT

Searle group's business practices are grounded in integrity, transparency and responsible business conduct, with a strong commitment to complying with applicable laws, regulations and ethical standards.

Our values of Integrity, Excellence, Partnership and Passion guide how we conduct our business and shape the decisions we make. These values are fundamental to building and maintaining trust with our patients, consumers, healthcare professionals, business partners, employees and other stakeholders.

As we continue to pursue innovation and sustainable growth, we remain focused on translating scientific progress into meaningful healthcare solutions. This includes expanding access to differentiated therapies, strengthening scientific engagement with healthcare professionals, fostering partnerships and developing capabilities that support long-term value creation.

We remain committed to conducting our business responsibly, upholding high standards of governance and compliance, and ensuring that our pursuit of growth is underpinned by sound business practices, accountability and responsible decision-making.

## PRODUCT QUALITY

At Searle group, product quality is fundamental to the trust placed in our medicines and healthcare solutions. As the Group continues to expand its portfolio, including advanced therapies and biologicals, maintaining consistently high standards of quality, safety and reliability remains a core priority.

Our quality systems are designed to ensure that products manufactured and marketed by the Group meet applicable regulatory and quality requirements throughout their lifecycle. We continue to strengthen our manufacturing capabilities, processes and controls to support consistent product quality across both domestic and international markets.

## CORPORATE AND SOCIAL RESPONSIBILITY

At Searle group, our responsibility extends beyond business performance. Guided by our purpose of elevating life by advancing health and well-being for generations to come, we seek to create positive and sustainable impact for the communities in which we operate.

Our approach to corporate and social responsibility focuses on areas where we can create meaningful impact, including healthcare awareness, employee development, community engagement and environmental responsibility.

During the year, our employees participated in initiatives aimed at promoting environmental awareness and sustainability. The Group also continued to invest in the development of its people through structured learning and development programmes. During FY2026, approximately 33,000 training hours were delivered, supporting capability building across the organisation.

Our community initiatives during the year also focused on health awareness and prevention, including activities related to obesity, blood pressure, diabetes and cholesterol. These initiatives complemented our broader scientific engagement by taking healthcare awareness beyond the clinical environment and into the communities we serve.

Through these efforts, Searle group continues to advance together with its employees, healthcare partners and communities, with the objective of creating value that extends beyond the Group's immediate business operations.

## OCCUPATIONAL HEALTH, SAFETY AND ENVIRONMENT

The health, safety and well-being of our employees, visitors and other stakeholders remain fundamental to our operations. Searle group maintains a proactive approach to occupational health, safety and environmental management through continuous risk identification, preventive measures, employee awareness and process improvement.

We remain committed to responsible manufacturing practices and the efficient use of resources, while maintaining appropriate standards for environmental protection, workplace safety and business continuity. As our manufacturing and international operations continue to evolve, we remain focused on strengthening practices that support safe, efficient and sustainable operations.

## INFORMATION TECHNOLOGY

Technology continues to strengthen Searle group's operating capabilities, efficiency and data-driven decision-making. During the year, the Group further enhanced its digital infrastructure and SAP environment to improve integration and access to timely information.

A key initiative was OneThunder – One Truth, One Language, our enterprise-wide data transformation programme designed to establish a unified source of reliable and actionable business information. The introduction of dedicated Sales, Supply Chain and Distribution Pulses enhanced visibility of key performance indicators and enabled teams to move towards a common source of truth.

OneThunder also lays the foundation for deeper analytics, process automation and predictive decision-making, supporting Searle group's journey towards a more connected and insight-driven organisation.

## WEBSITE

All our stakeholders and general public can visit the holding company's website, [www.searlecompany.com](http://www.searlecompany.com), which has a dedicated section for investors containing information related to annual, half-yearly and quarterly financial statements.

## RELATED PARTY TRANSACTIONS

All related party transactions, during the year 2026, were placed before the Audit Committee and the Board for their review and approval. These transactions were duly approved by the Audit Committee and the Board in their respective meetings. All these transactions were in line with the transfer pricing methods and the policy with related parties approved by the board previously. The holding company also maintains a full record of all such transactions, along with the terms and conditions. For further details, please refer note 43 in the financial statements.

## COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The stock exchange has included in their Listing Rules and Listed Companies Regulations issued by the Securities & Exchange Commission of Pakistan. The holding company has adopted the code and is implementing the same in letter and spirit.

## TRADING OF SHARES BY DIRECTORS, CFO, COMPANY SECRETARY AND EXECUTIVES ETC.

The holding company's shares are traded on Pakistan Stock Exchange Limited. The Directors, CEO, Company Secretary and CFO and executives, their spouses and minor children did not carry out any trade in the shares of the holding company except the following Directors & executives:

| Name                                   | Shares Purchased | Shares Disposed |
|----------------------------------------|------------------|-----------------|
| Mr. Moujood Ul Hassan                  | 1,640            | 600             |
| International Brands (Private) Limited | 2,596,500        | -               |

## DIRECTORS' TRAINING PROGRAM (DTP)

All of the holding company's directors have attained DTP certification.

## ADEQUACY OF INTERNAL FINANCIAL CONTROLS

In order to ensure that adequate internal controls are deployed by the holding company for safeguarding of holding company's assets, compliance with laws and regulations and reliable financial reporting, the Board of Directors has outsourced the internal audit function to Grant Thornton Anjum Rahman, Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the holding company.

## CODE OF CONDUCT

The Board of Directors of the holding company has adopted a code of conduct. All employees are informed and aware of this and are required to observe these rules of conduct in relation to business and regulations.

## CORPORATE AND FINANCIAL REPORTING FRAMEWORK

- The financial statements, prepared by the management of the Group, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the group have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- The Group maintains a sound internal control system which gives reasonable assurance against any material misstatement or loss. The internal control system is regularly reviewed.
- There are no significant doubts upon the holding company's ability to continue as a going concern.
- There has been no material departure from the best practices of Corporate Governance as detailed in the listing regulations.
- There has been no departure from the best practices of transfer pricing.

The key operating and financial data for the six years is tabulated as follows:

| Consolidated                                     | 2026              | 2025               | 2024               | 2023              | 2022              | 2021              |
|--------------------------------------------------|-------------------|--------------------|--------------------|-------------------|-------------------|-------------------|
| <b>ASSETS EMPLOYED</b>                           |                   |                    |                    |                   |                   |                   |
| Property, plant and equipment                    | 12,120,277        | 11,149,935         | 10,396,016         | 10,192,835        | 10,026,144        | 8,741,499         |
| Right of use assets                              | 31,110            | 43,830             | 63,982             | 60,090            | 69,750            | 79,410            |
| Intangible assets                                | 2,996,300         | 4,006,006          | 4,625,119          | 16,153,388        | 16,179,879        | 15,622,504        |
| Investment properties-at cost                    | 6,198,518         | 6,277,433          | 6,177,607          | 3,348,598         | 3,237,634         | 2,970,279         |
| Long-term loans and deposits                     | 21,439            | 12,805             | 10,974             | 30,915            | 27,927            | 24,462            |
| Deferred assets                                  | 220,889           | 1,616,811          | 1,984,209          | -                 | -                 | -                 |
| Assets classified as held for sale               | -                 | -                  | 12,788,873         | -                 | -                 | -                 |
| Net current assets                               | 12,983,486        | 9,947,925          | 2,296,016          | 8,672,038         | 10,876,069        | 8,579,394         |
| <b>Total assets employed</b>                     | <b>34,572,019</b> | <b>33,054,745</b>  | <b>38,342,796</b>  | <b>38,457,864</b> | <b>40,417,403</b> | <b>36,017,547</b> |
| <b>FINANCED BY</b>                               |                   |                    |                    |                   |                   |                   |
| Issued, subscribed and paid-up capital           | 5,882,186         | 5,114,945          | 5,114,945          | 3,900,659         | 3,120,526         | 2,400,405         |
| Reserves and unappropriated profit               | 20,752,783        | 20,795,972         | 21,392,765         | 20,472,950        | 20,369,885        | 19,105,693        |
| Shareholder's equity                             | <b>26,634,969</b> | <b>25,910,917</b>  | <b>26,507,710</b>  | <b>24,373,609</b> | <b>23,490,411</b> | <b>21,506,098</b> |
| Surplus on revaluation of fixed assets           | 6,793,804         | 6,178,180          | 6,023,513          | 5,568,389         | 5,173,186         | 4,066,913         |
| Non-controlling Interest                         | 913,860           | 803,687            | 1,913,774          | 1,734,434         | 2,027,714         | 513,181           |
| Long-term and deferred liabilities               | 229,386           | 161,961            | 3,897,799          | 6,781,432         | 9,726,092         | 9,931,355         |
| <b>Total capital employed</b>                    | <b>34,572,019</b> | <b>33,054,745</b>  | <b>38,342,796</b>  | <b>38,457,864</b> | <b>40,417,403</b> | <b>36,017,547</b> |
| <b>Turnover</b>                                  | <b>36,808,961</b> | <b>28,599,834</b>  | <b>29,400,675</b>  | <b>33,969,510</b> | <b>29,909,659</b> | <b>26,219,656</b> |
| <b>Profit before tax</b>                         | <b>4,199,791</b>  | <b>916,602</b>     | <b>(3,960,245)</b> | <b>1,144,124</b>  | <b>3,661,347</b>  | <b>5,035,298</b>  |
| <b>Profit after tax</b>                          | <b>535,739</b>    | <b>(1,372,143)</b> | <b>(2,405,156)</b> | <b>413,053</b>    | <b>2,415,854</b>  | <b>3,746,848</b>  |
| <b>Profit after tax as % of turnover</b>         | <b>1.46</b>       | <b>-4.80</b>       | <b>-8.18</b>       | <b>1.22</b>       | <b>8.08</b>       | <b>14.29</b>      |
| <b>Profit after tax as % of capital employed</b> | <b>1.55</b>       | <b>-4.15</b>       | <b>-6.27</b>       | <b>1.07</b>       | <b>5.98</b>       | <b>10.40</b>      |
| <b>Dividends</b>                                 |                   |                    |                    |                   |                   |                   |
| <b>Cash (%)</b>                                  | <b>10</b>         | <b>NIL</b>         | <b>NIL</b>         | <b>NIL</b>        | <b>NIL</b>        | <b>20</b>         |
| <b>Stock (%)</b>                                 | <b>NIL</b>        | <b>15</b>          | <b>NIL</b>         | <b>NIL</b>        | <b>25</b>         | <b>30</b>         |

## COMPOSITION OF THE BOARD OF DIRECTORS

There have been seven directors on the Board. The composition of the board as at June 30, 2026 is as follows:

|     | Category                | Names                     |
|-----|-------------------------|---------------------------|
| i   | Independent Director    | Ms. Ameena Saiyid         |
|     |                         | Ms. Shaista Khaliq Rehman |
| ii  | Non-executive Directors | Mr. Arshad Anis           |
|     |                         | Mr. Munis Abdullah        |
|     |                         | Mr. Zubair Razzak Palwala |
| iii | Executive Directors     | Mr. Tahir Ahmed           |
|     |                         | Mr. S. Nadeem Ahmed       |

Mr. Adnan Asdar Ali resigned from the office of Director and Chairman on December 31, 2025. The Board appointed Mr. Arshad Anis as Director On January 1, 2026. The Board also appointed Mr. Arshad Anis as Chairman on January 14, 2026.

Mr. Muhammad Zubair Haider Shaikh resigned on March 3, 2026 and to fill this casual vacancy, Ms. Ameena Saiyid was appointed by the Board on June 19, 2026.

## MEETINGS OF THE BOARD OF DIRECTORS

During the year, seven meetings of the Board of Directors were held. The attendance at meetings of the board

members is summarized as under:

| Name of director                  | Meetings attended |
|-----------------------------------|-------------------|
| Mr. Adnan Asdar Ali               | 2                 |
| Mr. Arshad Anis                   | 3                 |
| Mr. Munis Abdullah                | 7                 |
| Mr. Tahir Ahmed                   | 7                 |
| Mr. Syed Nadeem Ahmed             | 4                 |
| Mr. Zubair Razzak Palwala         | 7                 |
| Mr. Muhammad Zubair Haider Shaikh | 5                 |
| Ms. Shaista Khaliq Rehman         | 6                 |
| Ms. Aameena Saiyid                | -                 |

## AUDIT COMMITTEE

The Committee comprises of three non-executive Directors. The Chairperson of the committee is an independent director.

During the year, six meetings of audit committee were held, the attendance of which is as follows:

| Name of director          | Meetings attended |
|---------------------------|-------------------|
| Ms. Shaista Khaliq Rehman | 5                 |
| Mr. Adnan Asdar Ali       | 2                 |
| Mr. Munis Abdullah        | 6                 |
| Mr. Zubair Razzak Palwala | 3                 |

During the year, Mr. Zubair Razzak Palwala was appointed as the member of Audit Committee in place of Mr. Adnan Asdar Ali.

## HUMAN RESOURCE AND REMUNERATION COMMITTEE (HR & R)

The Committee comprises three non-executive members. The Chairperson of the committee is an independent director.

During the year, two meetings of the committee were held, the attendance of which is as follows:

| Name of director                  | Meetings attended |
|-----------------------------------|-------------------|
| Ms. Shaista Khaliq Rehman         | 2                 |
| Mr. Muhammad Zubair Haider Shaikh | 2                 |
| Mr. Munis Abdullah                | 2                 |
| Ms. Aameena Saiyid                | -                 |

During the year, Ms. Aameena Saiyid was appointed as the member of HR&RC in place of Mr. Muhammad Zubair Haider Shaikh.

## DIRECTORS REMUNERATION

The significant features and key elements of directors' remuneration are as follows:

- The holding company will not pay remuneration to its non-executive directors except as a meeting fee for attending the board and its committee meetings. As per policy, Directors are paid an after-tax remuneration of PKR 60,000/- for attending each meeting of the Board or its Committees.
- The remuneration of a Director for attending meetings of the Board of Directors or its Committees shall from time to time be determined and approved by the Board of Director.
- A Director shall be provided or reimbursed for traveling, lodging and other expenses incurred by him for attending meetings of the Board its Committees and/or General Meetings of the holding company.

The remuneration paid to executive directors includes fixed salaries, allowances, and, where applicable, performance-based incentives. No additional benefits, apart from those disclosed, were provided during the period. The Board remains committed to ensuring that the remuneration of directors reflects their contributions and responsibilities towards achieving the Group's goals.

## VALUE OF INVESTMENTS

The value of investment of provident fund based on their un-audited / audited accounts as on June 30, 2026 and June 30, 2025 respectively was as follows:

|                | 2026      | 2025    |
|----------------|-----------|---------|
|                | Rs '000   |         |
| Provident Fund | 1,190,571 | 974,526 |

## FUTURE OUTLOOK

The Searle Group enters FY2027 with strong momentum and a clear strategic agenda. The Board's priorities are to sustain growth in the Group's established pharmaceutical



portfolio, bring differentiated medicines to patients, strengthen manufacturing capabilities and expand its presence in international markets.

Investment in manufacturing capability remains central to this agenda. The Group will continue to upgrade its facilities and quality systems and improve capacity utilisation, while evaluating the capabilities required for more advanced therapies. Toll manufacturing will continue to put existing capacity to productive use as these plans progress.

Rexeva and Xavy strengthen the Group's specialised medicines portfolio, while Searle Biopharma provides the Group with a focused platform to develop its biological medicines business, pursue partnerships and evaluate further investment. Each step will be guided by technical readiness, regulatory requirements and commercial viability.

Exports remain a key growth avenue. The Group will deepen its presence in existing markets and pursue product registrations in new geographies, supported by investment

in manufacturing standards, regulatory capabilities and supply reliability. Across the business, the OneForce digitalisation programme is providing timely information that enables better decisions across sales, supply and distribution.

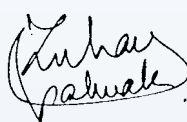
The Board recognises that growth must be accompanied by disciplined execution. The Group will continue to manage working capital tightly, assess every investment rigorously against expected returns and respond proactively to changes in input costs, supply chains and regulation.

The progress achieved in FY2026 higher sales, improved margins, lower finance costs, new product launches and a return to cash dividends gives the Board confidence in the Group's direction and its ability to create sustainable value for shareholders.

For and on behalf of the Board



**Tahir Ahmed**  
Chief Executive Officer



**Zubair Razzak Palwala**  
Director

Karachi: September 25, 2026

برآمدات نمو کا ایک اہم ذریعہ ہیں۔ گروپ پیداواری معیار، ریگولیٹری صلاحیتوں اور بلا تعطل سپلائی کی مدد سے موجودہ منڈیوں میں اپنی گرفت مضبوط کرے گا اور نئے جغرافیائی خطوں میں پروڈکٹ رجسٹریشن حاصل کرے گا۔ ادارے کے تمام شعبوں میں OneForce ڈیجیٹلائزیشن پروگرام بروقت معلومات فراہم کر رہا ہے جس سے سیلز، سپلائی اور ڈسٹری بیوشن میں بہتر فیصلے ممکن ہو رہے ہیں۔

بورڈ اس بات کو تسلیم کرتا ہے کہ ترقی کے ساتھ ساتھ نظم و ضبط پر مبنی کارکردگی بھی ضروری ہے۔ گروپ ورکنگ کیپیٹل کو سختی سے کنٹرول کرنا جاری رکھے گا، متوقع منافع کے مقابلے میں ہر سرمایہ کاری کا باریک بینی سے جائزہ لے گا اور خام مال کی لاگت، سپلائی چین اور قوانین میں تبدیلیوں کا پیشگی اور فعال حل نکالے گا۔

مالی سال 2026 میں حاصل کردہ پیشرفت بشمول اعلیٰ سیلز، بہتر مارجنز، کم مالیاتی اخراجات، نئی ادویات کا تعارف اور نقد منافع حصص کی بحالی بورڈ کو گروپ کی سمت اور حصص یافتگان کے لیے پائیدار قدر پیدا کرنے کی صلاحیت پر مکمل اعتماد فراہم کرتی ہے۔

بورڈ کے لیے اور اس کی جانب سے

ذہیر رزاق پال والا  
ڈائریکٹر

طاہر احمد  
چیف ایگزیکٹو آفیسر

کراچی: 25 ستمبر 2026

• بورڈ آف ڈائریکٹرز یا اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے کسی ڈائریکٹر کے معاوضے کا تعین اور منظوری وقت فوقت بورڈ آف ڈائریکٹرز کی جانب سے دی جائے گی۔

• ڈائریکٹر کو بورڈ، اس کی کمیٹیوں اور/یا گروپ کے عمومی اجلاسوں (General Meetings) میں شرکت کے لیے سفر، رہائش اور دیگر تمام اخراجات فراہم یا واپس (Reimburse) کیے جائیں گے۔

ایگزیکٹو ڈائریکٹرز کو ادا کیے جانے والے معاوضے میں مقررہ تنخواہیں، الاؤنسز اور جہاں لاگو ہو، کارکردگی پر مبنی مراعات (Incentives) شامل ہیں۔ اس مدت کے دوران ظاہر کردہ مراعات کے علاوہ کوئی اضافی مراعات فراہم نہیں کی گئیں۔ بورڈ اس بات کو یقینی بنانے کے لیے پرعزم ہے کہ ڈائریکٹرز کا معاوضہ گروپ کے اہداف کے حصول میں ان کے تعاون اور ذمہ داریوں کی عکاسی کرتا ہو۔

## سرمایہ کاری کی قدر

بالترتیب 30 جون 2026 اور 30 جون 2025 کو ان کے غیر آڈٹ شدہ / آڈٹ شدہ کھاتوں کی بنیاد پر پراویڈنٹ فنڈ کی سرمایہ کاری کی قیمت حسب ذیل تھی:

| 2025                       | 2026      |              |
|----------------------------|-----------|--------------|
| (پاکستانی روپے ہزاروں میں) |           |              |
| 974,526                    | 1,190,571 | پراویڈنٹ فنڈ |

## مستقبل کا خاکہ۔

سرل گروپ مالی سال 2027 میں ایک مضبوط عزم اور واضح حکمت عملی کے ساتھ داخل ہو رہا ہے۔ بورڈ کی ترجیحات میں فارماسیوٹیکل پورٹ فولیو میں نمو کو برقرار رکھنا، مریضوں کو اعلیٰ و منفرد ادویات کی فراہمی، پیداواری صلاحیتوں کو تقویت دینا اور بین الاقوامی منڈیوں میں اپنی موجودگی کو وسعت دینا شامل ہے۔

پیداواری صلاحیتوں میں سرمایہ کاری اس حکمت عملی کا بنیادی حصہ ہے۔ گروپ اپنی سہولیات اور معیار کے نظام کو الٹی سسٹم کو جدید بنانے کے ساتھ ساتھ پیداواری صلاحیت کے بہتر استعمال کو یقینی بنائے گا، جبکہ جدید ترین ادویات و علاج کے لیے ضروری صلاحیتوں کا جائزہ بھی لیا جائے گا۔ ان منصوبوں میں پیش رفت کے دوران موجود پیداواری صلاحیت کو کارآمد بنانے کے لیے ٹول مینوفیکچرنگ کا سلسلہ جاری رہے گا۔

Rexeva اور Xavy گروپ کے سپیشلائزڈ میڈیسنز پورٹ فولیو کو مضبوط بناتے ہیں، جبکہ Searle Biopharma بائیولوجیکل ادویات کی پیشرفت، شراکت داری کے فروغ اور مزید سرمایہ کاری کے جائزے کے لیے ایک فعال پلیٹ فارم فراہم کرتا ہے۔ ہر قدم کا تعین تکنیکی تیاری، ریگولیٹری تقاضوں اور تجارتی افادیت کو مد نظر رکھتے ہوئے کیا جائے گا۔

## آڈٹ کمیٹی

کمیٹی تین نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے۔ کمیٹی کا چیئر پرسن ایک آزاد ڈائریکٹر ہے۔ سال کے دوران، آڈٹ کمیٹی کے چھ اجلاس منعقد ہوئے، جن میں حاضری حسب ذیل ہے۔

| ڈائریکٹر کا نام          | اجلاس میں شرکت کی گئی |
|--------------------------|-----------------------|
| محترمہ شائستہ خالق رحمان | 5                     |
| جناب عدنان اصدر علی      | 2                     |
| جناب مونس عبداللہ        | 6                     |
| جناب زبیر رزاق پال والا  | 3                     |

سال کے دوران، جناب عدنان اصدر علی کی جگہ جناب زبیر رزاق پال والا کو آڈٹ کمیٹی کا رکن مقرر کیا گیا۔

## انسانی وسائل اور معاوضے کی کمیٹی (HR&R)

کمیٹی تین نان ایگزیکٹو ممبران پر مشتمل ہے۔ کمیٹی کا چیئر پرسن ایک آزاد ڈائریکٹر ہے۔ سال بھر میں کمیٹی کے دو اجلاس ہوئے جن کی حاضری حسب ذیل ہے۔

| ڈائریکٹر کا نام          | اجلاس میں شرکت کی گئی |
|--------------------------|-----------------------|
| محترمہ شائستہ خالق رحمان | 2                     |
| جناب محمد زبیر حیدر شیخ  | 2                     |
| جناب مونس عبداللہ        | 2                     |
| محترمہ امینہ سید         | -                     |

سال کے دوران، جناب محمد زبیر حیدر شیخ کی جگہ محترمہ امینہ سید کو ایچ آر اینڈ آر سی (HR&RC) کا رکن مقرر کیا گیا۔

## ڈائریکٹرز کا معاوضہ

ڈائریکٹرز کے معاوضے کی اہم خصوصیات اور اہم عناصر درج ذیل ہیں:

- گروپ اپنے نان ایگزیکٹو ڈائریکٹرز کو بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے میٹنگ فیس کے علاوہ کوئی اضافی معاوضہ ادا نہیں کرے گا۔ پالیسی کے مطابق، ڈائریکٹرز کو بورڈ یا اس کی کمیٹیوں کے ہر اجلاس میں شرکت کے لیے ٹیکس کی کٹوتی کے بعد 60,000 روپے فی میٹنگ معاوضہ ادا کیا جاتا ہے۔

## بورڈ آف ڈائریکٹرز کی تشکیل

بورڈ میں سات ڈائریکٹر رکھے ہیں۔ 30 جون 2026 کو بورڈ کی تشکیل حسب ذیل ہے:

| درجہ بندی                | نام                                                            |
|--------------------------|----------------------------------------------------------------|
| i آزاد ڈائریکٹر          | محترمہ امینہ سید<br>محترمہ شائستہ خالق رحمان                   |
| ii غیر ایگزیکٹو ڈائریکٹر | جناب ارشد انیس<br>جناب مونس عبداللہ<br>جناب زبیر رزاق پال والا |
| iii ایگزیکٹو ڈائریکٹر    | جناب طاہر احمد<br>جناب ایس ندیم احمد                           |

جناب عدنان اصدر علی نے 31 دسمبر 2025 کو ڈائریکٹر اور چیئر مین کے عہدے سے استعفیٰ دے دیا۔ بورڈ نے یکم جنوری 2026 کو جناب ارشد انیس کو بطور ڈائریکٹر مقرر کیا۔ بورڈ نے 14 جنوری 2026 کو جناب ارشد انیس کو چیئر مین بھی مقرر کیا۔

جناب محمد زبیر حیدر شیخ نے 3 مارچ 2026 کو استعفیٰ دے دیا اور اس غیر معمولی آسامی کو پُر کرنے کے لیے، بورڈ نے 19 جون 2026 کو محترمہ امینہ سید کو مقرر کیا۔

## بورڈ آف ڈائریکٹرز کی میٹنگز

سال کے دوران بورڈ آف ڈائریکٹرز کے سات اجلاس منعقد ہوئے۔ بورڈ ممبران کی میٹنگز میں حاضری کا خلاصہ حسب ذیل ہے:

| ڈائریکٹر کا نام          | اجلاس میں شرکت کی گئی |
|--------------------------|-----------------------|
| جناب عدنان اصدر علی      | 2                     |
| جناب ارشد انیس           | 3                     |
| جناب مونس عبداللہ        | 7                     |
| جناب طاہر احمد           | 7                     |
| جناب سید ندیم احمد       | 4                     |
| جناب زبیر رزاق پال والا  | 7                     |
| جناب محمد زبیر حیدر شیخ  | 5                     |
| محترمہ شائستہ خالق رحمان | 6                     |
| محترمہ امینہ سید         | -                     |



چھ سالوں کے لیے کلیدی آپریٹنگ اور مالیاتی اعداد و شمار کو مندرجہ ذیل طور پر پیش کیا گیا ہے:

| 2021              | 2022              | 2023              | 2024               | 2025               | 2026              | لاگو کردہ اثاثہ جات                                             |
|-------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-----------------------------------------------------------------|
| 8,741,499         | 10,026,144        | 10,192,835        | 10,396,016         | 11,149,935         | 12,120,277        | املاک، پلانٹس اور ایکویپمنٹ                                     |
| 79,410            | 69,750            | 60,090            | 63,982             | 43,830             | 31,110            | اثاثہ جات کا صحیح استعمال                                       |
| 15,622,504        | 16,179,879        | 16,153,388        | 4,625,119          | 4,006,006          | 2,996,300         | غیر معمولی اثاثہ جات                                            |
| 2,970,279         | 3,237,634         | 3,348,598         | 6,177,607          | 6,277,433          | 6,198,518         | مالیت پر جائیدادوں میں سرمایہ کاری                              |
| 24,462            | 27,927            | 30,915            | 10,974             | 12,805             | 21,439            | طویل مدتی سرمایہ کاری۔ ذیلی اداروں                              |
| -                 | -                 | -                 | 1,984,209          | 1,616,811          | 220,889           | ڈیفرڈ اثاثہ جات                                                 |
| -                 | -                 | -                 | 12,788,873         | -                  | -                 | اثاثہ جات کا سیفائیڈ جیسا کہ فروخت کے لئے موجود ہیں             |
| 8,579,394         | 10,876,069        | 8,672,038         | 2,296,016          | 9,947,925          | 12,983,486        | خالص کرنٹ اثاثہ جات                                             |
| <b>36,017,547</b> | <b>40,417,403</b> | <b>38,457,864</b> | <b>38,342,796</b>  | <b>33,054,745</b>  | <b>34,572,019</b> | <b>مجموعی زیر عمل اثاثہ جات</b>                                 |
|                   |                   |                   |                    |                    |                   | <b>سرمایہ کاری کا ذریعہ</b>                                     |
| 2,400,405         | 3,120,526         | 3,900,659         | 5,114,945          | 5,114,945          | 5,882,186         | جاری کردہ، سبسکرائیڈ اور ادا شدہ سرمایہ                         |
| 19,105,693        | 20,369,885        | 20,472,950        | 21,392,765         | 20,795,972         | 20,752,783        | ریزرو اور غیر منقولہ شدہ منافع جات                              |
| <b>21,506,098</b> | <b>23,490,411</b> | <b>24,373,609</b> | <b>26,507,710</b>  | <b>25,910,917</b>  | <b>26,634,969</b> | <b>ٹیکرز ہولڈرز کی ایکویٹی</b>                                  |
| 4,066,913         | 5,173,186         | 5,568,389         | 6,023,513          | 6,178,180          | 6,793,804         | مستقل اثاثوں کی ری ویلیویشن کا سرپلس                            |
| 513,181           | 2,027,714         | 1,734,434         | 1,913,774          | 803,687            | 913,860           | غیر متعلقہ حصص یافتگان کا منافع                                 |
| 9,931,355         | 9,726,092         | 6,781,432         | 3,897,799          | 161,961            | 229,386           | طویل المدتی اور ملتی شدہ واجبات                                 |
| <b>36,017,547</b> | <b>40,417,403</b> | <b>38,457,864</b> | <b>38,342,796</b>  | <b>33,054,745</b>  | <b>34,572,019</b> | <b>مجموعی لاگو شدہ سرمایہ</b>                                   |
| <b>26,219,656</b> | <b>29,909,659</b> | <b>33,969,510</b> | <b>29,400,675</b>  | <b>28,599,834</b>  | <b>36,808,961</b> | <b>ٹرن اوور</b>                                                 |
| <b>5,035,298</b>  | <b>3,661,347</b>  | <b>1,144,124</b>  | <b>(3,960,245)</b> | <b>916,602</b>     | <b>4,199,791</b>  | <b>منافع (تقصان) قبل از ٹیکس</b>                                |
| <b>3,746,848</b>  | <b>2,415,854</b>  | <b>413,053</b>    | <b>(2,405,156)</b> | <b>(1,372,143)</b> | <b>535,739</b>    | <b>منافع (تقصان) بعد از ٹیکس</b>                                |
| <b>14.29</b>      | <b>8.08</b>       | <b>1.22</b>       | <b>-8.18</b>       | <b>-4.80</b>       | <b>1.46</b>       | <b>منافع (تقصان) بعد از ٹیکس بے طاقٹ ٹرن اوور کا فیصد</b>       |
| <b>10.40</b>      | <b>5.98</b>       | <b>1.07</b>       | <b>-6.27</b>       | <b>-4.15</b>       | <b>1.55</b>       | <b>منافع (تقصان) بعد از ٹیکس بے طاقٹ زیر عمل سرمائے کا فیصد</b> |
|                   |                   |                   |                    |                    |                   | <b>منافع منقسم</b>                                              |
| <b>20</b>         | <b>NIL</b>        | <b>NIL</b>        | <b>NIL</b>         | <b>NIL</b>         | <b>10</b>         | <b>نقد (فیصد)</b>                                               |
| <b>30</b>         | <b>25</b>         | <b>NIL</b>        | <b>NIL</b>         | <b>15</b>          | <b>NIL</b>        | <b>اسٹاک (فیصد)</b>                                             |

## داخلی مالیاتی کنٹرول کی افادیت

گروپ کے اثاثوں کی حفاظت، قوانین و ضوابط کی پاسداری اور قابل اعتماد مالیاتی رپورٹنگ کو یقینی بنانے کے لیے بہترین اور مناسب اندرونی نظام انضباط (Internal Controls) کے قیام کی خاطر، بورڈ آف ڈائریکٹرز نے انٹر نل آڈٹ کی ذمہ داریاں گرینٹ تھورنٹن انجمن رحمان، چارٹرڈ اکاؤنٹنٹس کو سونپ (Outsource) دی ہیں، جنہیں اس مقصد کے لیے مکمل طور پر اہل، تجربہ کار اور گروپ کی پالیسیوں اور طریقہ کار سے بخوبی واقف سمجھا جاتا ہے۔

## ضابطہ اخلاق

گروپ کے بورڈ آف ڈائریکٹرز نے ایک ضابطہ اخلاق نافذ کیا ہے۔ تمام ملازمین کو اس سے مطلع اور آگاہ کر دیا گیا ہے اور ان کے لیے لازمی ہے کہ وہ کاروبار اور قوانین و ضوابط کے حوالے سے ان قواعد و ضوابط کی مکمل پاسداری کریں۔

## کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

گروپ کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے، اس کے امور کی حالت، آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کو منصفانہ اور درست انداز میں پیش کرتے ہیں۔

- گروپ کے مالیاتی ریکارڈز کی مناسب اور باقاعدہ کتابیں برقرار رکھی گئی ہیں۔
- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ سے متعلق تخمینے معقول اور محتاط فیصلے پر مبنی ہیں۔
- مالیاتی گوشواروں کی تیاری میں پاکستان میں قابل اطلاق بین الاقوامی اکاؤنٹنگ معیارات (IAS) کی پیروی کی گئی ہے۔
- گروپ ایک مضبوط اندرونی نظام انضباط (Internal Control System) کو برقرار رکھتا ہے جو کسی بھی مالیاتی غلط بیانی یا نقصان کے خلاف معقول ضمانت فراہم کرتا ہے۔ اس اندرونی نظام انضباط کا باقاعدگی سے جائزہ لیا جاتا ہے۔
- گروپ کی بطور نفع بخش ادارہ کام جاری رکھنے (Going Concern) کی صلاحیت پر کسی قسم کے شکوک و شبہات نہیں ہیں۔
- لسٹنگ ریگولیشنز میں تفصیل سے بیان کردہ کارپوریٹ گورننس کے بہترین طریقوں سے کسی قسم کا انحراف نہیں کیا گیا ہے۔
- منتقلی کی قیمتوں (Transfer Pricing) کے بہترین طریقوں سے کوئی انحراف نہیں ہوا ہے۔

ہمارے تمام متعلقہ افراد (اسٹیک ہولڈرز) اور عام عوام گروپ کی ویب سائٹ [www.searlecompany.com](http://www.searlecompany.com) وزٹ کر سکتے ہیں، جہاں سرمایہ کاروں کے لیے ایک مخصوص سیکشن موجود ہے جس میں سالانہ، ششماہی اور سہ ماہی مالیاتی گوشواروں سے متعلق معلومات فراہم کی گئی ہیں۔

## متعلقہ پارٹی لین دین

سال 2026 کے دوران متعلقہ فریقین (Related Parties) کے ساتھ تمام معاملات و لین دین جائزوں اور منظوری کے لیے آڈٹ کمیٹی اور بورڈ کے سامنے پیش کیے گئے تھے۔ ان تمام معاملات کی آڈٹ کمیٹی اور بورڈ نے اپنے اپنے اجلاسوں میں باقاعدہ منظوری دی تھی۔ یہ تمام معاملات ٹرانسفر پرائسنگ کے طریقوں اور بورڈ سے پہلے سے منظور شدہ متعلقہ فریقین کی پالیسی کے عین مطابق تھے۔ گروپ ایسے تمام معاملات کا مکمل ریکارڈ، مع تمام شرائط و ضوابط، اپنے پاس برقرار رکھتا ہے۔ مزید تفصیلات کے لیے برائے کرم مالیاتی گوشواروں کے نوٹ 43 سے رجوع فرمائیں۔

## کوڈ آف کارپوریٹ گورننس کی تعمیل

اسٹاک ایکسچینج نے سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے جاری کردہ لسٹنگ رولز اور لسٹڈ کمپنیز ریگولیشنز میں اس کوڈ کو شامل کیا ہے۔ گروپ نے اس کوڈ کو اپنا لیا ہے اور اس پر حرف بحرف اور حقیقی روح کے ساتھ عمل پیرا ہے۔

## ڈائریکٹرز، CFO، کمپنی کے سیکرٹری اور ایگزیکٹوز وغیرہ کے ذریعے حصص کی تجارت۔

گروپ کے حصص (شیئرز) پاکستان اسٹاک ایکسچینج لمیٹڈ میں خرید و فروخت کے لیے درج ہیں۔ ڈائریکٹرز، سی ای او، کمپنی سیکرٹری، سی ایف او اور ایگزیکٹوز، ان کے شریک حیات اور نابالغ بچوں نے ذیل میں درج ڈائریکٹرز اور ایگزیکٹوز کے علاوہ گروپ کے حصص میں کوئی خرید و فروخت نہیں کی:

| نام                               | شیئر کی خریداری | شیئر کی فروخت |
|-----------------------------------|-----------------|---------------|
| جناب معجود الحسن                  | 1,640           | 600           |
| انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ | 2,596,500       | -             |

## ڈائریکٹرز کا ترمیمی پروگرام (DTP)

گروپ کے تمام ڈائریکٹرز نے ڈی ٹی پی (DTP) سرٹیفیکیشن حاصل کر لی ہے۔

کارپوریٹ اور سماجی ذمہ داری (CSR) کے لیے ہمارا طریقہ کار ان شعبوں پر مرکوز ہے جہاں ہم معنی خیز اثرات مرتب کر سکتے ہیں، بشمول صحت کی آگاہی، ملازمین کی تربیت و ترقی، کمیونٹی کی بہتری اور ماحولیاتی ذمہ داری۔

سال کے دوران، ہمارے ملازمین نے ماحولیاتی آگاہی اور پائیداری کو فروغ دینے والے اقدامات میں بھرپور حصہ لیا۔ گروپ نے منظم اور جامع لیرنگ اینڈ ڈویلپمنٹ پروگراموں کے ذریعے اپنے لوگوں کی صلاحیتوں میں سرمایہ کاری کو بھی جاری رکھا۔ مالیاتی سال 2026 کے دوران، ادارے میں صلاحیتوں کو بڑھانے کے لیے تقریباً 33,000 تربیتی گھنٹے فراہم کیے گئے۔

سال کے دوران ہمارے کمیونٹی سے متعلق اقدامات صحت کی آگاہی اور بیماریوں سے بچاؤ پر مرکوز رہے، جن میں موٹاپے، بلڈ پریشر، ذیابیطس اور کولیسٹرول سے متعلق سرگرمیاں شامل تھیں۔ ان اقدامات نے کلینیکل ماحول سے باہر نکل کر ان کمیونٹیز تک صحت کی آگاہی پہنچائی جن کی ہم خدمت کرتے ہیں، جس نے ہمارے وسیع تر سائنسی تعاون کو مزید تقویت دی۔

انہی کوششوں کے ذریعے، سرل گروپ اپنے ملازمین، ہیلتھ کیئر پارٹنرز اور کمیونٹیز کے ساتھ مل کر مسلسل آگے بڑھ رہا ہے، جس کا مقصد ایسا ماحول اور قدر پیدا کرنا ہے جو گروپ کے براہ راست کاروباری امور سے بھی آگے تک محیط ہو۔

## پیشہ ورانہ صحت، حفاظت اور ماحول

سرل گروپ میں ہمارے ملازمین، ملاقاتی اور دیگر تمام متعلقہ افراد (اسٹیک ہولڈرز) کی صحت، سلامتی اور فلاح و بہبود ہمارے آپریشنز کے لیے بنیادی حیثیت رکھتی ہے۔ سرل گروپ خطرات کی مسلسل نشاندہی، حفاظتی تدابیر، ملازمین میں آگاہی اور طریقہ کار میں بہتری کے ذریعے پیشہ ورانہ صحت، سلامتی اور ماحولیاتی نظام (HSE) کے لیے ایک فعال اور پیشگی حکمت عملی قائم رکھتا ہے۔

ہم ماحولیاتی تحفظ، کام کی جگہ کی سلامتی اور کاروباری تسلسل کے لیے مناسب معیارات کو برقرار رکھتے ہوئے، ذمہ دارانہ پیداواری طریقوں اور وسائل کے موثر استعمال کے لیے پرعزم ہیں۔ جیسے جیسے ہمارے پیداواری اور بین الاقوامی آپریشنز وسعت اختیار کر رہے ہیں، ہماری تمام تر توجہ ان اقدامات کو مزید مضبوط بنانے پر مرکوز ہے جو محفوظ، موثر اور پائیدار آپریشنز کو فروغ دیتے ہیں۔

## انفارمیشن ٹیکنالوجی

ٹیکنالوجی سرل گروپ کی آپریشنل صلاحیتوں، کارکردگی اور ڈیٹا پر مبنی فیصلہ سازی کو مسلسل مضبوط بنا رہی ہے۔ سال کے دوران، گروپ نے باہمی مربوط کاری (Integration) اور بروقت معلومات تک رسائی کو بہتر بنانے کے لیے اپنے ڈیجیٹل انفراسٹرکچر اور SAP ماحول کو مزید فعال اور جدید بنایا۔

اس سلسلے میں ایک اہم اقدام ”OneThunder–OneTruth, OneLanguage“ تھا، جو ہمارا ادارہ جاتی ڈیٹا انسفارمیشن پروگرام ہے اور جس کا مقصد قابل اعتماد و قابل عمل کاروباری معلومات کا ایک متحد ذریعہ قائم کرنا ہے۔ سیلز، سپلائی چین اور ڈسٹری بیوشن کے لیے مخصوص ”Pulses“ کا تعارف اہم کارکردگی کے اشاریوں (KPIs) کی شفافیت کو بڑھاتا ہے اور ٹیموں کو معلومات کے ایک مشترکہ و مستند ذریعہ کی طرف بڑھنے میں مدد فراہم کرتا ہے۔

OneThunder تفصیلی تجزیات (Analytics)، طریقہ کار کی خود کاریت (Process Automation) اور پیشگی اندازوں پر مبنی فیصلہ سازی کی بنیاد بھی رکھتا ہے، جو سرل گروپ کو ایک زیادہ مربوط اور بصیرت انگیز ادارے میں ڈھالنے کے سفر کو تقویت دیتا ہے۔

## شیئر ہولڈنگ کاپیٹن

کمپنیز ایکٹ 2017 کے سیکشن 227 اور لسٹنگ ریگولیشنز کے تقاضوں کے مطابق، 30 جون 2026 تک کے حصص یافتگان کے زمرہ جات کے ساتھ شیئر ہولڈنگ کاپیٹن ساتھ منسلک ہے۔

## کاروباری طرز عمل

سرل گروپ کی تجارتی و کاروباری سرگرمیاں دیانتداری، شفافیت اور ذمہ دارانہ کاروباری طرز عمل پر مبنی ہیں، جن میں قابل اطلاق قوانین، قواعد و ضوابط اور اخلاقی معیارات کی پاسداری کا پختہ عزم شامل ہے۔

ہماری اقدار دیانتداری، برتری، شراکت داری اور جذبہ ہمارے کاروباری امور کی انجام دہی میں ہماری رہنمائی کرتی ہیں اور ہمارے فیصلوں کو تشکیل دیتی ہیں۔ یہ اقدار ہمارے مریضوں، صارفین، معالجین، کاروباری شراکت داروں، ملازمین اور دیگر تمام متعلقہ افراد (اسٹیک ہولڈرز) کے ساتھ اعتماد کی تعمیر اور اس کے تسلسل کو برقرار رکھنے کے لیے بنیادی حیثیت رکھتی ہیں۔

جدت طرازی اور پائیدار نمو کے سفر کو جاری رکھتے ہوئے، ہماری تمام تر توجہ سائنسی پیش رفت کو صحت کی دیکھ بھال کے موثر حلوں میں ڈھالنے پر مرکوز ہے۔ اس میں منفرد و جدید ادویات تک رسائی کو وسعت دینا، معالجین کے ساتھ سائنسی تعامل کو مستحکم کرنا، شراکت داریوں کو فروغ دینا اور ایسی صلاحیتوں کو پیدا کرنا شامل ہے جو طویل مدتی قدر کی تخلیق میں معاون ثابت ہوں۔

ہم اپنے کاروبار کو ذمہ دارانہ انداز میں چلانے، گورننس اور قوانین کی پاسداری کے اعلیٰ معیارات کو قائم رکھنے، اور اس بات کو یقینی بنانے کے لیے پرعزم ہیں کہ ہماری نمو کی کوششوں کو درست کاروباری اصولوں، جوابدہی اور ذمہ دارانہ فیصلہ سازی حاصل رہے۔

## پروڈکٹ کوالٹی

سرل گروپ میں، پروڈکٹ کا معیار ان تمام ادویات اور سیلتھ کیئر حلوں پر قائم شدہ اعتماد کی بنیاد ہے جو ہم فراہم کرتے ہیں۔ جیسے جیسے گروپ اپنے پورٹ فولیو بشمول جدید ترین علاج (تھراپی) اور بائیولوجیکلز کو وسعت دے رہا ہے، معیار، حفاظت اور بااعتمادی کے اعلیٰ معیارات کو مسلسل برقرار رکھنا ہماری بنیادی ترجیح ہے۔

ہمارے کوالٹی سسٹمز اس بات کو یقینی بنانے کے لیے وضع کیے گئے ہیں کہ گروپ کی تیار کردہ اور مارکیٹ کی جانے والی تمام مصنوعات اپنی لائف سائیکل کے ہر مرحلے پر لاگو ریگولیٹری اور کوالٹی تقاضوں کے عین مطابق ہوں۔ ہم مقامی اور بین الاقوامی دونوں مارکیٹوں میں یکساں اور اعلیٰ معیار کی مصنوعات کی فراہمی کو یقینی بنانے کے لیے اپنی پیداواری صلاحیتوں، عمل اور کنٹرول کے نظام کو مسلسل مضبوط بنا رہے ہیں۔

## کارپوریٹ اور سماجی ذمہ داری

سرل گروپ میں، ہماری ذمہ داری صرف کاروباری کارکردگی تک محدود نہیں ہے۔ نسل در نسل صحت اور فلاح و بہبود کو فروغ دے کر زندگی کے معیار کو بلند کرنے کے ہمارے مقصد کے تحت، ہم ان تمام کمیونٹیز کے لیے مثبت اور پائیدار اثرات پیدا کرنے کی کوشش کرتے ہیں جن میں ہم کام کرتے ہیں۔



## مالیاتی گوشوارے اور آڈیٹرز

بورڈ آف ڈائریکٹرز نے، بورڈ آڈٹ کمیٹی کی سفارش پر، ممبران کی منظوری سے مشروط، باہمی اتفاق رائے سے طے شدہ معاوضے پر میسرز کے پی ایم جی تاثیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو گروپ کا قانونی آڈیٹر (Statutory Auditor) مقرر کرنے کی سفارش کی ہے۔

## ہولڈنگ کمپنی

انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ سرل گروپ کی ہولڈنگ کمپنی ہے، جو گروپ میں 50.03 فیصد شیئرز ہولڈنگ رکھتی ہے۔

## کمپنی کے ذیلی ادارے

درج ذیل ذیلی کمپنیاں ہیں:

| کاروبار کا مرکزی مقام | موثر العمل     | فیصد ہولڈنگ کی عمر                           |
|-----------------------|----------------|----------------------------------------------|
| جون 30، 2026          | جون 30، 2025   |                                              |
| 74.19%                | <b>74.19%</b>  | آئی بی ایل ہیلتھ کیئر لمیٹڈ                  |
| 100.00%               | <b>100.00%</b> | غیر لسٹڈ کمپنیاں                             |
| 100.00%               | <b>100.00%</b> | سرل فارماسیوٹیکل (پرائیویٹ) لمیٹڈ            |
| 100.00%               | <b>100.00%</b> | سرل لیبارٹریز (پرائیویٹ) لمیٹڈ               |
| 100.00%               | <b>100.00%</b> | سرل بائیو سائنسز (پرائیویٹ) لمیٹڈ            |
| 100.00%               | <b>100.00%</b> | آئی بی ایل فیوچر ٹیکنالوجیز (پرائیویٹ) لمیٹڈ |
| 100.00%               | <b>100.00%</b> | سرل آئی وی سلوشنز (پرائیویٹ) لمیٹڈ           |
| 50.00%                | <b>50.00%</b>  | اسٹیلر وینچرز (پرائیویٹ) لمیٹڈ               |
| 100.00%               | <b>100.00%</b> | مائی کارٹ (پرائیویٹ) لمیٹڈ *                 |
| 100.00%               | <b>100.00%</b> | آئی بی ایل فرنٹیر مارکیٹس (پرائیویٹ) لمیٹڈ * |
| 87.20%                | <b>87.20%</b>  | پرائم ہیلتھ (پرائیویٹ) لمیٹڈ *               |
| 100.00%               | <b>100.00%</b> | سرل بائیو فارما (پرائیویٹ) لمیٹڈ             |
| 87.20%                | <b>87.20%</b>  | - [سابقہ نیکسٹار فارما (پرائیویٹ) لمیٹڈ] **  |

\* مائی کارٹ (پرائیویٹ) لمیٹڈ، آئی بی ایل فرنٹیر مارکیٹس (پرائیویٹ) لمیٹڈ اور پرائم ہیلتھ (پرائیویٹ) لمیٹڈ، اسٹیلر وینچرز (پرائیویٹ) لمیٹڈ کی ذیلی کمپنیاں ہیں جو کہ گروپ کی بالواسطہ ذیلی کمپنیاں ہیں۔

\*\* سرل بائیو فارما (پرائیویٹ) لمیٹڈ، سرل بائیو سائنسز (پرائیویٹ) لمیٹڈ کی ذیلی کمپنی ہے جو کہ گروپ کی بالواسطہ ذیلی کمپنی ہے۔

بورڈ سیلز، مارجنر، مالیاتی اخراجات میں بڑی کمی اور گروپ کی منافع بخش واپسی پر انتہائی پر امید ہے۔ یہ کامیابیاں گروپ کے لیے ایک اہم موڑ ہیں اور اس کی نمو کے اگلے مرحلے کے لیے ایک مضبوط بنیاد فراہم کرتی ہیں۔ جدت، آپریشنل برتری، پورٹ فولیو کی تبدیلی اور انضباطی سرمائے کی تخصیص پر مزید توجہ کے ساتھ، گروپ اپنی نمو کو تیز کرنے، اپنی مسابقتی پوزیشن کو مستحکم کرنے اور اپنے تمام کاروباروں میں دیر پا قدر پیدا کرنے کے لیے مضبوط پوزیشن میں ہے۔ بورڈ کو پورا اعتماد ہے کہ گروپ کے پاس تمام شرائط و داروں کے لیے پائیدار اور طویل مدتی قدر پیدا کرتے ہوئے ایک مضبوط اور اعلیٰ کارکردگی کا حامل ادارہ بنانے کی صلاحیت، مواقع اور عزم موجود ہے۔

June 30,

2025

2026

(پاکستانی روپے ہزاروں میں)

| جاری آپریشنز:      |                   |                                                                |
|--------------------|-------------------|----------------------------------------------------------------|
| 28,599,834         | 36,808,961        | گاہکوں کے ساتھ معاہدوں سے حاصل ہونے والی آمدنی                 |
| (14,527,889)       | (17,673,926)      | فروخت کی لاگت                                                  |
| <b>14,071,945</b>  | <b>19,135,035</b> | <b>مجموعی منافع</b>                                            |
| (8,710,784)        | (11,214,637)      | تقسیم کی لاگت                                                  |
| (1,996,460)        | (2,032,649)       | انتظامی لاگت                                                   |
| (93,803)           | (434,708)         | دیگر اخراجات                                                   |
| 421,750            | 833,645           | دیگر آمدنی                                                     |
| -                  | (993,000)         | ذیلی ادارے میں سرمایہ کاری پر قدر میں کمی (ایپیئرمنٹ) کا نقصان |
| <b>3,692,648</b>   | <b>5,293,686</b>  | <b>آپریشنز سے منافع</b>                                        |
| (2,100,887)        | (1,093,895)       | مالیاتی لاگت                                                   |
| <b>1,591,761</b>   | <b>4,199,791</b>  | <b>لیویز اور انکم ٹیکس سے قبل منافع</b>                        |
| (60,532)           | (22,987)          | لیویز-کم از کم ٹیکس اور حتمی ٹیکس                              |
| <b>1,531,229</b>   | <b>4,176,804</b>  | <b>منافع قبل از ٹیکس</b>                                       |
| (723,861)          | (3,641,065)       | انکم ٹیکس کے اخراجات                                           |
| <b>807,368</b>     | <b>535,739</b>    | <b>منافع بعد از ٹیکس</b>                                       |
|                    |                   | منقطع کاروباری سرگرمیاں                                        |
| (2,179,511)        | -                 | منقطع شدہ آپریشنز سے نقصان                                     |
| <b>(1,372,143)</b> | <b>535,739</b>    | <b>سال کا منافع/(نقصان)</b>                                    |

## فی حصص آمدنی

مدت کے لیے بعد از ٹیکس فی شیئر بنیادی آمدنی PKR 0.75 رہی (2.38 روپے: 2025)۔ گروپ کی فی شیئر بنیادی آمدنی پر ڈائلیوشن کا کوئی اثر نہیں ہے، کیونکہ 30 جون 2026 تک گروپ کے پاس کوئی قابل تبدیلی ڈائلیوٹو پوزیشنل عام حصص بقایا نہ تھے۔

## ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے 30 جون 2026 کو ختم ہونے والے سال کے لیے 10 فیصد نقد منافع (کیش ڈیویڈنڈ) کی سفارش کی ہے۔ 30 جون 2025 کو ختم ہونے والے گزشتہ سال کے دوران، گروپ نے 15 فیصد اسٹاک ڈیویڈنڈ (بونس حصص) کا اعلان کیا تھا۔

گروپ نے مستقبل کی نمو میں بھی سرمایہ کاری جاری رکھی۔ ”ریکسیوا“ (Rexeva-denosumab) اور ”زایوا“ (Xavy-tirze-patide) کے اجراء نے تخصیصی علاج میں گروپ کی موجودگی کو وسعت دی۔ اس کے علاوہ، ٹول مینو فیکچرنگ کے کاروبار کو بھی بڑھایا گیا، جس سے پیداواری صلاحیت کے استعمال میں بہتری آئی اور آمدنی کا ایک اضافی ذریعہ قائم ہوا۔

سال کے دوران، کمپنی نے اپنی بائیولوجیکل ادویات کی حکمت عملی میں ایک اہم سنگ میل حاصل کیا۔ بورڈ اور حصص یافتگان کی منظوری کے بعد، کمپنی نے اپنے بائیولوجیکل اور متعلقہ برانڈز، مع مارکیٹنگ کے حقوق، اپنی بلواسطہ ذیلی کمپنی ”سرل بائیوفارما (پرائیویٹ) لمیٹڈ“ (سابقہ نکسٹار فارما (پرائیویٹ) لمیٹڈ) کو منتقل کر دیے۔ یہ معاملہ 15 جون 2026 کو نافذ العمل ہوا؛ جس کی شرائط اور وجوہات کا انکشاف پاکستان اسٹاک ایکسچینج کے ذریعے حصص یافتگان کے سامنے کیا گیا۔

بورڈ کا ماننا ہے کہ بائیولوجیکل ادویات کے لیے ایک مخصوص ٹیم کی ضرورت ہے جو اس پورٹ فولیو کی تشکیل کے لیے خاص توجہ اور صلاحیتیں رکھتی ہو۔ سرل بائیوفارما کے تحت ان مصنوعات کو یکجا کرنے کا مقصد پروڈکٹ ڈویلپمنٹ میں ہم آہنگی، ہدف شدہ سرمایہ کاری اور گروپ کے اندر پائیدار نمو کو ممکن بنانا ہے۔ یہ عمل گروپ کو اس قابل بھی بناتا ہے کہ وہ اپنے قائم شدہ فارماسیوٹیکل آپریشنز اور ابھرتے ہوئے بائیولوجیکل ادویات کے کاروبار کی مختلف ضروریات کے مطابق اپنے پورٹ فولیو کو ترتیب دے سکے۔

اس منتقلی کے نتیجے میں 3.9 ارب روپے کیکشت منافع حاصل ہوا، جسے کمپنی کے اپنے الگ (Standalone) مالیاتی گوشواروں میں ”دیگر آمدنی“ (Other Income) کے طور پر شامل کیا گیا ہے۔ چونکہ یہ ایک انٹرا گروپ معاملہ تھا، اس لیے اس منافع کو کنسولیدیشن کے وقت مکمل طور پر ختم (Eliminate) کر دیا گیا ہے۔ لہذا، بورڈ مجموعی آمدنی اور مجموعی منافع میں نمو کے ساتھ ساتھ کم مالیاتی اخراجات کو ہی اصل بنیادی کارکردگی کا سب سے اہم اشاریہ مانتا ہے۔

گروپ نے اپنے بنیادی فارماسیوٹیکل آپریشنز سے ہٹ کر ان کاروباروں کی قابل وصول قدر کا جائزہ لینے کے بعد 993 ملین روپے کا اپیسر مینٹ چارج تسلیم کیا، جن کی مصنوعات کا زیادہ تر انحصار صارفین کی اختیاری آمدنی پر ہے۔ گھریلو بجٹ پر مسلسل دباؤ کے باعث، ان کی کارکردگی فی الحال ہماری سابقہ توقعات سے کم ہے۔ انتظامیہ ان کاروباروں کی کارکردگی کو بہتر بنانے پر توجہ مرکوز کیے ہوئے ہے اور صارفین کی طلب کے مطابق ان کے امکانات کا جائزہ لیتی رہے گی۔

آمدنی پر ٹیکس سے قبل منافع (Profit before income tax) تقریباً 173 فیصد بڑھ کر 4.18 ارب روپے ہو گیا (مالیاتی سال 2025: 1.53 ارب روپے)، جس کی بنیادی وجہ مضبوط آپریشنز اور کم مالیاتی اخراجات تھے، اگرچہ اس میں 993 ملین روپے کا اپیسر مینٹ چارج بھی شامل تھا۔

انکم ٹیکس کے اخراجات میں نمایاں اضافہ ہوا۔ اس میں گزشتہ سالوں میں کیپٹل نقصان پر تسلیم شدہ ڈیفرڈ ٹیکس ایسٹ کا 1.17 ارب روپے کا جزوی ریورسل شامل ہے، جو کہ اثاثے کے اس حصے کی دوبارہ تشخیص سے پیدا ہونے والی ایک غیر نقد ایڈجسٹمنٹ ہے جسے فی الحال تسلیم کیا جاسکتا ہے۔

نتیجہً، گروپ نے 536 ملین روپے کا بعد از ٹیکس منافع (Profit after Tax) رپورٹ کیا، جو کہ مالیاتی سال 2025 میں 1.37 ارب روپے کے نقصان کے مقابلے میں ایک مثبت تبدیلی (Turnaround) ہے۔ یہ نتیجہ اپیسر مینٹ چارج اور ڈیفرڈ ٹیکس ایڈجسٹمنٹ دونوں کو جذب کرنے کے بعد حاصل ہوا ہے۔

## ڈائریکٹرز کنسولیدٹڈ رپورٹ برائے حصص یافتگان

ڈائریکٹرز 30 جون 2026 کو ختم ہونے والے سال کے لیے گروپ کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ سالانہ رپورٹ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

یہ معلومات کمپنیز ایکٹ 2017 کے سیکشن 227 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے چپٹر XII کے مطابق پیش کی جا رہی ہیں۔

یہ رپورٹ 22 اکتوبر 2026 کو منعقد ہونے والے گروپ کے 61 ویں سالانہ اجلاس عام (AGM) میں اراکین کی خدمت میں پیش کی جانی ہے۔

### جائزہ

پاکستان کی معیشت نے مالی سال 2026 کے دوران بحالی کا سفر جاری رکھا، اور پاکستان اکنامک سروے 2025-26 کے مطابق حقیقی جی ڈی پی (GDP) کی عبوری نمو 3.7 فیصد تخمینہ کی گئی۔ تاہم مسلسل بڑھتے ہوئے اخراجات کے دباؤ اور خطے کی بدلتی ہوئی جیو پولیٹیکل غیر یقینی صورتحال کے باعث کاروباری ماحول چیلنجنگ رہا۔ علاقائی کشیدگی اور بین الاقوامی تجارت و شپنگ کے راستوں میں رکاوٹوں نے عالمی سپلائی چین اور درآمدی خام مال کی دستیابی کے لیے خطرات پیدا کیے۔

فارماسیوٹیکل انڈسٹری نے پیداواری عمل کی مشکلات کے باوجود ملک کی صحت عامہ کی ضروریات کو پورا کرنے میں اپنا اہم کردار جاری رکھا۔ خام مال کی بڑھتی ہوئی لاگت، بین الاقوامی مال برداری (Freight) کی غیر یقینی صورتحال اور سپلائی چین کے مسائل نے اخراجات میں نظم و ضبط، آپریشنل صلاحیت اور ادویات کی بلا تعطل دستیابی کی اہمیت کو مزید واضح کر دیا۔

اس تمام تناظر میں، گروپ نے اپنی پیداواری صلاحیتوں کو مضبوط بنانے، مصنوعات کی مسلسل فراہمی کو یقینی بنانے اور آپریشنل استحکام کو بڑھانے پر اپنی تمام تر توجہ مرکوز رکھی۔

### آپریٹنگ نتائج

مالیاتی سال 2026 سرل گروپ کے لیے ایک مضبوط اور ہمہ گیر پیش رفت کا سال رہا۔ مصنوعات کی بہتر دستیابی، موثر سپلائی چین اور تجارتی عمل درآمد پر مسلسل توجہ کی بدولت گروپ کی مجموعی (Consolidated) آمدنی 29 فیصد اضافے کے ساتھ 36.81 ارب روپے تک پہنچ گئی۔ مجموعی منافع (Gross Profit) بڑھ کر 19.14 ارب روپے ہو گیا، جبکہ گراس مارجن 278 بیسس پوائنٹس کے اضافے کے ساتھ 51.98 فیصد رہا (مالیاتی سال 2025: 49.20 فیصد)۔ آپریشنز سے حاصل ہونے والا مجموعی منافع 43 فیصد اضافے کے ساتھ 5.29 ارب روپے رہا (مالیاتی سال 2025: 3.69 ارب روپے)۔

یہ نتائج گروپ کے بنیادی فارماسیوٹیکل پورٹ فولیو کی مضبوطی اور مریضوں و معالجین کو باقاعدگی سے خدمات فراہم کرنے کی بڑھتی ہوئی صلاحیت کو اجاگر کرتے ہیں۔ مالیاتی انضباط کے باعث مزید فوائد حاصل ہوئے۔ ورکنگ کیپیٹل کے سخت انتظام اور قرضوں کے پورٹ فولیو کو متوازن بنانے کی بدولت مالیاتی اخراجات 48 فیصد کم ہو کر 1.09 ارب روپے رہ گئے۔

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SEARLE COMPANY LIMITED**

### **Opinion**

We have audited the annexed consolidated financial statements of The Searle Company Limited (the Holding Company) 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, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

### **Basis for Opinion**

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

### **Key Audit Matters**

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

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■ KARACHI ■ LAHORE ■ ISLAMABAD



Following are the Key Audit Matters:

| S. No. | Key Audit Matters | How the matter was addressed in our audit |
|--------|-------------------|-------------------------------------------|
|--------|-------------------|-------------------------------------------|

|  |                                              |  |
|--|----------------------------------------------|--|
|  | <b>Revenue from contracts with customers</b> |  |
|--|----------------------------------------------|--|

**(Refer notes 3.16 and 29 to the consolidated financial statements)**

The Group's revenue is generated from sales of pharmaceutical and other consumer products. The Group recognised revenue of Rs. 36.81 billion from the sale of goods to domestic as well as export customers during the year ended June 30, 2026.

As part of our overall response to the audit risks when identifying and assessing the risks in revenue recognition, we considered that there is an inherent risk that revenue may be overstated as it is a key performance measure, which could create an incentive or pressure on the Group's management to meet targets. Further, we have focused our audit activities over the revenue recognised near to year end as there was a high risk that the revenue is recorded before the control of goods is transferred to the customer and in an incorrect accounting period. Moreover, revenue recognition includes determination of sales prices in accordance with the regulated price regime of the Government.

Based on the above and considering that the revenue recognition is a significant risk area, we considered this as a key audit matter.

Our audit procedures included the following:

- obtained an understanding of the Group's process with respect to revenue recognition and evaluated management controls and checked their validation;
- obtained an understanding of pricing mechanism of Drug Regulatory Authority of Pakistan (DRAP) and tested, on sample basis, selling prices of regulated pharmaceutical products to ensure compliance with the pricing policies of DRAP;
- inspected contracts on selected samples to obtain an understanding of contract terms particularly relating to timing and the customer's acceptance of the products and assessing the Group's accounting policies for recognition of revenue with reference to the requirements of the prevailing accounting standards;
- performed substantive audit procedures over selected samples of revenue transactions along with inspection of related supporting documents;
- performed cut-off procedures to ensure that the revenue is recognised in the correct accounting period; and
- assessed the adequacy of disclosure made in the consolidated financial statements in accordance with the applicable accounting and reporting standard as applicable in Pakistan.

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## S. No. Key Audit Matters

## How the matter was addressed in our audit

### Litigation in relation to product pricing matters

***(Refer note 29.3 to the consolidated financial statement)***

The Holding Company has litigation cases in respect of product pricing which are pending at various forums including Honourable High Court of Sindh and DRAP.

Matters under litigation require management to make judgements in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and financial impact, if any, on the Holding Company for disclosure and recognition and measurement of any provisions that may be required against such litigation matters.

Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgement and estimates to assess the same including related financial impacts, we considered litigation matters relating to product pricing a key audit matter.

Our audit procedures included the following:

- obtained and inspected details of the pending litigations and discussed the same with the Holding Company's management;
- inspected correspondence of the Holding Company with the relevant authorities including judgements or orders passed by the competent authorities/courts of law in relation to the issues involved or matters which have similarities with the issues involved;
- obtained confirmations from the Holding Company's external legal counsels for their views on open legal cases; and
- ensured disclosures made in respect of litigations in the consolidated financial statements as per the accounting and reporting standards as applicable in Pakistan.

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## S. No. Key Audit Matters

## How the matter was addressed in our audit

### Tax Contingencies

**(Refer notes 28.1 and 37.2 to the consolidated financial statements)**

The Group has disclosed contingent liabilities in respect of income tax and sales tax matters, which are pending at various forums including Honorable High Court of Sindh, Commissioner Inland Revenue (Appeals) (CIR(A)) and Appellate Tribunal Inland Revenue (ATIR).

Such matters require management to make judgements in relation to the interpretation of laws, statutory rules, regulations, and the probability of outcome and financial impact, if any, on the Group for disclosure including recognition and measurement of any provisions that may be required against such contingent liabilities.

Due to significance of amounts involved, inherent uncertainties with respect to the outcome of matters and use of significant management judgement and estimates to assess the same including related financial impacts, we considered tax contingencies as a key audit matter.

Our audit procedures included the following:

- obtained and inspected details of the pending cases and discussed the same with the Group's management;
- inspected correspondence of the Group with the relevant authorities including judgments or orders passed by the competent authorities/courts of law in relation to the issues involved or matters which have similarities with the issues involved;
- obtained confirmations from the Group's external tax and legal advisors for their views on open tax assessments and legal cases;
- involved internal tax professionals to assess management's conclusions on contingent tax matters and to evaluate the consistency of such conclusions with the views of the management and external advisors engaged by the Group; and
- ensured disclosures made in respect of litigations in the consolidated financial statements as per the accounting and reporting standards as applicable in Pakistan.

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## **Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Report Thereon**

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

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

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

## **Responsibilities of Management and 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 is responsible for overseeing the Group's financial reporting process.

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

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

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

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

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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 Syed Muhammad Hasnain.

A. F. Ferguson & Co.  
Chartered Accountants  
Karachi

Date: October 1, 2026

UDIN: AR202610073yohkEt12B

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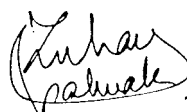
# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

|                                                                       | Note | 2026              | 2025              |
|-----------------------------------------------------------------------|------|-------------------|-------------------|
|                                                                       |      | Rupees '000       |                   |
| <b>ASSETS</b>                                                         |      |                   |                   |
| <b>Non-current assets</b>                                             |      |                   |                   |
| Property, plant and equipment                                         | 4    | 12,120,277        | 11,149,935        |
| Right-of-use assets                                                   | 5    | 31,110            | 43,830            |
| Investment properties - at cost                                       | 6    | 6,198,518         | 6,277,433         |
| Intangible assets                                                     | 7    | 2,996,300         | 4,006,006         |
| Long-term loans and advances                                          | 8    | 8                 | 61                |
| Long-term deposits                                                    | 9    | 21,431            | 12,744            |
| Deferred tax asset                                                    | 21   | 220,889           | 1,616,811         |
|                                                                       |      | <b>21,588,533</b> | <b>23,106,820</b> |
| <b>Current assets</b>                                                 |      |                   |                   |
| Inventories                                                           | 10   | 7,532,554         | 5,253,512         |
| Trade receivables                                                     | 11   | 12,348,039        | 11,600,590        |
| Loans and advances                                                    | 12   | 1,742,694         | 746,726           |
| Trade deposits and short-term prepayments                             | 13   | 465,593           | 319,216           |
| Other receivables                                                     | 14   | 2,858,288         | 5,029,809         |
| Short-term investment at amortised cost                               | 15   | 400,000           | 100,000           |
| Taxation - payments less provision                                    |      | 1,805,713         | 2,059,124         |
| Tax refunds due from Government - sales tax                           |      | 245,452           | 317,038           |
| Cash and bank balances                                                | 16   | 2,474,924         | 398,751           |
|                                                                       |      | <b>29,873,257</b> | <b>25,824,766</b> |
| <b>Total assets</b>                                                   |      | <b>51,461,790</b> | <b>48,931,586</b> |
| <b>EQUITY AND LIABILITIES</b>                                         |      |                   |                   |
| <b>EQUITY</b>                                                         |      |                   |                   |
| <b>Share capital</b>                                                  |      |                   |                   |
| Issued, subscribed and paid-up capital                                | 17   | 5,882,186         | 5,114,945         |
| <b>Capital reserves</b>                                               |      |                   |                   |
| Share premium                                                         |      | 9,085,133         | 9,085,133         |
| Revaluation surplus on property, plant and equipment                  | 18   | 6,793,804         | 6,178,180         |
| <b>Revenue reserves</b>                                               |      |                   |                   |
| General reserve                                                       | 19   | 280,251           | 280,251           |
| Unappropriated profit                                                 |      | 11,387,399        | 11,430,588        |
| Attributable to owners of The Searle Company Limited - Parent Company |      | 33,428,773        | 32,089,097        |
| Non-controlling interests                                             | 51   | 913,860           | 803,687           |
| <b>Total equity</b>                                                   |      | <b>34,342,633</b> | <b>32,892,784</b> |
| <b>LIABILITIES</b>                                                    |      |                   |                   |
| <b>Non-current liabilities</b>                                        |      |                   |                   |
| Long-term borrowings                                                  | 20   | 127,410           | 46,067            |
| Employee benefit obligations                                          | 22   | 58,506            | 58,380            |
| Lease liabilities                                                     | 23   | 43,470            | 57,514            |
|                                                                       |      | <b>229,386</b>    | <b>161,961</b>    |
| <b>Current liabilities</b>                                            |      |                   |                   |
| Trade and other payables                                              | 24   | 8,588,301         | 7,695,075         |
| Short term borrowings                                                 | 25   | 7,852,994         | 7,857,916         |
| Contract liabilities                                                  | 26   | 194,872           | 71,577            |
| Unpaid dividend                                                       | 27   | 195,928           | 196,363           |
| Unclaimed dividend                                                    |      | 43,632            | 43,884            |
| Current portion of lease liabilities                                  | 23   | 14,044            | 12,026            |
|                                                                       |      | <b>16,889,771</b> | <b>15,876,841</b> |
| <b>Total liabilities</b>                                              |      | <b>17,119,157</b> | <b>16,038,802</b> |
| <b>Contingencies and commitments</b>                                  | 28   |                   |                   |
| <b>Total equity and liabilities</b>                                   |      | <b>51,461,790</b> | <b>48,931,586</b> |

The annexed notes from 1 to 53 form an integral part of these consolidated financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer

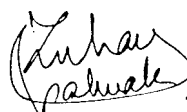
# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended June 30, 2026

|                                                                  | Note | 2026<br>Rupees '000 | 2025               |
|------------------------------------------------------------------|------|---------------------|--------------------|
| <b>Continuing operations:</b>                                    |      |                     |                    |
| Revenue from contracts with customers                            | 29   | 36,808,961          | 28,599,834         |
| Cost of sales                                                    | 30   | (17,673,926)        | (14,527,889)       |
| Gross profit                                                     |      | 19,135,035          | 14,071,945         |
| Distribution costs                                               | 31   | (11,214,637)        | (8,710,784)        |
| Administrative expenses                                          | 32   | (2,032,649)         | (1,996,460)        |
| Other expenses                                                   | 33   | (434,708)           | (93,803)           |
| Other income                                                     | 34   | 833,645             | 421,750            |
| Impairment loss on goodwill                                      | 7    | (993,000)           | -                  |
| <b>Profit from operations</b>                                    |      | <b>5,293,686</b>    | <b>3,692,648</b>   |
| Finance cost                                                     | 35   | (1,093,895)         | (2,100,887)        |
| <b>Profit before levies and income tax</b>                       |      | <b>4,199,791</b>    | <b>1,591,761</b>   |
| Levies - minimum tax and final tax                               | 36   | (22,987)            | (60,532)           |
| <b>Profit before income tax</b>                                  |      | <b>4,176,804</b>    | <b>1,531,229</b>   |
| Income tax expense                                               | 37   | (3,641,065)         | (723,861)          |
| <b>Profit from continuing operations</b>                         |      | <b>535,739</b>      | <b>807,368</b>     |
| <b>Discontinued operations:</b>                                  |      |                     |                    |
| Loss from discontinued operations – net of tax                   |      | -                   | (2,179,511)        |
| <b>Profit / (loss) for the year</b>                              |      | <b>535,739</b>      | <b>(1,372,143)</b> |
| <b>Profit / (loss) is attributable to:</b>                       |      |                     |                    |
| Owners of the Parent Company - continuing operations             |      | 440,373             | 789,314            |
| Owners of the Parent Company - discontinued operations           |      | -                   | (2,187,720)        |
|                                                                  |      | 440,373             | (1,398,406)        |
| Non-controlling interests - continuing operations                |      | 95,366              | 18,054             |
| Non-controlling interests - discontinued operations              |      | -                   | 8,209              |
|                                                                  |      | 95,366              | 26,263             |
|                                                                  |      | 535,739             | (1,372,143)        |
| <b>Basic &amp; diluted earnings per share / (loss) per share</b> |      |                     |                    |
| From continuing operations                                       | 38   | 0.75                | (Restated)<br>1.34 |
| From discontinued operations                                     |      | -                   | (3.72)             |
|                                                                  |      | 0.75                | (2.38)             |

The annexed notes from 1 to 53 form an integral part of these consolidated financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer

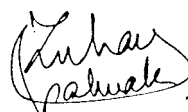
# CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended June 30, 2026

|                                                                                             | Note | 2026             | 2025             |
|---------------------------------------------------------------------------------------------|------|------------------|------------------|
|                                                                                             |      | Rupees '000      |                  |
| Profit / (loss) for the year                                                                |      | 535,739          | (1,372,143)      |
| <b>Other comprehensive income:</b>                                                          |      |                  |                  |
| Items that will not be reclassified subsequently to profit or loss                          |      |                  |                  |
| Remeasurements of post employment benefit obligations                                       |      | 3,986            | 18               |
| Related deferred tax                                                                        |      | (1,475)          | (6)              |
| Effect of change in rate                                                                    |      | 2,335            | -                |
|                                                                                             |      | 4,846            | (12)             |
| Surplus on revaluation of property, plant and equipment                                     | 18   | 1,264,966        | 1,199,071        |
| Related deferred tax                                                                        | 18   | (294,505)        | (242,779)        |
| Effect of change in rate                                                                    | 18   | (76,004)         | -                |
|                                                                                             |      | 894,457          | 956,292          |
| <b>Total comprehensive income / (loss) for the year</b>                                     |      | <b>1,435,042</b> | <b>(415,863)</b> |
| <b>Total comprehensive income / (loss) attributable to:</b>                                 |      |                  |                  |
| Owners of the Parent Company                                                                |      | 1,339,676        | (442,126)        |
| Non-controlling interests                                                                   |      | 95,366           | 26,263           |
|                                                                                             |      | <b>1,435,042</b> | <b>(415,863)</b> |
| <b>Total comprehensive (loss) / income attributable to owners of the Parent arise from:</b> |      |                  |                  |
| Continuing operations                                                                       |      | 1,339,676        | 1,745,594        |
| Discontinued operations                                                                     |      | -                | (2,187,720)      |
|                                                                                             |      | <b>1,339,676</b> | <b>(442,126)</b> |

The annexed notes from 1 to 53 form an integral part of these consolidated financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer

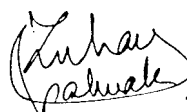
# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2026

|                                                                                                                | Attributable to the owners of the Parent Company |               |                                                      |                  |                        |                           |                      | Total Equity |
|----------------------------------------------------------------------------------------------------------------|--------------------------------------------------|---------------|------------------------------------------------------|------------------|------------------------|---------------------------|----------------------|--------------|
|                                                                                                                | Capital reserves                                 |               |                                                      | Revenue reserves |                        | Non-controlling interests |                      |              |
|                                                                                                                | Issued, subscribed and paid-up capital           | Share premium | Revaluation surplus on property, plant and equipment | General reserve  | Unappropriated profits |                           | Sub - Total reserves |              |
|                                                                                                                | ----- Rupees '000 -----                          |               |                                                      |                  |                        |                           |                      |              |
| Balance as at July 1, 2024                                                                                     | 5,114,945                                        | 9,085,133     | 6,023,513                                            | 280,251          | 12,027,381             | 27,416,278                | 1,913,774            | 34,444,997   |
| Total comprehensive income for the year ended June 30, 2025                                                    | -                                                | -             | -                                                    | -                | (1,398,406)            | (1,398,406)               | 26,263               | (1,372,143)  |
| (Loss) / Profit for the year ended June 30, 2025                                                               | -                                                | -             | 956,292                                              | -                | (12)                   | 956,280                   | -                    | 956,280      |
| Other comprehensive income for the year ended June 30, 2025                                                    | -                                                | -             | 956,292                                              | -                | (1,398,418)            | (442,126)                 | 26,263               | (415,863)    |
| Transfer of incremental depreciation net of deferred tax                                                       | -                                                | -             | (306,666)                                            | -                | 306,666                | -                         | -                    | -            |
| Contribution from non controlling interest as a non-redeemable convertible loan                                | -                                                | -             | -                                                    | -                | -                      | -                         | 29,413               | 29,413       |
| Non-controlling interest on Disposal of subsidiary                                                             | -                                                | -             | -                                                    | -                | -                      | -                         | (1,165,763)          | (1,165,763)  |
| Transfer of revaluation surplus on disposal of subsidiary - net of tax                                         | -                                                | -             | (494,959)                                            | -                | 494,959                | -                         | -                    | -            |
| Balance as at June 30, 2025                                                                                    | 5,114,945                                        | 9,085,133     | 6,178,180                                            | 280,251          | 11,430,588             | 26,974,152                | 803,687              | 32,892,784   |
| Total comprehensive income for the year ended June 30, 2026                                                    | -                                                | -             | -                                                    | -                | 440,373                | 440,373                   | 95,366               | 535,739      |
| Profit for the year ended June 30, 2026                                                                        | -                                                | -             | 894,457                                              | -                | 4,846                  | 899,303                   | -                    | 899,303      |
| Other comprehensive income for the year ended June 30, 2026                                                    | -                                                | -             | 894,457                                              | -                | 445,219                | 1,339,676                 | 95,366               | 1,435,042    |
| Transfer of incremental depreciation net of deferred tax - note 18                                             | -                                                | -             | (259,656)                                            | -                | 259,656                | -                         | -                    | -            |
| Contribution from non controlling interest as a non-redeemable convertible loan                                | -                                                | -             | -                                                    | -                | -                      | -                         | 14,807               | 14,807       |
| Transfer of revaluation surplus on disposal of assets held at revaluation model to retained earnings - note 18 | -                                                | -             | (19,177)                                             | -                | 19,177                 | -                         | -                    | -            |
| Transaction with owners in their capacity as owners                                                            | 767,241                                          | -             | -                                                    | -                | (767,241)              | (767,241)                 | -                    | -            |
| Bonus shares issued during the year in the ratio of 15 shares for every 100 shares held                        | 767,241                                          | -             | -                                                    | -                | (767,241)              | (767,241)                 | -                    | -            |
| Balance as at June 30, 2026                                                                                    | 5,882,186                                        | 9,085,133     | 6,793,804                                            | 280,251          | 11,387,399             | 27,546,587                | 913,860              | 34,342,633   |

The annexed notes from 1 to 53 form an integral part of these consolidated financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer



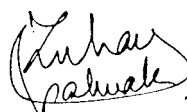
# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2026

|                                                                          | Note | 2026             | 2025               |
|--------------------------------------------------------------------------|------|------------------|--------------------|
|                                                                          |      | Rupees '000      |                    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                              |      |                  |                    |
| Cash generated from operations                                           | 39   | 3,970,753        | 1,629,590          |
| Employee benefit obligations paid                                        |      | (5,019)          | (9,748)            |
| Finance cost paid                                                        |      | (1,078,273)      | (2,496,429)        |
| Income taxes and levies paid                                             |      | (2,361,381)      | (872,414)          |
| Payments to workers' welfare fund and workers' profit participation fund |      | (89,125)         | -                  |
| Long-term deposits paid                                                  |      | (8,687)          | (1,920)            |
| Long-term loans and advances - net                                       |      | 53               | 89                 |
| <b>Net cash generated from / (used in) operating activities</b>          |      | <b>428,321</b>   | <b>(1,750,832)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                              |      |                  |                    |
| Purchase of property, plant and equipment                                |      | (449,975)        | (335,039)          |
| Proceeds from disposal of property, plant and equipment                  |      | 26,003           | 54,897             |
| Purchase of investment properties                                        |      | (15,749)         | (193,066)          |
| Purchase of intangible assets                                            |      | (361)            | -                  |
| Proceeds from disposal of short-term investment                          |      | 90,605           | -                  |
| Proceeds from deferred consideration on disposal of subsidiary           |      | 2,471,920        | -                  |
| Proceeds from disposal of subsidiary - net                               |      | -                | 9,500,831          |
| <b>Net cash generated from investing activities</b>                      |      | <b>2,122,443</b> | <b>9,027,623</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                              |      |                  |                    |
| Dividend paid                                                            |      | (687)            | (1,153)            |
| Proceeds from non - redeemable convertible loan                          |      | 14,807           | 29,413             |
| Proceeds from short-term borrowing                                       |      | 39,815,258       | 8,421,650          |
| Repayment of short-term borrowing                                        |      | (39,844,392)     | (9,170,634)        |
| Repayment of long-term borrowing                                         |      | (39,738)         | (5,796,000)        |
| Payments against lease liabilities                                       |      | (21,556)         | (36,996)           |
| <b>Net cash used in financing activities</b>                             |      | <b>(76,308)</b>  | <b>(6,553,720)</b> |
| <b>Net increase in cash and cash equivalents</b>                         |      | <b>2,474,456</b> | <b>723,071</b>     |
| Cash and cash equivalents at beginning of the year                       |      | (896,455)        | (1,619,526)        |
| <b>Cash and cash equivalents at end of the year</b>                      | 40   | <b>1,578,001</b> | <b>(896,455)</b>   |

The annexed notes from 1 to 53 form an integral part of these consolidated financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer

# NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended June 30, 2026

## 1. LEGAL STATUS AND OPERATIONS

### 1.1 The Group consists of:

#### Parent company - The Searle Company Limited (the 'Parent Company')

The Parent Company was incorporated in Pakistan as a private limited company in October 1965. In November 1993, the Parent Company was converted into a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). Its shares are quoted on the Pakistan Stock Exchange Limited (PSX). The Parent Company is principally engaged in the manufacture of pharmaceutical and other consumer products.

International Brands (Private) Limited is the Ultimate Parent company (the 'Ultimate Parent Company') as it holds 50.03% (2025: 50.25%) of the total paid-up share capital of the Parent Company.

The registered office of the Parent Company is located at One IBL Centre, 2nd floor, Plot No.1, Block 7 and 8, D.M.C.H.S. Tipu Sultan Road, Off Shahra-e-Faisal, Karachi.

**Subsidiary companies** - Companies in which the Parent Company owns over 50% of voting rights or companies directly or indirectly controlled by the Parent Company.

|                                                          | Principal place of business | % age of effective holding |         |
|----------------------------------------------------------|-----------------------------|----------------------------|---------|
|                                                          |                             | 2026                       | 2025    |
| <b>Listed Companies</b>                                  |                             |                            |         |
| - IBL HealthCare Limited (note 1.2.1)                    |                             | 74.19%                     | 74.19%  |
| <b>Unlisted Companies</b>                                |                             |                            |         |
| - Searle Pharmaceuticals (Private) Limited (note 1.2.2)  |                             | 100.00%                    | 100.00% |
| - Searle Laboratories (Private) Limited (note 1.2.3)     |                             | 100.00%                    | 100.00% |
| - Searle Biosciences (Private) Limited (note 1.2.4)      |                             | 100.00%                    | 100.00% |
| - Searle Biopharma (Private) Limited (note 1.2.5)        | Pakistan                    | 87.20%                     | 87.20%  |
| - IBL Future Technologies (Private) Limited (note 1.2.6) |                             | 100.00%                    | 100.00% |
| - Searle IV Solutions (Private) Limited (note 1.2.7)     |                             | 100.00%                    | 100.00% |
| - Stellar Ventures (Private) Limited (note 1.2.8)        |                             | 100.00%                    | 100.00% |
| - Mycart (Private) Limited (note 1.2.9)                  |                             | 50.00%                     | 50.00%  |
| - IBL Frontier Markets (Private) Limited (note 1.2.10)   |                             | 100.00%                    | 100.00% |
| - Prime Health (Private) Limited (note 1.2.11)           |                             | 100.00%                    | 100.00% |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 1.2 Subsidiary Companies

#### 1.2.1 IBL HealthCare Limited

IBL HealthCare Limited (IBLHC) was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a private limited company on July 14, 1997. In November 2008, IBLHC was converted into public limited company. The shares of IBLHC are quoted on the Pakistan Stock Exchange Limited (PSX). Its principal business activities include marketing, selling and distribution of health care products.

The registered office of the IBLHC is located at One IBL Centre, 2nd floor, Plot No.1, Block 7 and 8, D.M.C.H.S. Tipu Sultan Road, Off Shahra-e-Faisal, Karachi.

#### 1.2.2 Searle Pharmaceuticals (Private) Limited

Searle Pharmaceuticals (Private) Limited (SPPL) was incorporated in Pakistan on December 18, 2012 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). It was principally engaged in the facilitation of manufacturing of pharmaceutical products. During the year 2020, SPPL has ceased operations of toll manufacturing. In view of the absence of ongoing operating activities and future business plans, management has concluded that the going concern assumption is no longer appropriate. The registered office of SPPL is located at One IBL Centre, 2nd floor, Plot No.1, Block 7 and 8, D.M.C.H.S. Tipu Sultan Road, Off Shahra-e-Faisal, Karachi.

#### 1.2.3 Searle Laboratories (Private) Limited

Searle Laboratories (Private) Limited (SLPL) was incorporated in Pakistan on December 26, 2012 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). Its principal business activities include marketing, selling and distribution of pharmaceutical products. During the year 2022, SLPL has ceased its operations. In view of the absence of ongoing operating activities and future business plans, management has concluded that the going concern assumption is no longer appropriate. The registered office of SLPL is located at One IBL Centre, 2nd floor, Plot No.1, Block 7 and 8, D.M.C.H.S. Tipu Sultan Road, Off Shahra-e-Faisal, Karachi.

#### 1.2.4 Searle Biosciences (Private) Limited

Searle Biosciences (Private) Limited (SBS) was incorporated in Pakistan on August 17, 2013 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). Its principal business activities include marketing, selling and distribution of pharmaceutical products. However, the drug license issued by the authority was in force till June 30, 2024. The Company intends to re-apply for the license. The registered office of SBPL is located at One IBL Centre, 2nd floor, Plot No.1, Block 7 and 8, D.M.C.H.S. Tipu Sultan Road, Off Shahra-e-Faisal, Karachi.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 1.2.5 Searle Biopharma (Private) Limited

Searle Biopharma (Private) Limited [Formerly: Nextar Pharma (Private) Limited] (SBPL) was incorporated in Pakistan in February 2003 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). It is principally engaged in the business of manufacturing and selling of pharmaceutical products. The registered office of SBPL is located at One IBL Centre, 2nd floor, Plot No.1, Block 7 and 8, D.M.C.H.S. Tipu Sultan Road, Off Shahra-e-Faisal, Karachi.

The SBPL is a 100% owned subsidiary of Searle Biosciences (Private) Limited.

### 1.2.6 IBL Future Technologies (Private) Limited

IBL Future Technologies (Private) Limited (IBLFT) was incorporated in Pakistan on June 15, 2016 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). Its principal business activities are marketing, selling and distribution of electronic goods however, no operation have started till June 30, 2026. The registered office of IBLFT is located at One IBL Centre, 2nd Floor, Plot No.1, Block 7 and 8, D.M.C.H.S. Tipu Sultan Road, Off Shahra-e-Faisal, Karachi.

### 1.2.7 Searle IV Solutions (Private) Limited

Searle IV Solutions (Private) Limited is a private limited company incorporated in Pakistan on July 17, 2002 under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The principal activities of the company is manufacture and sale of intravenous solutions and other pharmaceutical products.

The Company's business unit is located at 3.5 km, Manga Raiwind Road, Lahore.

### 1.2.8 Stellar Ventures (Private) Limited

Stellar Ventures (Private) Limited (SVPL) was incorporated in Pakistan on April 25, 2022. The Company operates as a holding company, primarily engaged in managing investments in subsidiaries and associated undertakings, exercising shareholder rights, and coordinating the strategic, administrative, and financial activities of its group entities. The registered office of the Company at 3rd Floor, One IBL Center, Plot No. 1, Block 7 & 8, Delhi Mercantile Muslim Cooperative Housing Society (DMCHS), Tipu Sultan Road, Off Shahrah-e-Faisal, Karachi.

### 1.2.9 MyCart (Private) Limited

MyCart (Private) Limited (MyCart) is a private limited company incorporated in Pakistan on April 7, 2015 under the Repealed Companies Ordinance, 1984 (Now 'Companies Act, 2017'). MyCart's principal business activities includes marketing, selling and distribution of grocery, electronics and general items online through e-commerce website 'mycart.pk' and sales through vending machines.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

MyCart is a joint venture of Stellar Ventures (Private) Limited and Mr. Adnan Asdar Ali. MyCart commenced its commercial operations from January 1, 2016. The registered office of the Company is situated at 1D-203, Sector 30, Korangi Industrial Area, Karachi.

MyCart reported a net loss of Rs. 42.4 million (2025: Rs. 32.1 million) during the year and as of June 30, 2026 its current liabilities exceeded its current assets by Rs. 39.56 million (2025: Rs. 39.28 million). Accumulated losses reached Rs. 1.22 billion (2025: Rs. 1.18 billion). These indicators raise significant doubt about the Company's ability to continue as a going concern. However, the financial statements of MyCart have been prepared using the going concern assumption based on firm commitment for funding from the sponsors as the management is confident that these conditions are temporary and would reverse in foreseeable future.

The Parent Company controls the composition of the Board of Directors of MyCart by appointing majority of directors on the Board of Directors therefore, consequent to the application of IFRS 10 'Consolidated Financial Statements', MyCart is classified as subsidiary of the Parent Company.

### 1.2.10 IBL Frontier Markets (Private) Limited

IBL Frontier Markets (Private) Limited (IFMPL) is a private limited company incorporated in Pakistan on April 28, 2015 under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act 2017, on May 30, 2017). The principal activities of the Company is to provide facilitation in interior designing and furniture products.

The IFMPL is a subsidiary of Stellar Ventures (Private) Limited. The registered office of IFMPL is located at One IBL Centre, Plot No.1, Block 7/8, D.M.C.H.S, Tipu Sultan Road, Off. Shahrah-e-Faisal, Karachi.

The accumulated losses of IFMPL stood at Rs. 530.30 million (2025: Rs. 531.04 million) Furthermore, the current liabilities exceeded the current assets by Rs. 246.30 million (2025: Rs. 67.87 million) as of June 30, 2026. These conditions indicate the existence of material uncertainty that may cast significant doubt about the IFMPL's ability to continue as a going concern and, therefore, that it may be unable to realize its assets and discharge its liabilities in normal course of business. However, the related parties of the IFMPL have been providing the financial support and have committed to continue their support for the IFMPL's operation in the foreseeable future and therefore, the management considers that the going concern assumption is appropriate in the preparation of the financial statements of IFMPL.

### 1.2.11 Prime Health (Private) Limited

Prime Health (Private) Limited (PHPL) was incorporated in Pakistan as a private limited company on December 31, 2015, under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017). Its registered office is situated at 79-C, Al Murtaza Commercial, 15th Street, VIII, Defence Housing Authority, Karachi.

The main objective of the PHPL is to process, develop, refine, manufacture, formulate, import, export, wholesale and/or retail trade all kinds of pharmaceuticals, antibiotics, drugs, medicine, biologicals, healthcare and dietary supplement products, medical preparations, vaccines, chemicals, chemicals products, dry slaters, mineral water, wine, soaps and other restoratives or food and also to deal in medical goods such as surgical instruments, contraceptives etc.



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

Prime Health (Private) Limited has incurred recurring losses from its operations, including losses during the current and preceding financial years amounting to Rs. 84.0 million and Rs. 64.8 million in 2026 and 2025 respectively. Consequently, the results for the year ended June 30, 2026 have produced negative equity of Rs. 136.8 million (2025: Rs. 39.3 million). These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding the above, the financial statements have been prepared on a going concern basis. In assessing the appropriateness of this assumption, management has considered the financial support available from the parent company and other related parties, together with management's plans for improving the Company's future operational and financial performance.

- 1.3** The geographical location and address of the Group's business units, including plant are detailed in note 52.

## **2. BASIS OF PREPARATION**

### **2.1 Statement of Compliance**

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

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

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

### **2.2 Basis of measurement**

These consolidated financial statements have been prepared under the historical cost convention except as otherwise disclosed in the respective accounting policy notes.

### **2.3 Functional and presentation currency**

These consolidated financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 2.4 Use of critical accounting estimates and judgements

The preparation of consolidated financial statements in conformity with the accounting and reporting standards require the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are as follows:

- a) Income tax - note 3.14 & 37
- b) Revaluation of property, plant and equipment - note 3.3 & 18
- c) Pricing of revenue from contracts with customers - note 3.16 and 29
- d) Impairment of goodwill - note 3.5 , 3.6 & 7.6
- e) Residual value, useful lives and impairment of property, plant and equipment - note 3.3 & 4.1
- f) Expected credit losses on trade receivable - note 3.22 & 11.8
- g) Provision for staff retirement benefits - note 3.15 & 22
- h) Fair values of investment properties - note 3.7 & 6
- i) Provisions and contingencies - note 28 & 37

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management believes that the change in outcome of estimates would not have a material impact on the amounts disclosed in the consolidated financial statements.

There have been no critical judgements other than those disclosed by the Group's management in applying the accounting policies that would have significant effect on the amounts recognised in these consolidated financial statements.

### 2.5 Changes in accounting standards, interpretations and pronouncements

#### a) Amendments to accounting and reporting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Group's annual accounting period which began on July 1, 2025. However, these do not have any significant impact on the Group's financial reporting and therefore are not stated in these consolidated financial statements.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### b) Standard and amendments to accounting and reporting standards that are not yet effective

There are standards, certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Group's annual accounting periods beginning on or after July 1, 2026. However, these are considered either not to be relevant or to have any significant impact on the Group's consolidated financial reporting and, therefore, have not been disclosed in these consolidated financial statements, except for the following:

#### **IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (effective January 1, 2027):**

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

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

#### **Amendment to IFRS 9 and IFRS 7 - 'Classification and Measurement of Financial Instruments' (effective January 1, 2026):**

These amendments:

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

The management is in the process of assessing the impacts of the new standards and amendments on the consolidated financial statements of the Group.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented.

# Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

## 3.1 Basis of consolidation

### i. Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Further, the Group also considers whether:

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

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

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

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

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

The financial statements of the subsidiaries have been consolidated on a line by line basis. Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses (unrealised) are also eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### ii. Transactions and non-controlling interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. The difference between fair value of any consideration paid or received and the proportionate share acquired or disposed from the carrying value of net assets of the subsidiary is recorded in equity as gain or loss on disposal of non-controlling interest.

### 3.2 Share capital

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

### 3.3 Property, plant and equipment

#### i. Operating assets

These are stated at cost less accumulated depreciation / amortisation and impairment loss, if any, except leasehold land, building on leasehold land, plant and machinery, vehicles and air-conditioning systems, which are stated at revalued amount less accumulated depreciation and impairment losses, if any.

Depreciation is charged to the consolidated statement of profit or loss applying the straight line method, whereby the depreciable amount of an asset is written off over its estimated useful life. The revalued amount of building on leasehold land, plant and machinery, vehicles and air-conditioning systems is depreciated equally over the remaining life from the date of valuation. Depreciation is charged on additions from the month the asset is available for use and on disposals up to the month preceding the month of disposal.

Increases in the carrying amounts arising on revaluation of property, plant and equipment are recognised, net of tax, in the consolidated statement of comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in consolidated statement of profit or loss, the increase is first recognised in consolidated statement of profit or loss. Decreases that reverse previous increases of the same asset are first recognised in consolidated statement of comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to consolidated profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to consolidated statement of profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the revaluation surplus on property, plant and equipment to unappropriated profits. The accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount.

Gain or loss on disposal or retirement of property, plant and equipment is included in the consolidated statement of profit or loss.

The assets' residual values, the method of depreciation and useful lives are reviewed and adjusted, if appropriate, at each reporting date.



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

Maintenance and normal repairs are charged to the consolidated profit or loss as and when incurred. Major renewals and improvements, if any, are capitalised, when it is probable that future economic benefits will flow to the Group.

### ii. Capital work-in-progress

These are stated at cost less accumulated impairment, if any and consist of expenditure incurred and advance made in respect assets during the construction period. These are transferred to specific assets as and when assets become available for use.

Advance paid to suppliers for acquisition of property, plant and equipment including land and building is also classified under capital work-in-progress.

### 3.4 Lease Liability and Right-of-use asset

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

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentives received.

The right-of-use asset is depreciated on a straight-line method over the lease term as this method most closely reflects the expected pattern of consumption of the future economic benefits. The lease term includes periods covered by an option to extend if the Group is reasonably certain to exercise that option. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group uses its incremental borrowing rate as the discount rate.

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

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments or an index or rate, in the Group's estimate of the amount expected to be payable under a residual value guarantee, or in its assessment of whether it will exercise a purchase, extension or termination option.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected to apply the practical expedient as not to recognise right-of-use assets and 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 recognised as an expense on a straight-line basis over the lease term.

### 3.5 Intangible assets

An intangible asset is recognised if it is probable that future economic benefits attributable to the asset will flow to the Group and that the cost of such asset can be measured reliably. These are stated at cost less accumulated amortisation and impairment, if any.

Distribution rights, brand name & logo and licenses have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangibles having infinite life are carried at cost less impairment, if any.

Amortisation is calculated using the straight line method to allocate the cost of trademarks and licenses over the useful lives.

Goodwill represents the difference between the consideration paid, for acquiring interests in a subsidiary and the value of the Group's share of its net assets at the date of acquisition.

### 3.6 Impairment of non-financial assets

Carrying values of assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, assets or cash-generating units are tested for impairment. Cash-generating units to which goodwill is allocated are tested for impairment annually. Where the carrying values of assets or cash-generating units exceed the estimated recoverable amount, these are written down to their recoverable amount and the resulting impairment is charged to the consolidated statement of profit or loss.

### 3.7 Investment properties

The Group carries investment properties at their respective costs under the cost model in accordance with IAS 40 'Investment Property'. The fair values are determined by the independent valuation experts and such valuations are carried out every year to determine the recoverable amount.

Assets classified as investment property are carried at its respective cost less accumulated depreciation and accumulated impairment losses, if any.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

The Group carries investment property under work-in-progress at their respective costs less accumulated impairment losses, if any. Depreciation is charged on such property after it is completed as per IAS 40 'Investment Property'.

### 3.8 Inventories

These are valued at the lower of cost and net realisable value except goods-in-transit which are valued at invoice value plus other charges incurred thereon. Cost signifies standard cost adjusted by variances.

Cost of raw and packing material is determined using weighted average method and includes directly related expenses less trade discounts. Cost of work-in-process and finished goods includes cost of raw material, direct labour and related production overheads.

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less cost of completion and estimated cost necessarily to be incurred to make the sale.

The management continuously reviews its inventory for existence of any item which may be obsolete. Provision is made for slow moving inventory based on management's estimation. These are based on historical experience and are continuously reviewed.

Stores and spares are valued at lower of cost, determined using weighted average method less provision for slow moving and obsolete stores and spares. Items in transit are valued at invoice value plus other charges incurred thereon.

### 3.9 Short-term deposits, prepayments, loans and advances

Short-term deposits, prepayments, loans and advances are non-derivative financial assets with fixed and determinable payments. These are included in current assets, except those with maturities greater than twelve months after the reporting date, which are classified as non-current assets.

Interest free loans to employees are stated at amortised cost.

### 3.10 Trade and other receivables

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. Refer - note 3.22 for a description of the Group's impairment policies.

### 3.11 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise cash in hand, balances with banks on current, savings and deposit accounts, short-term investments with original maturities of three months or less and short-term running finance availed by the Group, which are payable on demand and form an integral part of the Group's cash management.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 3.12 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received.

### 3.13 Provisions

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

### 3.14 Income tax

#### i. Current

The charge for current taxation is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any.

#### ii. Deferred

Deferred tax is accounted for using the liability method on all temporary differences arising between tax base of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax liability is generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised.

Deferred tax is charged or credited in the consolidated statement of profit or loss, except in the case of items credited or charged to equity in which case it is included in equity. Deferred tax is determined using tax rates and prevailing law for taxation on income that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

#### iii. Levies

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income, which is not adjustable against the future tax liability, is classified as levy in the consolidated statement of profit or loss as these levies fall under the scope of IFRIC 21/IAS 37.

Taxes on dividend from subsidiaries, associates and joint ventures are not considered as levies as these dividends are specifically covered under IAS 12.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 3.15 Employee retirement benefits

The Group operates various post-employment schemes, including both defined contribution and defined benefit plans.

#### 3.15.1 Defined contribution plan

The Group operates a recognised provident fund scheme for all employees. Equal monthly contributions are made, both by the Group and the employees, to the fund at the rate of 10% per annum of the basic salary. The contributions are recognised as employee benefit expense when they are due.

#### 3.15.2 Defined benefit plan

Defined benefit plans define an amount of pension or gratuity or medical benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognised in the consolidated statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation less fair value of plan assets at the end of the reporting period. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds or the market rates on government bonds. These are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related benefit obligation.

The Group operates an approved unfunded gratuity scheme covering all unionised employees with five or more years of service with the Group. The provision has been made in accordance with actuarial valuations carried out as of June 30, 2026 using the projected unit credit method.

#### 3.15.3 Employees' compensated absences

Accrual for leave encashment is made to the extent of value of accrued absences of the employees at the reporting date using their current salary levels.

### 3.16 Revenue recognition

Revenue is recognised when control of the products has transferred, being when the products are dispatched to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue is recognised as follows:



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- Revenue from domestic sale of goods is recognised at a point in time when control of goods is transferred to the customer which coincides with the delivery of goods.
- Exports sales are recognised as revenue when invoiced with the transfer of control of goods, which coincides either with the date of bill of lading or upon delivery to customer or its representatives, based on term of arrangements.
- Income from toll manufacturing is recognised when services are rendered.
- Dividend income, other than those from investments measured using equity method, is recognised when the Group's right of receipts is established.
- Interest income and rental income are recognised on accrual basis.
- Sales under e-distribution, are recognised at a point in time when the goods are dispatched to customers, i.e. when control of goods is transferred to the customer.

No element of financing is deemed present as the sales are made with a credit term of 60-180 days, which is consistent with the market practice.

The Transaction price for products are agreed under the contract with customers.

Sales return is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer.

Discounts are offered on the basis of contracts with customers and are deducted from the transaction price.

### 3.17 Borrowings and their cost

Borrowings are initially recognised at cost being the fair value of the consideration received together with the associated transaction cost. Subsequently, these are recognised at amortised cost using the effective interest method. Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs are capitalised as part of the cost of that asset. Borrowings payable within next twelve months are classified as current liabilities.

### 3.18 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 Parent Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is calculated by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 3.19 Foreign currency transactions and translation

Transactions in foreign currencies are converted into Pak Rupees using the exchange rates prevailing on the dates of the transactions. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees using the exchange rates prevailing on the reporting date. Exchange differences are taken to consolidated statement of profit or loss.

### 3.20 Research and development costs

Research and development cost except to the extent that an intangible asset is recognised, is charged in the year in which it is incurred. Development costs previously charged to in the consolidated statement of profit or loss are not recognised as an asset in the subsequent period.

### 3.21 Operating lease

Leases in which a significant portion of the risks and rewards of ownership is retained by the lessor are classified as operating leases. Payments made under operating leases are charged to in the consolidated statement of profit or loss on a straight-line basis over the period of the lease.

### 3.22 Financial Instruments - Initial recognition and subsequent measurement

#### 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, amortised cost or cost as the case may be.

#### Classification of financial assets

The Group classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortised cost.

The Group determines the classification 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 amortised 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

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- the contractual terms of the financial asset give rise on specified dates 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 is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates 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.

### Classification of financial liabilities

The Group classifies its financial liabilities in the following categories:

- at fair value through profit and loss ("FVTPL"), or
- at amortised cost.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Group has opted to measure them at FVTPL.

### Subsequent measurement

#### i) Financial assets at FVTOCI

Elected 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 recognised in consolidated statement of comprehensive income.

#### ii) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 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. Realised and unrealised gains and losses arising from changes in the fair value of the 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 management has opted to recognise a financial liability at FVTPL, any changes associated with the Group's own credit risk will be recognized in consolidated statement of comprehensive income. Currently, there are no financial liabilities designated at FVTPL.

### Impairment of financial asset

The Group recognises loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortised cost at an amount equal to life time ECLs except for the following, which are measured at 12 months ECLs:

- bank balances for whom credit risk (the risk of default occurring over the expected life of the financial instrument has not increased since the inception.
- employee receivables.
- other short term loans and receivables that have not demonstrated any increase in credit risk since inception.

Loss allowance for trade receivables are always measured at an amount equal to life time ECLs.

The Group considers a financial asset in default when it is more than 180 days past due. Moreover, the Company has identified the CPI and the unemployment rate of the country to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Group considers a financial asset in default when it is more than 90 days past due.

Life time ECLs are the ECLs that results from all possible defaults events over the expected life of a financial instrument. 12 month ECLs are portion of ECL that results from default events that are possible within 12 months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (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 its entirety or a portion thereof.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### Derecognition

#### i) Financial assets

The Group derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in consolidated statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to 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 consolidated statement of profit or loss, but is transferred to consolidated statement of changes in equity.

#### ii) Financial liabilities

The Group derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated statement of profit or loss.

### 3.23 Off-setting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the consolidated statement of financial position if the Group has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### 3.24 Dividend distribution

Dividend distribution to shareholders is recognised as liability in the consolidated financial statements in the period in which the dividend is declared and approved.

### 3.25 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 3.26 Contingent liabilities

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

### 3.27 Share premium

This reserve can be utilised by the Parent Company only for the purposes specified in section 81 of the Companies Act, 2017.

### 3.28 Discontinued operation

A discontinued operation is a component of a Group's business, the operations and cashflows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or area of operation
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale

Classification as a discontinued operation occurs at the earlier of disposal or when the operations meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative consolidated statement of profit or loss and consolidated statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

### 3.29 Contract liabilities

A contract liability is recognised if a payment is received from a customer before the Group transfers the related goods. Contract liabilities are recognised as revenue when the Group's performance is completed under the contract (i.e., transfers control of the related goods to the customer).

## 4. PROPERTY, PLANT AND EQUIPMENT

|                                      | 2026              | 2025              |
|--------------------------------------|-------------------|-------------------|
|                                      | Rupees '000       |                   |
| Operating assets - note 4.1          | 11,615,907        | 10,815,552        |
| Capital work in progress - note 4.14 | 504,370           | 334,383           |
|                                      | <u>12,120,277</u> | <u>11,149,935</u> |



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 4.1 Operating assets

|                                 | OWNED ASSETS                      |                                                                        |                                        |                                              |                                   |                             |                                               |            |
|---------------------------------|-----------------------------------|------------------------------------------------------------------------|----------------------------------------|----------------------------------------------|-----------------------------------|-----------------------------|-----------------------------------------------|------------|
|                                 | Leasehold land - notes 4.2 to 4.6 | Building on leasehold land / rented office premises - notes 4.2 to 4.6 | Plant and machinery - notes 4.2 to 4.6 | Office and other equipment - notes 4.6 & 4.7 | Furniture and fixtures - note 4.6 | Vehicles - notes 4.2 to 4.5 | Air - conditioning systems - notes 4.2 to 4.6 | Total      |
|                                 | ----- Rupees '000-----            |                                                                        |                                        |                                              |                                   |                             |                                               |            |
| Net carrying value basis        |                                   |                                                                        |                                        |                                              |                                   |                             |                                               |            |
| Year ended June 30, 2026        |                                   |                                                                        |                                        |                                              |                                   |                             |                                               |            |
| Opening net book value          | 5,697,481                         | 2,273,244                                                              | 2,195,011                              | 231,335                                      | 98,558                            | 63,144                      | 256,779                                       | 10,815,552 |
| Additions                       | 13,044                            | 48,088                                                                 | 143,528                                | 71,128                                       | 729                               | 143,577                     | 3,470                                         | 423,564    |
| Revaluation                     | 476,826                           | 239,342                                                                | 482,621                                | -                                            | -                                 | 8,323                       | 57,854                                        | 1,264,966  |
| Disposals - note 4.11 & 4.12    | -                                 | -                                                                      | (7,959)                                | (262)                                        | -                                 | (30,106)                    | -                                             | (38,327)   |
| Depreciation charge - note 4.13 | (169)                             | (166,808)                                                              | (544,096)                              | (49,416)                                     | (15,092)                          | (27,403)                    | (46,864)                                      | (849,848)  |
| Closing net book value          | 6,187,182                         | 2,393,866                                                              | 2,269,105                              | 252,785                                      | 84,195                            | 157,535                     | 271,239                                       | 11,615,907 |
| Gross carrying value basis      |                                   |                                                                        |                                        |                                              |                                   |                             |                                               |            |
| At June 30, 2026                |                                   |                                                                        |                                        |                                              |                                   |                             |                                               |            |
| Cost or revaluation             | 6,187,182                         | 2,393,866                                                              | 2,269,105                              | 599,548                                      | 170,770                           | 157,535                     | 271,239                                       | 12,049,245 |
| Accumulated depreciation        | -                                 | -                                                                      | -                                      | (346,763)                                    | (86,575)                          | -                           | -                                             | (433,338)  |
| Net book value                  | 6,187,182                         | 2,393,866                                                              | 2,269,105                              | 252,785                                      | 84,195                            | 157,535                     | 271,239                                       | 11,615,907 |
| Net carrying value basis        |                                   |                                                                        |                                        |                                              |                                   |                             |                                               |            |
| Year ended June 30, 2025        |                                   |                                                                        |                                        |                                              |                                   |                             |                                               |            |
| Opening net book value          | 5,155,926                         | 2,002,604                                                              | 2,156,726                              | 240,384                                      | 108,745                           | 42,302                      | 230,703                                       | 9,937,390  |
| Additions                       | 6,145                             | 172,054                                                                | 164,554                                | 31,767                                       | 5,531                             | 20,659                      | 29,923                                        | 430,633    |
| Revaluation                     | 535,536                           | 238,198                                                                | 368,899                                | -                                            | -                                 | 15,978                      | 40,460                                        | 1,199,071  |
| Disposals                       | -                                 | -                                                                      | (37,761)                               | (356)                                        | -                                 | -                           | -                                             | (38,117)   |
| Depreciation charge             | (126)                             | (139,612)                                                              | (457,407)                              | (40,460)                                     | (15,718)                          | (15,795)                    | (44,307)                                      | (713,425)  |
| Closing net book value          | 5,697,481                         | 2,273,244                                                              | 2,195,011                              | 231,335                                      | 98,558                            | 63,144                      | 256,779                                       | 10,815,552 |
| Gross carrying value basis      |                                   |                                                                        |                                        |                                              |                                   |                             |                                               |            |
| At June 30, 2025                |                                   |                                                                        |                                        |                                              |                                   |                             |                                               |            |
| Cost or revaluation             | 5,697,481                         | 2,273,244                                                              | 2,195,011                              | 528,995                                      | 170,041                           | 63,144                      | 256,779                                       | 11,184,695 |
| Accumulated depreciation        | -                                 | -                                                                      | -                                      | (297,660)                                    | (71,483)                          | -                           | -                                             | (369,143)  |
| Net book value                  | 5,697,481                         | 2,273,244                                                              | 2,195,011                              | 231,335                                      | 98,558                            | 63,144                      | 256,779                                       | 10,815,552 |
| Depreciation rate               | 2%                                | 2.86%, 5%, 10% & 20%                                                   | 10%, 20% & 33%                         | 10%, 15%, 20%, 25% & 33%                     | 10%, 15%, 20% & 33%               | 20%                         | 10% & 20%                                     |            |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 4.2** During the year, the Group revalued its operating assets classified under leasehold land, building on leasehold land, plant and machinery, vehicles and air-conditioning systems. This resulted in revaluation surplus on leasehold land, building on leasehold land, plant and machinery, vehicles and air-conditioning systems amounting to Rs. 476.83 million (2025: Rs. 535.54 million), Rs. 239.34 million (2025: Rs. 238.20), Rs. 482.62 million (2025: Rs. 368.90 million), Rs. 8.32 million (2025: Rs. 15.98 million) and Rs. 57.85 million (2025: Rs. 40.46 million) respectively.
- 4.3** Following assets have been revalued on the basis of present market values (level 2) for similar sized plots in the vicinity for leasehold land and replacement values of similar types of buildings, plant and machinery, vehicles and air-conditioning system at year end, details are as follows:

| Assets                                                                   | Location                                                                                                 | Area Square Yards |
|--------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-------------------|
| <b>Valuer: KGT (Private) Limited</b>                                     |                                                                                                          |                   |
| Leasehold land                                                           | Plot # 5-B, Block 7 & 8, Delhi Mercantile Muslim Co-operative Housing Society, Karachi                   | 505               |
| Leasehold land                                                           | E-58A, North Western Industrial Zone, Port Qasim Authority, Karachi                                      | 7025              |
| Leasehold land                                                           | E-44 & E-45, North Western Industrial Zone, Port Qasim Authority, Karachi                                | 9,711             |
| Building on leasehold land, air-conditioning system, plant and machinery | E-44 & E-45, North Western Industrial Zone, Port Qasim Authority, Karachi                                | Not Applicable    |
| Vehicles                                                                 | Not Applicable                                                                                           | Not Applicable    |
| Leasehold land                                                           | Plot # E-58, North Western Industrial Zone, Port Qasim Authority, Karachi.                               | 7,260             |
| Building on leasehold land and plant and machinery                       | Plot # E-58, North Western Industrial Zone, Port Qasim Authority, Karachi.                               | Not Applicable    |
| Leasehold land                                                           | Plot # F- 319, S.I.T.E, Karachi                                                                          | 25,362            |
| Building on leasehold land, air-conditioning system, plant and machinery | Plot # F- 319, S.I.T.E, Karachi                                                                          | Not Applicable    |
| Leasehold land                                                           | Industrial plot Khasra No # 9180, 9740, 9168, 9179, 9158-9167, 1.5 KM Manga-Raiwind Road, Lahore, Punjab | 20,497            |
| Building on leasehold land and Plant & Machinery                         | Industrial plot Khasra No # 9180, 9740, 9168, 9179, 9158-9167 1.5 KM Manga-Raiwind Road, Lahore, Punjab  | Not Applicable    |
| Plant & Machinery and air conditioning system                            | Plot # F-548, S.I.T.E., Karachi                                                                          | Not Applicable    |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

**4.4** Forced sale value of the revalued assets as at June 30, 2026 are as follows:

|                              | 2026        | 2025      |
|------------------------------|-------------|-----------|
|                              | Rupees '000 |           |
| - Leasehold land             | 6,967,001   | 3,771,922 |
| - Building on leasehold land | 1,811,929   | 1,735,852 |
| - Plant and machinery        | 2,214,200   | 2,131,586 |
| - Vehicles                   | 114,680     | 56,419    |
| - Air-conditioning systems   | 203,216     | 190,611   |

**4.5** The revaluation of leasehold land, building on leasehold land, plant and machinery, vehicles and air-conditioning systems was carried out by an independent valuer, KGT (Private) Limited on June 30, 2026.

**4.6** This represents owner occupied portion of investment property (One IBL Center) being used by the Group. The owner occupied portion has been determined on the basis of total covered area occupied by the Group i.e. 25,895 square feet (2025: 25,895 square feet), in terms of percentage 17.85% (2025: 17.85%). The net book value of the owner occupied portion is Rs. 383.98 million (2025: Rs. 389.73 million), with fair value of Rs. 1,508.46 million (2025: Rs. 1,893.91 million).

**4.7** This includes purchase of office equipment from the related parties - IBL Unisys (Private) Limited and United Retail (Private) Limited amounting to Rs. 8.45 million (2025: Rs. 0.41 million) and Rs. 0.13 million (2025: Rs. Nil).

**4.8** Had there been no revaluation of leasehold land, building on leasehold land, plant and machinery, vehicles and air-conditioning systems, cost and written down value of revalued assets would have been as follows:

|                                              | Leasehold land | Buildings on leasehold land / rented office premises | Plant and machinery | Air conditioners | Vehicles       | Total            |
|----------------------------------------------|----------------|------------------------------------------------------|---------------------|------------------|----------------|------------------|
|                                              | Rupees '000    |                                                      |                     |                  |                |                  |
| <b>Cost</b>                                  | 948,993        | 1,950,071                                            | 2,857,365           | 332,331          | 174,841        | 6,263,601        |
| <b>Accumulated depreciation / impairment</b> | (1,472)        | (553,421)                                            | (1,616,607)         | (213,160)        | (27,797)       | (2,412,457)      |
| <b>NBV as at June 30, 2026</b>               | <b>947,521</b> | <b>1,396,650</b>                                     | <b>1,240,758</b>    | <b>119,171</b>   | <b>147,044</b> | <b>3,851,144</b> |
| NBV as at June 30, 2025                      | 934,646        | 1,460,411                                            | 1,327,281           | 141,109          | 24,193         | 3,887,640        |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

**4.9** Particulars of immovable property (i.e. land and building) in the name of the Group are as follows:

| Location                                                                                                   | Usage                  | Total Area (sqr. yds) |
|------------------------------------------------------------------------------------------------------------|------------------------|-----------------------|
| E-44 & E-45, North Western Industrial Zone, Port Qasim Authority, Karachi                                  | Manufacturing facility | 9,711                 |
| F-319, situated at S.I.T.E area, Karachi -note 4.1                                                         | Manufacturing facility | 25,362                |
| E-58 North Western Industrial Zone, Port Qasim                                                             | Manufacturing facility | 7,260                 |
| E-58-A North Western Industrial Zone, Port Qasim                                                           | Land                   | 7,025                 |
| Plot # 5-B, Block 7 & 8, D.M.C.H.S, Karachi                                                                | Land                   | 505                   |
| Industrial plot Khasra No # 9180, 9740, 9168, 9179, 9158-9167<br>1.5 KM Manga-Raiwind Road, Lahore, Punjab | Land                   | 20,497                |

**4.10** Leasehold land, building on leasehold land, plant and machinery, office equipment, furniture and fixtures, vehicles and air-conditioning systems of plot # F-319, S.I.T.E, Karachi are subject to a first charge against the short term running facilities of Rs. 8,034.45 million (2025: 7,950 million) obtained from various commercial banks. This charge existed at June 30, 2026. The Parent Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

**4.11** The details of disposal of property, plant and equipment are as follows:

| Description                                                                                           | Cost or revalued | Accumulated depreciation | Net Book value | Sale proceeds | (Loss) / gain   | Mode of disposal        | Particulars of buyers                      | Relationship of buyer with Company or director, if any |
|-------------------------------------------------------------------------------------------------------|------------------|--------------------------|----------------|---------------|-----------------|-------------------------|--------------------------------------------|--------------------------------------------------------|
| ----- Rupees '000 -----                                                                               |                  |                          |                |               |                 |                         |                                            |                                                        |
| <b>Vehicle:</b>                                                                                       | 35,124           | 5,018                    | 30,106         | 17,600        | (12,506)        | As per Company's Policy | Omega Motors                               | NA                                                     |
| <b>Plant &amp; Machinery:</b>                                                                         | 2,710            | 703                      | 2,007          | 640           | (1,367)         | Quotations invited      | Friends Engineering                        | NA                                                     |
|                                                                                                       | 5,463            | 1,146                    | 4,317          | 4,317         | -               | Quotations invited      | Star Engineering                           | NA                                                     |
|                                                                                                       | 3,781            | 2,147                    | 1,633          | 800           | (833)           | Quotations invited      | Bismillah Engineering                      | NA                                                     |
| <b>Operating fixed asset having book value not exceeding five hundred thousand rupees - note 4.12</b> | 2,344            | 2,082                    | 262            | 2,645         | 2,383           | As per Company's Policy | Various                                    | NA                                                     |
| <b>2026</b>                                                                                           | <b>49,422</b>    | <b>11,096</b>            | <b>38,325</b>  | <b>26,002</b> | <b>(12,323)</b> |                         |                                            |                                                        |
| Vending machines                                                                                      | 133,496          | (95,735)                 | 37,761         | 37,761        | -               | Quotations invited      | Vending machines Company (Private) Limited | NA                                                     |
| <b>2025</b>                                                                                           | <b>133,496</b>   | <b>(95,735)</b>          | <b>37,761</b>  | <b>37,761</b> | <b>-</b>        |                         |                                            |                                                        |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 4.12** This includes a vehicle disposed off to IBL Operations (Private) Limited - related party for consideration of Rs. 2.6 million (2025: Nil), with a carrying value of Nil (2025: Nil).

|                                                                             | 2026           | 2025           |
|-----------------------------------------------------------------------------|----------------|----------------|
| <b>4.13 Depreciation charge for the year has been allocated as follows:</b> | Rupees in '000 |                |
| Cost of sales                                                               | 666,125        | 567,481        |
| Distribution costs                                                          | 44,640         | 40,604         |
| Administrative expenses                                                     | 139,083        | 105,340        |
|                                                                             | <b>849,848</b> | <b>713,425</b> |

### 4.14 Capital work-in-progress - at cost

|                                  | Balance as at July 1, 2025 | Additions during the year | Transfers to operating assets | Balance as at June 30, 2026 | Balance as at July 1, 2024 | Additions during the year | Transfers to operating assets | Balance as at June 30, 2025 |
|----------------------------------|----------------------------|---------------------------|-------------------------------|-----------------------------|----------------------------|---------------------------|-------------------------------|-----------------------------|
| Rupees '000                      |                            |                           |                               |                             |                            |                           |                               |                             |
| Civil works                      | 75,209                     | 54,509                    | (50,830)                      | 78,888                      | 82,976                     | 20,677                    | (28,444)                      | 75,209                      |
| Plant and machinery              | 208,743                    | 440,327                   | (268,152)                     | 380,918                     | 218,281                    | 146,794                   | (156,332)                     | 208,743                     |
| Building                         | -                          | -                         | -                             | -                           | 106,938                    | 97                        | (107,035)                     | -                           |
|                                  | <b>283,952</b>             | <b>494,836</b>            | <b>(318,982)</b>              | <b>459,806</b>              | <b>408,195</b>             | <b>167,568</b>            | <b>(291,811)</b>              | <b>283,952</b>              |
| Advance against purchase of land | 300                        | -                         | -                             | 300                         | 300                        | -                         | -                             | 300                         |
| Advances to suppliers            | 50,131                     | -                         | (5,867)                       | 44,264                      | 50,131                     | -                         | -                             | 50,131                      |
|                                  | <b>334,383</b>             | <b>494,836</b>            | <b>(324,849)</b>              | <b>504,370</b>              | <b>458,626</b>             | <b>167,568</b>            | <b>(291,811)</b>              | <b>334,383</b>              |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 4.15** It includes plant and machinery amounting to Rs. 405.53 million (2025: Rs. 254.20 million) that has not commissioned yet. It also includes air conditioner purchased from a related party IBL Operations (Private) Limited amounting to Rs. 3.63 million (2025 : Nil).

|                                                                     | 2026        | 2025     |
|---------------------------------------------------------------------|-------------|----------|
|                                                                     | Rupees '000 |          |
| <b>5. RIGHT-OF-USE ASSETS</b>                                       |             |          |
| Balance as at July 01                                               | 43,830      | 63,982   |
| Modification                                                        | -           | (291)    |
| Depreciation for the year - note 5.1                                | (12,720)    | (19,861) |
| Closing as at June 30                                               | 31,110      | 43,830   |
| <b>5.1</b> Depreciation for the year has been allocated as follows: |             |          |
| Cost of sales                                                       | 9,660       | 9,660    |
| Administrative expenses                                             | 3,060       | 10,201   |
|                                                                     | 12,720      | 19,861   |

- 5.2** The Parent Company has lease contracts of plant and machinery relating to SA Pharma and MyPlan located in Lahore, which is used for the purpose of manufacturing of pharmaceutical products. Leases of such plants have a lease term of 10 and 11 years ending on March 31, 2029 and October 31, 2030 respectively.

|                                                                    | 2026        | 2025      |
|--------------------------------------------------------------------|-------------|-----------|
|                                                                    | Rupees '000 |           |
| <b>6. INVESTMENT PROPERTIES - AT COST</b>                          |             |           |
| Operating assets - note 6.1                                        | 6,197,557   | 6,161,733 |
| Investment property under work in progress<br>- at cost - note 6.9 | 961         | 115,700   |
|                                                                    | 6,198,518   | 6,277,433 |



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 6.1 Operating assets

|                          | Owned assets                     |                                  |                     |                         |                      |            |                         |                      |           |
|--------------------------|----------------------------------|----------------------------------|---------------------|-------------------------|----------------------|------------|-------------------------|----------------------|-----------|
|                          | Leasehold<br>land - notes<br>6.2 | Building on<br>leasehold<br>land | Office<br>equipment | Electrical<br>equipment | Lifts &<br>elevators | Generators | Furniture &<br>fittings | Air-<br>conditioning | Total     |
|                          | ----- Rupees '000 -----          |                                  |                     |                         |                      |            |                         |                      |           |
| Year ended June 30, 2026 |                                  |                                  |                     |                         |                      |            |                         |                      |           |
| Opening net book value   | 5,295,018                        | 654,881                          | 31,593              | 43,730                  | 31,895               | 25,514     | 30,254                  | 48,848               | 6,161,733 |
| Additions                | -                                | 16,995                           | 4,204               | 68,088                  | -                    | -          | 34,599                  | 6,602                | 130,488   |
| Depreciation charge      | -                                | (45,487)                         | (9,585)             | (14,362)                | (4,135)              | (3,988)    | (9,112)                 | (7,995)              | (94,664)  |
| Closing net book value   | 5,295,018                        | 626,389                          | 26,212              | 97,456                  | 27,760               | 21,526     | 55,741                  | 47,455               | 6,197,557 |
| As at June 30, 2026      |                                  |                                  |                     |                         |                      |            |                         |                      |           |
| Cost                     | 5,295,018                        | 904,663                          | 84,019              | 194,161                 | 76,691               | 58,712     | 128,486                 | 160,799              | 6,902,549 |
| Accumulated depreciation | -                                | (278,274)                        | (57,807)            | (96,705)                | (48,931)             | (37,186)   | (72,745)                | (113,344)            | (704,992) |
| Net book value           | 5,295,018                        | 626,389                          | 26,212              | 97,456                  | 27,760               | 21,526     | 55,741                  | 47,455               | 6,197,557 |
| Year ended June 30, 2025 |                                  |                                  |                     |                         |                      |            |                         |                      |           |
| Opening net book value   | 5,227,822                        | 694,815                          | 39,428              | 53,400                  | 37,274               | 30,311     | 37,592                  | 56,965               | 6,177,607 |
| Additions                | 67,196                           | 4,997                            | 2,255               | -                       | 248                  | -          | -                       | 2,670                | 77,366    |
| Depreciation charge      | -                                | (44,931)                         | (10,090)            | (9,670)                 | (5,627)              | (4,797)    | (7,338)                 | (10,787)             | (93,240)  |
| Closing net book value   | 5,295,018                        | 654,881                          | 31,593              | 43,730                  | 31,895               | 25,514     | 30,254                  | 48,848               | 6,161,733 |
| As at June 30, 2025      |                                  |                                  |                     |                         |                      |            |                         |                      |           |
| Cost                     | 5,295,018                        | 887,668                          | 79,815              | 126,073                 | 76,691               | 58,712     | 93,887                  | 154,197              | 6,772,061 |
| Accumulated depreciation | -                                | (232,787)                        | (48,222)            | (82,343)                | (44,796)             | (33,198)   | (63,633)                | (105,349)            | (610,328) |
| Net book value           | 5,295,018                        | 654,881                          | 31,593              | 43,730                  | 31,895               | 25,514     | 30,254                  | 48,848               | 6,161,733 |
| Depreciation rate        | -                                | 5%                               | 20%                 | 10%                     | 10%                  | 10%        | 10%                     | 10%                  |           |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

**6.2** This includes investment in plots made by IBLHC, mentioned in note 6.5, which have been rented to United Retail (Private) Limited and Universal Retail (Private) Limited - associated companies in consideration for monthly rentals. The rental income in respect of this property amounting to Rs. 5.29 million (2025: Rs. 5.17 million) has been recognised in consolidated statement of profit or loss.

**6.3** Leasehold land and other assets (comprises of building on leasehold land, office equipment, electrical equipment, lifts and elevators, generators, furniture and fixtures and air-conditioning) on One IBL Centre classified under investment property and property plant and equipment has been valued under the market value basis by an independent valuer, KGT (Private) Limited. Market value of One IBL Centre based on the valuation as of June 30, 2026 was Rs. 11.01 billion (2025: Rs. 10.78 billion).

**6.4** The valuations of investment properties of IBLHC have been carried out by KGT (Private) Limited, an independent valuer engaged by IBLHC as at June 30, 2026. Market value of these investment properties as at June 30, 2026 is Rs. 1.92 billion (2025: Rs. 1.85 billion).

Forced sales value of IBLHC properties as at June 30, 2026 is Rs. 1.54 billion (2025: Rs. 1.48 billion).

**6.5** Particulars of immovable property (i.e. land and building) in the name of Group are as follows:

| <b>Location</b>                                                                                                           | <b>Total Area<br/>(acres)<br/>Square yards</b> |
|---------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| One IBL Center, Block 7 & 8 Delhi Mercantile Muslim Co-operative Housing Society, Karachi                                 | 5,291                                          |
| Plot no 24/5 - A, Block 7 & 8, Delhi Mercantile Muslim Co-operative Housing Society, Karachi                              | 500                                            |
| Plot no 24/3, Block 7 & 8, Delhi Mercantile Muslim Co-operative Housing Society, Karachi                                  | 754                                            |
| Plot no 24/4A, Block 7 & 8, Delhi Mercantile Muslim Co-operative Housing Society, Karachi (2 plots each of 502 sq. yards) | 1,004                                          |
| Plot no 24/4, Block 7 & 8, Delhi Mercantile Muslim Co-operative Housing Society, Karachi (First plot)                     | 502                                            |
| Plot no 24/4, Block 7 & 8, Delhi Mercantile Muslim Co-operative Housing Society, Karachi (Second plot)                    | 502                                            |
| Plot # 30/1 and 353 at Deh Digh Malir, Karachi                                                                            | 8,833                                          |
| Plot # A/89 & 90, Eastern Industrial Zone, Port Qasim Authority, Karachi                                                  | 48,400                                         |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 6.6** The rental income in respect of One IBL Center amounting to Rs 108.8 million (2025: Rs. 109.52 million) has been recognised in consolidated statement of profit or loss and included in 'other income' - refer note 34.

The direct operating expenses pertaining to this property comprising maintenance and utility costs amounting to Rs. 55.98 million (2025: Rs. 126.62 million) is recognised in consolidated statement of profit or loss and included in 'administrative expenses' - refer note 32.

- 6.7** Valuation of leasehold land and building on Plot # 24/5 - A , Block 7 and 8 Delhi Mercantile Muslim Co-Operative Housing Society have been carried out by an independent valuer i.e. KGT (Private) Limited as at June 30, 2026. Market values for leasehold land and building on leasehold land is Rs. 290 million (2025: Rs. 275 million) and Rs. 5.71 million (2025: Rs. 5.44 million) respectively.

- 6.8** The Group has entered into operating leases on its investment property consisting of certain office building including lift and elevator, generator, furniture and fixtures, air-conditioners and electrical equipment. These leases have multiple terms ranging from 5 to 10 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

**2026**                      2025  
Rupees '000

**6.9 Movement in investment properties under work-in-progress - at cost - at One IBL Center**

|                                                    |                  |         |
|----------------------------------------------------|------------------|---------|
| Balance at the beginning of the year               | <b>115,700</b>   | -       |
| Addition during the year - note 6.9.1              | <b>14,217</b>    | 125,400 |
| Transfer to operating assets - investment property | <b>(128,956)</b> | (9,700) |
| Balance at the end of the year                     | <b>961</b>       | 115,700 |

- 6.9.1** This includes additions to building (civil works), furniture and fixtures, office equipments, electrical equipments and air conditioning system purchased from related parties - United Retail (Private) Limited and IBL Logistics (Private) Limited amounting to Rs. Nil (2025: 105.70 million), Rs. Nil (2025: Rs.0.04 million) respectively.

**2026**                      2025  
Rupees '000

**7. INTANGIBLE ASSETS**

|                                        |                  |           |
|----------------------------------------|------------------|-----------|
| Operating intangible assets - note 7.1 | <b>2,996,300</b> | 4,006,006 |
|----------------------------------------|------------------|-----------|

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 7.1 Operating intangibles assets

|                                   | Distribution rights | Brand name and logo - note 7.5 | Product license - note 7.2 | Software licenses - note 7.4 | Goodwill - notes 7.6 | Total            |
|-----------------------------------|---------------------|--------------------------------|----------------------------|------------------------------|----------------------|------------------|
| ----- Rupees '000 -----           |                     |                                |                            |                              |                      |                  |
| <b>Net carrying value basis</b>   |                     |                                |                            |                              |                      |                  |
| <b>Year ended June 30, 2026</b>   |                     |                                |                            |                              |                      |                  |
| Opening net book value            | -                   | -                              | 11,163                     | 11,091                       | 3,983,752            | 4,006,006        |
| Additions                         | -                   | -                              | -                          | 361                          | -                    | 361              |
| Amortisation charge               | -                   | -                              | (11,163)                   | (5,904)                      | -                    | (17,067)         |
| Impairment charge                 | -                   | -                              | -                          | -                            | (993,000)            | (993,000)        |
| <b>Closing net book value</b>     | <b>-</b>            | <b>-</b>                       | <b>-</b>                   | <b>5,548</b>                 | <b>2,990,752</b>     | <b>2,996,300</b> |
| <b>Gross carrying value basis</b> |                     |                                |                            |                              |                      |                  |
| <b>At June 30, 2026</b>           |                     |                                |                            |                              |                      |                  |
| Cost                              | 277,475             | 74,703                         | 111,623                    | 180,649                      | 3,983,752            | 4,628,202        |
| Accumulated amortisation          | (277,475)           | (74,703)                       | (111,623)                  | (175,101)                    | -                    | (638,902)        |
| Accumulated impairment loss       | -                   | -                              | -                          | -                            | (993,000)            | (993,000)        |
| <b>Net book value</b>             | <b>-</b>            | <b>-</b>                       | <b>-</b>                   | <b>5,548</b>                 | <b>2,990,752</b>     | <b>2,996,300</b> |
| <b>Net carrying value basis</b>   |                     |                                |                            |                              |                      |                  |
| <b>Year ended June 30, 2025</b>   |                     |                                |                            |                              |                      |                  |
| Opening net book value            | -                   | -                              | 22,325                     | 19,042                       | 3,983,752            | 4,025,119        |
| Amortisation charge               | -                   | -                              | (11,162)                   | (7,951)                      | -                    | (19,113)         |
| <b>Closing net book value</b>     | <b>-</b>            | <b>-</b>                       | <b>11,163</b>              | <b>11,091</b>                | <b>3,983,752</b>     | <b>4,006,006</b> |
| <b>Gross carrying value basis</b> |                     |                                |                            |                              |                      |                  |
| <b>At June 30, 2025</b>           |                     |                                |                            |                              |                      |                  |
| Cost                              | 277,475             | 74,703                         | 111,623                    | 180,288                      | 3,983,752            | 4,627,841        |
| Accumulated amortisation          | (277,475)           | (74,703)                       | (100,460)                  | (169,197)                    | -                    | (621,835)        |
| <b>Net book value</b>             | <b>-</b>            | <b>-</b>                       | <b>11,163</b>              | <b>11,091</b>                | <b>3,983,752</b>     | <b>4,006,006</b> |
| <b>Amortisation rate</b>          | <b>10%</b>          | <b>10%</b>                     | <b>10%</b>                 | <b>10% to 33.33%</b>         | <b>-</b>             |                  |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 7.2** This represents license obtained for the production of product “Tramal”.
- 7.3** As per IAS 38 an intangible asset acquired through a business combination is recognised, if it is separable or arises from contractual or other legal rights and sufficient information exists to measure reliably the fair value of the asset. An intangible asset acquired in a business combination might be separable, but only together with a related contract, identifiable asset or liability. In such cases, the acquirer recognizes the intangible asset separately from goodwill, but together with the related item.
- 7.4** Software licenses include various licenses and enterprise resource planning software and cost of implementation and license of SAP.
- 7.5** Brand name and logo include brands purchased by the Parent Company from Cirin Pharmaceuticals (Private) Limited which are fully amortised and still in use.
- 7.6 Impairment testing of goodwill**

The goodwill recognised on the acquisition of controlling interest in the subsidiaries are as under:

|                                       | 2026                    |                             |                  | 2025      |                             |                 |
|---------------------------------------|-------------------------|-----------------------------|------------------|-----------|-----------------------------|-----------------|
|                                       | Goodwill                | Accumulated impairment loss | Carrying amount  | Goodwill  | Accumulated impairment loss | Carrying amount |
|                                       | ----- Rupees ‘000 ----- |                             |                  |           |                             |                 |
| Searle IV Solutions (Private) Limited | 2,506,525               | -                           | 2,506,525        | 2,506,525 | -                           | 2,506,525       |
| Stellar Venture (Private) Limited     | 1,301,611               | (993,000)                   | 308,611          | 1,303,534 | -                           | 1,303,534       |
| Searle Biopharma (Private) Limited    | 175,616                 | -                           | 175,616          | 175,616   | -                           | 175,616         |
|                                       | <b>3,983,752</b>        | <b>(993,000)</b>            | <b>2,990,752</b> | 3,985,675 | -                           | 3,985,675       |

The Group performed an impairment assessment of goodwill allocated to the above cash-generating units (CGUs) as at June 30, 2026. The assessment was conducted for each CGU by comparing its recoverable amount with its carrying amount, including the allocated goodwill, to determine whether any impairment loss was required to be recognised.

The recoverable amount is determined based on a fair value less costs of disposal method using cash flow projections from financial budgets approved by the senior management covering a six year period and applying the expected value approach and using quoted market prices of some integrated manufacturing CGUs. The discount rate applied to cash flow projections is 20.98% to 22.46%% for goodwill impairment testing. As a result of this analysis, the management has identified impairment amounting to Rs. 993 million for the cash generating units to which goodwill amounting to Rs. 3,983.75 million is allocated. The fair value measurements were categorised within Level 1 and Level 3 of the fair value hierarchy.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### Details relating to the discounted cash flow model used in the impairment test are as follows:

The significant assumptions used by the Group for determining the fair value less costs of disposal are as follows:

| Valuation basis                                                                                                                                                 | Fair value less cost to disposal                                                                                                                                                                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key assumptions                                                                                                                                                 | <ul style="list-style-type: none"> <li>- Sales growth rates</li> <li>- Profit margins</li> <li>- Terminal growth rate</li> <li>- Discount rate</li> </ul>                                                                                                                                                                                                                                       |
| Determination of assumptions                                                                                                                                    | <p>Growth rates and profit margins are based on the internal forecasts and estimates of the management. These forecasts and estimates are based on both internal and external market information and past performance of the Group.</p> <p>Costs reflect past experience adjusted for inflation and expected changes. Discount rate is primarily based on weighted average cost of capital.</p> |
| Terminal growth rate                                                                                                                                            | 3% to 5%                                                                                                                                                                                                                                                                                                                                                                                        |
| Period of specific projected cash flows                                                                                                                         | 6 years                                                                                                                                                                                                                                                                                                                                                                                         |
| The valuation indicates sufficient headroom such that a 1% change in the terminal growth or discount rate has not resulted in an impairment of the intangibles. |                                                                                                                                                                                                                                                                                                                                                                                                 |

### 8. LONG-TERM LOANS AND ADVANCES

2026 2025

Rupees '000

|                                        |          |           |
|----------------------------------------|----------|-----------|
| Loans - considered good                |          |           |
| Employees - note 8.1                   | 70       | 151       |
| Less: current portion of employee loan | (62)     | (90)      |
|                                        | <u>8</u> | <u>61</u> |

- 8.1** This represents interest-free loans given to employees other than executives provided for a period of 3.5 years. These are secured against provident fund balances of respective employees.

### 9. LONG TERM DEPOSITS

2026 2025

Rupees '000

|                                             |               |               |
|---------------------------------------------|---------------|---------------|
| Deposit against utilities - notes 9.1 & 9.2 | <u>21,431</u> | <u>12,744</u> |
|---------------------------------------------|---------------|---------------|



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

**9.1** This includes security deposits given by the Parent Company held with K-Electric Limited and do not carry any mark up arrangement.

**9.2** This also includes amount deposited by SBPL for electricity and gas amounting to Rs. 0.75 million (2025: Rs. 0.75 million) and Rs. 2.68 million (2025: Rs. 2.68 million) respectively. It does not carry any mark up arrangement.

|                        | 2026             | 2025             |
|------------------------|------------------|------------------|
| <b>10. INVENTORIES</b> | Rupees '000      |                  |
| Raw materials          | 2,834,015        | 1,969,479        |
| Packing materials      | 1,118,520        | 1,022,242        |
| Stores and spares      | 304,337          | 283,679          |
| Work-in-process        | 372,445          | 247,217          |
| Finished goods         | 2,903,237        | 1,730,895        |
|                        | <b>7,532,554</b> | <b>5,253,512</b> |

**10.1** Inventories include material in transit amounting to Rs. 504.32 million (2025: Rs. 714.67 million).

**10.2** Inventories include inventory held by third parties amounting to Rs. 940.32 million (2025: Rs. 575.87 million).

**10.3** Inventory in hand includes products amounting to Rs. 14.26 million as at June 30, 2026 (2025: Rs. 16.33 million) stated at their net realisable values against their cost of Rs. 25.07 million (2025: Rs. 25.07 million).

|                                                                                | 2026              | 2025              |
|--------------------------------------------------------------------------------|-------------------|-------------------|
| <b>11. TRADE RECEIVABLES</b>                                                   | Rupees '000       |                   |
| - Export receivables - note 11.1 & 11.6                                        | 643,812           | 844,040           |
| - Due from related parties,<br>unsecured - notes 11.2, 11.3, 11.4, 11.5 & 11.7 | 9,256,799         | 8,702,668         |
| - Others, unsecured - note 11.1                                                | 2,689,334         | 2,279,506         |
|                                                                                | <b>12,589,945</b> | <b>11,826,214</b> |
| Less: Allowance for impairment of<br>trade receivables - note 11.8             | (241,906)         | (225,624)         |
|                                                                                | <b>12,348,039</b> | <b>11,600,590</b> |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

**11.1** As at June 30, 2026, the age analysis of receivables other than related parties is as follows:

|                               | 2026             | 2025      |
|-------------------------------|------------------|-----------|
|                               | Rupees '000      |           |
| Not yet due                   | <b>1,675,927</b> | 2,110,996 |
| Past due but not yet impaired |                  |           |
| - 1 to 30 days                | <b>231,905</b>   | 30,673    |
| - 30 to 90 days               | <b>337,510</b>   | 226,682   |
| - 90 to 180 days              | <b>360,951</b>   | 218,945   |
| - 180 to 365 days             | <b>259,625</b>   | 46,525    |
| - older than 365 days         | <b>467,228</b>   | 489,726   |
|                               | <b>3,333,146</b> | 3,123,546 |

### 11.2 Due from related parties, unsecured

|                                      |                  |           |
|--------------------------------------|------------------|-----------|
| Associated companies - note 11.3     |                  |           |
| - IBL Operations (Private) Limited   | <b>9,206,220</b> | 8,569,181 |
| - United Brands Limited              | <b>50,533</b>    | 109,384   |
| - Universal Retail (Private) Limited | -                | 24,057    |
| - United Retail (Private) Limited    | <b>46</b>        | 46        |
|                                      | <b>9,256,799</b> | 8,702,668 |

**11.3** The maximum aggregate amount of receivables due from related parties outstanding at any time during the year was as follows:

|                                  | 2026              | 2025       |
|----------------------------------|-------------------|------------|
|                                  | Rupees '000       |            |
| IBL Operations (Private) Limited | <b>14,667,602</b> | 16,432,147 |
| United Brands Limited            | <b>100,370</b>    | 143,156    |
| United Retail (Private) Limited  | <b>46</b>         | 46         |

**11.4** These are stated net of amount payable from the following related party:

|                                  | 2026             | 2025    |
|----------------------------------|------------------|---------|
|                                  | Rupees '000      |         |
| IBL Operations (Private) Limited | <b>1,221,116</b> | 102,984 |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

**11.5** As at June 30, 2026, the age analysis of these related party receivables is as follows:

|                               | 2026             | 2025             |
|-------------------------------|------------------|------------------|
|                               | Rupees '000      |                  |
| Not yet due                   | 4,794,497        | 4,660,167        |
| Past due but not yet impaired |                  |                  |
| - 1 to 30 days                | 2,308,761        | 2,734,806        |
| - 30 to 90 days               | 1,212,746        | 421,180          |
| - 90 to 180 days              | 40,545           | 36,796           |
| - 180 to 365 days             | 44,470           | -                |
| - older than 365 days         | 855,780          | 849,719          |
|                               | <b>9,256,799</b> | <b>8,702,668</b> |

**11.6** Out of total export receivables of Rs. 643.81 million (2025: 844.04 million), receivables amounting to Rs. 507.61 million (2025: 548.97 million) are secured against export letters of credit, whereas receivables amounting to Rs. 136.2 million (2025: 295.07 million) are unsecured.

**11.7** The Competition Commission of Pakistan (CCP) through its order dated September 13, 2007 instructed the Parent Company to reduce terms of trade credit with IBL Operations (Private) Limited, an associated concern, re-negotiate the offered rate of commission and conduct audit of the transactions. The Parent Company had filed a counter case in Honourable High Court of Sindh to revert the order. However, during the financial year 2024, Honourable High Court of Sindh through its order dated June 07, 2024, has dismissed the Parent Company's appeal against the aforesaid matter. During the prior year, the Parent Company had filed an appeal in Honourable Supreme Court of Pakistan vide Appeal No. 3933 of 2024. The Parent Company, based on the opinion of its legal advisor, believes that it has a strong case and the matter is likely to be decided in favour of the Parent Company.

|                                                           | 2026           | 2025           |
|-----------------------------------------------------------|----------------|----------------|
|                                                           | Rupees '000    |                |
| <b>11.8 Allowance for impairment of trade receivables</b> |                |                |
| Balance as at July 01                                     | 225,624        | 214,236        |
| Charge for the year - net                                 | 16,282         | 13,235         |
| Write Off                                                 | -              | (1,847)        |
| Balance as at June 30                                     | <b>241,906</b> | <b>225,624</b> |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                                                          | 2026             | 2025           |
|----------------------------------------------------------|------------------|----------------|
|                                                          | Rupees '000      |                |
| <b>12. LOANS AND ADVANCES – considered good</b>          |                  |                |
| Advances to:                                             |                  |                |
| <b>Secured</b>                                           |                  |                |
| - employees for operating activities - note 12.1         | 286,138          | 112,694        |
| - employees against salaries - note 12.1                 | 35,262           | 19,398         |
| <b>Unsecured</b>                                         |                  |                |
| - associated companies                                   | 208,513          | -              |
| - suppliers - note 12.2                                  | 973,016          | 488,339        |
| - against imports                                        | 232,299          | 118,641        |
| - against LC margin                                      | -                | 1,833          |
| - other advances                                         | 7,404            | 5,731          |
|                                                          | <b>1,742,632</b> | <b>746,636</b> |
| Current portion of long-term loans to employees - note 8 | 62               | 90             |
|                                                          | <b>1,742,694</b> | <b>746,726</b> |

**12.1** These advances are given for business operations and will be adjusted against submission of actual expenses. Advances against salary are repayable on monthly basis. The maximum aggregate amount of these advances outstanding at any time during the year was Rs. 320.54 million (2025: Rs. 303.36 million).

**12.2** This includes advance given to Novamed Pharmaceuticals (Private) Limited amounting to Rs. Nil (2025: Rs. 25 million) against supply of pharmaceutical products. These advances to suppliers are adjustable with respect to inventory and services received from the respective vendors.

|                                                      | 2026           | 2025           |
|------------------------------------------------------|----------------|----------------|
|                                                      | Rupees '000    |                |
| <b>13. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS</b> |                |                |
| Deposits                                             |                |                |
| Trade deposits - note 13.1                           | 380,477        | 230,592        |
| Others                                               | 1,238          | 2,767          |
|                                                      | <b>381,715</b> | <b>233,359</b> |
| Considered doubtful:                                 |                |                |
| Trade deposits                                       | 2,640          | 2,640          |
| Less: provision for doubtful deposits                | (2,640)        | (2,640)        |
|                                                      | -              | -              |
| Prepayments - note 13.2                              | 83,878         | 85,857         |
|                                                      | <b>465,593</b> | <b>319,216</b> |

**13.1** This includes deposits made to institutions for tender deposit amounting to Rs. 244.76 million (2025: Rs. 140.61 million).

**13.2** This includes pay order amounting to Rs. 23.38 million submitted before the Nazir of High Court of Sindh in relation to the contingency disclosed in note 28.1.5.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 14. OTHER RECEIVABLES

2026 2025

Rupees '000

#### Receivables from related parties

*Due from ultimate parent company and associated companies - note 14.1 & 14.2*

- IBL Operations (Private) Limited against:

Expenses - note 14.5

Claims receivable - note 14.3

Rental income -note 34.1

5,147

10,057

143,449

143,449

666

6,619

- International Brands (Private) Limited against:

Expenses - note 14.4 & 14.5

Rental income -note 34.1

Group Relief

386,091

213,799

-

24,132

-

58,040

- IBL Logistics (Private) Limited against:

Expenses - note 14.5

252

-

- Universal Ventures (Private) Limited against:

Sale of subsidiary - note 14.8

Sale of land - note 14.9

86,452

86,452

113,592

113,592

- Mywater (Private) Limited

Rental income of vehicle - note 14.6

3,608

3,584

- IBL Unisys (Private) Limited against:

Rental income -note 34.1

-

776

Expenses - note 14.5

-

1,116

- United Brands Limited against:

Expenses - note 14.5

50

-

739,307

661,616

*Due from other related parties: - notes 14.1 & 14.2*

- United Retail (Private) Limited against:

Rental income - note 34.1

Expenses

14,217

12,234

119,108

67,786

- Universal Retail (Private) Limited against:

Rental income - note 34.1

Expenses

55,836

42,053

191,703

140,631

380,864

262,704

Surplus arising under retirement

benefit fund - note 14.7

5,250

5,250

#### Receivables from other than related parties

Others, considered good - notes 14.10 & 14.11

1,732,867

4,100,239

2,858,288

5,029,809

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 14.1** The maximum aggregate amount outstanding at any time during the year from the related parties are as follows:

|                                        | <b>2026</b>    | 2025    |
|----------------------------------------|----------------|---------|
|                                        | Rupees '000    |         |
| IBL Operations (Private) Limited       | <b>173,201</b> | 8,423   |
| International Brands (Private) Limited | <b>459,618</b> | 295,971 |
| IBL Logistics (Private) Limited        | <b>252</b>     | 85,322  |
| IBL Unisys (Private) Limited           | <b>2,621</b>   | 91,739  |
| United Retail (Private) Limited        | <b>138,170</b> | 80,020  |
| Universal Retail (Private) Limited     | <b>281,090</b> | 273,949 |
| Universal Ventures (Private) Limited   | <b>200,044</b> | 200,044 |
| Mywater (Private) Limited              | <b>3,608</b>   | 3,584   |
| United Brands Limited                  | <b>50</b>      | -       |

- 14.2** The aging of the receivables from related parties is as follows:

|                               | <b>2026</b>      | 2025    |
|-------------------------------|------------------|---------|
|                               | Rupees '000      |         |
| Not yet due                   | <b>247,150</b>   | 283,550 |
| Past due but not yet impaired |                  |         |
| - 1 to 30 days                | <b>21,519</b>    | 280,619 |
| - 30 to 90 days               | <b>46,148</b>    | 52,478  |
| - 90 to 180 days              | <b>38,621</b>    | 59,678  |
| - 180 to 365 days             | <b>443,985</b>   | 99,123  |
| - older than 365 days         | <b>322,748</b>   | 148,872 |
|                               | <b>1,120,171</b> | 924,320 |

- 14.3** This represents claims receivable from IBL Operations (Private) Limited.

- 14.4** This includes Rs. 197.39 million paid by the company on account of consultancy charges to Ijara Capital Partners Limited ('ICPL') during the prior year.

- 14.5** These are expenses paid by the Group on behalf of the related parties.

- 14.6** This represents receivable from Mywater (Private) Limited, a related party, against vehicle sub-let on rent.

- 14.7** This represents surplus on funded gratuity scheme discontinued by the Parent Company with effect from December 31, 2012.



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 14.8** This represents balance receivable against the disposal of a subsidiary that has been adjusted against an equivalent portion of the consideration payable for the acquisition of Stellar Ventures (Private) Limited.
- 14.9** This represents amount receivable from Universal Ventures (Private) Limited on demand against transfer of Sakro lands.
- 14.10** This includes outstanding receivable of Rs. 1.4 billion (2025: Rs. 3.56 billion) from Ijara Capital Partners Limited ('ICPL') and Noventa Pharma (Private) Limited ('the buyers') arising from the divestment of a subsidiary. The total sale consideration approved by the shareholders amounted to Rs. 10.53 billion, of which Rs. 5.44 billion was paid upon completion of the conditions precedent stipulated in the Share Purchase Agreement (SPA) and the remaining Rs. 5.09 billion was payable on a deferred basis over a period of 24 months in accordance with the payment schedule specified in the SPA. The outstanding balance represents remaining seven installments of deferred consideration payable by the buyers.
- 14.11** This includes claims amounting to Rs. 70.04 million from Mead Johnson, Searle Pakistan (Private) Limited, Reckitt Benckiser and Shandong Weigao in respect of certain claimable expenses.

### 15. SHORT-TERM INVESTMENT - AT AMORTISED COST

This represents an investment of Rs. 400 million in an Islamic Term Deposit Certificate maintained with Al Baraka Bank (Pakistan) Limited. The deposit carries profit at the rate of 11.41% per annum and has a maturity of 1 month.

|                                      | 2026             | 2025           |
|--------------------------------------|------------------|----------------|
| <b>16. CASH AND BANK BALANCES</b>    | Rupees '000      |                |
| <b>Cash in hand:</b>                 |                  |                |
| - local currency                     | 776              | 1,271          |
| - foreign currency                   | 3,248            | 4,610          |
|                                      | 4,024            | 5,881          |
| <b>With banks in:</b>                |                  |                |
| <b>Islamic</b>                       |                  |                |
| - current account - local currency   | 316,943          | 78,044         |
| - current account - foreign currency | 3,369            | -              |
|                                      | 320,312          | 78,044         |
| <b>Conventional</b>                  |                  |                |
| - current account - local currency   | 2,111,769        | 302,252        |
| - current account - foreign currency | 38,819           | 12,574         |
|                                      | 2,150,588        | 314,826        |
|                                      | <b>2,474,924</b> | <b>398,751</b> |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 17. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

#### Authorised share capital

| 2026               | 2025        |                                | 2026             | 2025      |  |
|--------------------|-------------|--------------------------------|------------------|-----------|--|
| (Number of shares) |             |                                | Rupees '000      |           |  |
| <b>700,000,000</b> | 700,000,000 | Ordinary shares of Rs. 10 each | <b>7,000,000</b> | 7,000,000 |  |

#### Issued, subscribed and paid up capital

| 2026               | 2025        |                                                   | 2026             | 2025      |  |
|--------------------|-------------|---------------------------------------------------|------------------|-----------|--|
| (Number of shares) |             |                                                   | Rupees '000      |           |  |
| <b>161,596,926</b> | 161,596,926 | Shares allotted for consideration paid in cash    | <b>1,615,969</b> | 1,615,969 |  |
| <b>24,000</b>      | 24,000      | Shares allotted for consideration other than cash | <b>240</b>       | 240       |  |
| <b>426,597,661</b> | 349,873,498 | Shares allotted as bonus shares                   | <b>4,265,977</b> | 3,498,736 |  |
| <b>588,218,587</b> | 511,494,424 |                                                   | <b>5,882,186</b> | 5,114,945 |  |

#### 17.1 Movement in issued, subscribed and paid-up share capital

2026 2025  
Number of shares

#### Ordinary Shares

|                                                           |                    |             |
|-----------------------------------------------------------|--------------------|-------------|
| Number of shares outstanding at the beginning of the year | <b>511,494,424</b> | 511,494,424 |
| Bonus shares issued - note 17.3                           | <b>76,724,163</b>  | -           |
| Number of shares outstanding at the end of the year       | <b>588,218,587</b> | 511,494,424 |

**17.2** All ordinary shares rank equally with regard to the Parent Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at Parent Company's general meetings.

**17.3** The Board of Directors in their meeting held on October 03, 2025, recommended the issuance of bonus shares in the proportion of fifteen shares for every one hundred shares held (i.e. 15%). On October 28, 2025, it was approved by the members in Annual General Meeting that the bonus shares will be issued out of the Parent Company's un-appropriated profits and shall rank pari passu in all respects with the existing ordinary shares of the Company. The total issue size is Rs. 767.24 million divided into 76.72 million ordinary shares of Rs. 10 each.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 18. REVALUATION SURPLUS ON PROPERTY, PLANT AND EQUIPMENT

The revaluation surplus represents net cumulative increase in the carrying amount as a result of revaluation of property, plant and equipment carried at revalued amount.

|                                                                          | 2026           | 2025      |
|--------------------------------------------------------------------------|----------------|-----------|
|                                                                          | Rupees in '000 |           |
| Revaluation surplus at the beginning of the year                         | 6,178,180      | 6,023,513 |
| Adjustment related to opening deferred tax balance due to change in rate | (76,004)       | -         |
| Surplus arising on revaluation :                                         |                |           |
| - Leasehold land                                                         | 476,826        | 535,536   |
| - Building on leasehold land                                             | 239,342        | 238,198   |
| - Plant and machinery                                                    | 482,621        | 368,899   |
| - Vehicle                                                                | 8,323          | 15,978    |
| - Air - conditioning and systems                                         | 57,854         | 40,460    |
|                                                                          | 1,264,966      | 1,199,071 |
| Deferred tax liability on revaluation surplus                            | (294,505)      | (242,779) |
|                                                                          | 970,461        | 956,292   |
| Transfer of revaluation surplus on disposal of assets                    |                |           |
| - Revaluation surplus                                                    | (30,344)       | -         |
| - Deferred tax on revaluation surplus                                    | 11,167         | -         |
|                                                                          | (19,177)       | -         |
| Net amount transferred to unappropriated profit on account of            |                |           |
| - Incremental depreciation                                               | (412,152)      | (457,711) |
| - Deferred tax on incremental depreciation                               | 152,496        | 151,045   |
| - Transfer of revaluation surplus on disposal of subsidiary              | -              | (494,959) |
|                                                                          | (259,656)      | (801,625) |
|                                                                          | 6,793,804      | 6,178,180 |

**18.1** The revaluation surplus on property, plant and equipment is a capital reserve and is not available for distribution to the Company in accordance with section 241 of the Companies Act, 2017.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 19. GENERAL RESERVE

General reserves is maintained for fulfilling various business needs including meeting contingencies, offsetting future losses and enhancing the working capital.

|                                                  | 2026           | 2025          |
|--------------------------------------------------|----------------|---------------|
|                                                  | Rupees in '000 |               |
| <b>20. LONG TERM BORROWINGS</b>                  |                |               |
| <b>Islamic</b>                                   |                |               |
| Diminishing musharakah - notes 20.1, 20.2 & 20.3 | 164,208        | 60,370        |
| Less: Current portion of long-term loans         | (36,798)       | (14,303)      |
|                                                  | <b>127,410</b> | <b>46,067</b> |

**20.1** During the year, the Parent Company obtained diminishing musharakah financing facilities aggregating to Rs. 143.58 million from First Habib Modaraba for the acquisition of four vehicles. The facilities carry profit at 3-months KIBOR plus 1% per annum, subject to a floor rate of 5%, and are repayable over terms ranging from five to six years through periodic buyouts of musharakah units.

**20.2** The facilities are secured by hypothecation / charge over the financed vehicles and plant and machinery. In addition, legal title to and registration of the financed vehicles remain in the name of First Habib Modaraba until full settlement of the respective facilities.

**20.3** During the year, IFMPL has also obtained diminishing musharakah financing facilities from First Habib Modaraba. The facilities are secured by demand promissory notes in favor of the Modaraba for the amount of the Modaraba's musharakah Investment and monthly payments during the term of the diminishing musharakah agreement and carry mark-up at rates ranging from three-month KIBOR plus 2.90% to 3.50% per annum.

### 21. DEFERRED TAX ASSETS

The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the consolidated statement of financial position as follows:

|                        | 2026           | 2025             |
|------------------------|----------------|------------------|
|                        | Rupees '000    |                  |
| Deferred tax asset     | 1,289,293      | 2,511,565        |
| Deferred tax liability | (1,068,404)    | (894,754)        |
|                        | <b>220,889</b> | <b>1,616,811</b> |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 21.1 Analysis of change in deferred tax

|                                                         | (Credit) / charge to:  |                |                                    |                                            | (Credit) / charge to: |                   |                                       |
|---------------------------------------------------------|------------------------|----------------|------------------------------------|--------------------------------------------|-----------------------|-------------------|---------------------------------------|
|                                                         | July 1,<br>2024        | Profit or loss | Other<br>compreh-<br>ensive income | Adjustment<br>against<br>current liability | July 1,<br>2025       | Profit or<br>loss | Other<br>compreh-<br>ensive<br>income |
|                                                         | ----- Rupees '000----- |                |                                    |                                            |                       |                   |                                       |
| Accelerated tax depreciation                            | 168,766                | 98,957         | -                                  | -                                          | 267,723               | (84,430)          | -                                     |
| Minimum tax and unused tax losses -<br>note 21.3 & 21.5 | (465,398)              | (1,693,190)    | -                                  | 239,889                                    | (1,918,699)           | 1,342,589         | -                                     |
| Alternative corporate tax                               | -                      | -              | -                                  | -                                          | -                     | (108,246)         | -                                     |
| Surplus on revaluation                                  | 466,343                | (82,091)       | 242,779                            | -                                          | 627,031               | (112,430)         | 370,510                               |
| Right-of-use asset and Lease Liability                  | (14,828)               | 5,684          | -                                  | -                                          | (9,144)               | (1,468)           | -                                     |
| Decelerated tax amortisation                            | (15,572)               | 4,638          | -                                  | -                                          | (10,934)              | 7,812             | -                                     |
| Provisions                                              | (20,404)               | (24,999)       | (6)                                | -                                          | (45,409)              | 23,260            | (860)                                 |
| Provision for doubtful receivables                      | (74,244)               | (753)          | -                                  | -                                          | (74,997)              | (17,135)          | -                                     |
| Provision for trade deposits                            | (872)                  | -              | -                                  | -                                          | (872)                 | 872               | -                                     |
| Provision for impairment                                | (2,028,000)            | 1,700,000      | -                                  | -                                          | (328,000)             | (123,971)         | -                                     |
| Deferred income                                         | -                      | (123,510)      | -                                  | -                                          | (123,510)             | 99,419            | -                                     |
|                                                         | (1,984,209)            | (115,264)      | 242,773                            | 239,889                                    | (1,616,811)           | 1,026,272         | 369,650                               |

2026

2025

Rupees '000

### 21.2 Impact on profit or loss relates to:

- continued operations - note 37
- discontinued operation

|           |           |
|-----------|-----------|
| 1,026,272 | (115,270) |
| -         | 6         |
| 1,026,272 | (115,264) |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 21.3** This includes deferred tax assets of Rs. 530.82 million recognised on capital losses arising from the disposal of a subsidiary.
- 21.4** Under the Finance Act, 2019, the corporate tax rate has been fixed at 29% for tax year 2020 and onwards, while super tax had been recorded at 4% by the Company based on the litigation as discussed in note 37.2.4 to these consolidated financial statements. However, as per the Finance Act, 2026, companies are liable to pay super tax at 8% for tax year 2027 and onwards on income exceeding Rs. 500 million. Accordingly, deferred tax assets and liabilities have been recognised using a tax rate of 37%.
- 21.5** The deferred tax asset includes an amount of Rs. Nil (2025: Rs. 95.73 million) relating to the carried forward business losses of the Group. Deferred tax asset on unabsorbed depreciation amounting to Rs. 35.1 million (2025: Rs. 97.02 million) can be carried forward indefinitely and have no expiry date.
- 21.6** The aggregate amount of taxable temporary differences associated with the investment in subsidiaries namely IBLHC, IBLFT, SBPL and Searle IV for which deferred tax liabilities have not been recognised related to undistributed profit amounted to Rs. 1,718.47 million (June 30, 2025: Rs. 1,662.17 million). A deferred tax liability has not been recognised on these temporary differences amounting to Rs. 257.77 million (June 30, 2025: Rs. 249.33 million), since the Parent Company is able to control the timing of distributions from subsidiary and is not expected to distribute these profits in the foreseeable future.

|                                                  | 2026          | 2025   |
|--------------------------------------------------|---------------|--------|
|                                                  | Rupees '000   |        |
| <b>22. EMPLOYEE BENEFIT OBLIGATIONS</b>          |               |        |
| Staff retirement gratuity - unfunded - note 22.1 | <b>58,506</b> | 58,380 |

### 22.1 Gratuity scheme - unfunded

#### 22.1.1 General description

As stated in note 3.15, the Parent Company operates unfunded gratuity scheme for eligible employees. The scheme defines an amount of gratuity benefit that an employee will receive on retirement subject to minimum service under the scheme. The latest actuarial valuation was carried out as at June 30, 2026 using the Projected Unit Credit (PUC) method.

#### 22.1.2 Risk on account of defined benefit plan

The Parent Company faces the following risks on account of defined benefit plans:

**Final salary risk** - The risk that the final salary at the time of cessation of service is greater than what the Parent Company's management has assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

**Discount rate fluctuation** - The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plans' bond holdings.



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                                                                                          | 2026             | 2025     |
|------------------------------------------------------------------------------------------|------------------|----------|
|                                                                                          | (Rupees in '000) |          |
| <b>22.1.3 Consolidated statement of financial position reconciliation</b>                |                  |          |
| Present value of defined benefit obligation                                              | <b>58,506</b>    | 58,380   |
| <b>22.1.4 Movement in the present value of defined benefit obligation</b>                |                  |          |
| Obligation as at July 01                                                                 | <b>58,380</b>    | 57,838   |
| Current service cost                                                                     | <b>2,566</b>     | 2,463    |
| Interest cost                                                                            | <b>6,565</b>     | 7,815    |
| Benefits paid                                                                            | <b>(5,019)</b>   | (9,754)  |
| Remeasurement on obligation                                                              | <b>(3,986)</b>   | 18       |
| Obligation as at June 30                                                                 | <b>58,506</b>    | 58,380   |
| <b>22.1.5 Expense recognised in the consolidated statement of profit or loss</b>         |                  |          |
| Current service cost                                                                     | <b>(2,566)</b>   | (2,463)  |
| Interest expense                                                                         | <b>(6,565)</b>   | (7,815)  |
|                                                                                          | <b>(9,131)</b>   | (10,278) |
| <b>22.1.6 Remeasurement recognised in consolidated statement of comprehensive income</b> |                  |          |
| Experience loss / (gain)                                                                 | <b>(3,986)</b>   | 18       |
| <b>22.1.7 Net recognised liability</b>                                                   |                  |          |
| Balance as at July 01                                                                    | <b>58,380</b>    | 57,838   |
| Expense for the year                                                                     | <b>9,131</b>     | 10,278   |
| Benefits paid                                                                            | <b>(5,019)</b>   | (9,754)  |
| Remeasurement gain recognised in consolidated statement of profit or loss                | <b>(3,986)</b>   | 18       |
| Balance as at June 30                                                                    | <b>58,506</b>    | 58,380   |
|                                                                                          | <b>2026</b>      | 2025     |
| <b>22.1.8 Actuarial assumptions</b>                                                      |                  |          |
| Discount rate used for year end obligation                                               | <b>11.75%</b>    | 11.75%   |
| Expected rate of increase in salaries                                                    | <b>11.75%</b>    | 11.75%   |
| Retirement age (years)                                                                   | <b>60</b>        | 60       |

### Financial assumptions

Mortality was assumed to be SLIC (2001-05) for males and females, as the case maybe, but rated down by one year.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

**22.1.9** The sensitivity of the defined benefit obligation to changes in the weighted average principal assumption is:

| Change in assumption       |    | Impact on defined benefit obligation |                        |
|----------------------------|----|--------------------------------------|------------------------|
|                            |    | Increase in assumption               | Decrease in assumption |
| - Discount rate at June 30 | 1% | (3,528)                              | 3,982                  |
| - Future salary increase   | 1% | 4,474                                | (4,020)                |

**22.1.10** If longevity increases by 1 year, the resultant increase in obligation is insignificant.

**22.1.11** The above sensitivity analysis are based on a change in an assumption while keeping all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the gratuity liability recognised within the consolidated statement of financial position.

**22.1.12** As per actuarial advice, the Parent Company is expected to recognise a service cost of Rs. 9.27 million in 2027.

**22.1.13** The weighted average service duration of employees is 6.7 years.

**22.1.14** The maturity profile of defined benefit obligation is as follows:

| Gratuity Fund           | Less than a year | Between 1 - 2 years | Between 2 - 5 years | Between 5 - 10 years | Over 10 years |
|-------------------------|------------------|---------------------|---------------------|----------------------|---------------|
|                         | (Rupees '000)    |                     |                     |                      |               |
| <b>At June 30, 2026</b> | <b>528</b>       | <b>7,011</b>        | <b>10,829</b>       | <b>27,781</b>        | <b>30,376</b> |
| At June 30, 2025        | 544              | 4,373               | 13,817              | 27,030               | 35,662        |

## 23. LEASE LIABILITIES

2026 2025

(Rupees '000)

Lease liabilities under IFRS 16 - notes 23.1 & 23.2

Non current portion

Current portion

|               |        |
|---------------|--------|
| <b>57,514</b> | 69,540 |
| <b>43,470</b> | 57,514 |
| <b>14,044</b> | 12,026 |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 23.1 Maturity analysis of lease liabilities

The amount of future lease payments and the period in which these become due are as follows:

|                                                   | 2026                          |                                     |                                         | 2025                          |                                     |                                         |
|---------------------------------------------------|-------------------------------|-------------------------------------|-----------------------------------------|-------------------------------|-------------------------------------|-----------------------------------------|
|                                                   | Future Minimum Lease Payments | Interest expense on lease liability | Present Value of Minimum Lease Payments | Future Minimum Lease Payments | Interest expense on lease liability | Present Value of Minimum Lease Payments |
| ----- (Rupees in '000) -----                      |                               |                                     |                                         |                               |                                     |                                         |
| Not later than one year                           | 21,677                        | 7,633                               | 14,044                                  | 21,555                        | 9,529                               | 12,026                                  |
| Later than one year but not later than five years | 51,353                        | 7,883                               | 43,470                                  | 71,030                        | 15,478                              | 55,552                                  |
| Later than five years                             | -                             | -                                   | -                                       | 2,000                         | 38                                  | 1,962                                   |
|                                                   | <b>73,030</b>                 | <b>15,516</b>                       | <b>57,514</b>                           | <b>94,585</b>                 | <b>25,045</b>                       | <b>69,540</b>                           |

### 23.2 Following is the carrying amount of lease liabilities and the movement during the year:

|                               | 2026          | 2025          |
|-------------------------------|---------------|---------------|
|                               | (Rupees '000) |               |
| Balance as at July 01         | 69,540        | 91,582        |
| Interest on lease liabilities | 9,530         | 11,142        |
| Payments                      | (21,556)      | (33,184)      |
| Balance as at June 30         | <b>57,514</b> | <b>69,540</b> |

### 23.3 Finance cost on lease liabilities for the year ended June 30, 2026 was Rs. 9.53 million (2025: Rs. 11.14 million). Total cash outflow for leases was Rs. 21.56 million (2025: Rs. 33.18 million). The lease liability was measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate of 15.48%.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                                                               | 2026             | 2025      |
|---------------------------------------------------------------|------------------|-----------|
|                                                               | (Rupees '000)    |           |
| <b>24. TRADE AND OTHER PAYABLES</b>                           |                  |           |
| Creditors - note 24.1                                         | <b>2,025,335</b> | 2,787,911 |
| Bills payable in foreign currency                             | <b>1,720,080</b> | 1,414,453 |
| Accrued liabilities                                           | <b>2,987,539</b> | 1,718,433 |
| Salaries and benefits payable                                 | <b>13,938</b>    | 4,462     |
| Royalty payable - note 24.4                                   | <b>39,868</b>    | 59,187    |
| Payable to provident fund - notes 24.2 & 24.3                 | <b>50,049</b>    | 165,274   |
| Accrued mark-up - short term borrowings                       | <b>236,417</b>   | 231,050   |
| Taxes deducted at source and payable to statutory authorities | <b>877,788</b>   | 947,309   |
| Workers' Profit Participation Fund - note 24.5                | <b>269,505</b>   | 51,089    |
| Workers' Welfare Fund - note 24.6                             | <b>117,943</b>   | 72,346    |
| Other liabilities - note 24.7 & 24.8                          | <b>249,839</b>   | 243,561   |
|                                                               | <b>8,588,301</b> | 7,695,075 |

**24.1** This includes payable to related parties which are as follows:

|                                        | 2026           | 2025    |
|----------------------------------------|----------------|---------|
|                                        | Rupees '000    |         |
| <b>Parent Company</b>                  |                |         |
| International Brands (Private) Limited | <b>15,285</b>  | 70,119  |
| <b>Associated Companies</b>            |                |         |
| United Retail (Private) Limited        | <b>42</b>      | 982     |
| IBL Operations (Private) Limited       | <b>53,405</b>  | 112,897 |
| IBL Unisys (Private) Limited           | <b>16,067</b>  | 96,456  |
| United Brands Limited                  | -              | 9,454   |
| Universal Ventures (Private) Limited   | <b>62,222</b>  | 62,822  |
| Akar Hospital                          | -              | 169     |
| Universal Retails (Private) Limited    | <b>24,528</b>  | 2,089   |
| IBL Logistics (Private) Limited        | -              | 84,760  |
|                                        | <b>171,549</b> | 439,748 |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

**24.2** The investment in listed equity securities out of the provident fund of the Parent Company is in excess of the limit prescribed under the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder. However, the fund are in the process of ensuring compliance with the prescribed limits.

**24.3** The investments in collective investment schemes, listed equity and listed debt securities out of the provident fund of IBLHC, SBS, SBPL and IBL FM have been made in accordance with the provision of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

**24.4** This includes royalty payable to M/s Sanofi Winthrop Industry as per agreement.

|                                                                          | 2026        | 2025   |
|--------------------------------------------------------------------------|-------------|--------|
|                                                                          | Rupees '000 |        |
| <b>24.5 Workers' Profit Participation Fund</b>                           |             |        |
| Balance as at July 01                                                    | 51,089      | 15,018 |
| Charge for the year - note 33                                            | 261,496     | 32,682 |
|                                                                          | 312,585     | 47,700 |
| Interest on funds utilised in the Parent Company's business<br>- note 35 | 725         | 3,389  |
| Payments made during the year                                            | (43,805)    | -      |
| Balance as at June 30                                                    | 269,505     | 51,089 |
| <b>24.6 Workers' Welfare Fund</b>                                        |             |        |
| Balance as at July 01                                                    | 72,346      | 35,591 |
| Charge for the year - note 33                                            | 90,917      | 36,755 |
|                                                                          | 163,263     | 72,346 |
| Payments made during the year                                            | (45,320)    | -      |
| Balance as at June 30                                                    | 117,943     | 72,346 |

**24.7** The security deposits have been kept in a separate bank account in accordance with the requirements of section 217 of the Companies Act, 2017. Further, this includes Rs. 0.5 million (2025: Rs. 0.5 million) obtained as a security deposits from United Retail (Private) Limited - a related party against the rented property and is repayable at the time of maturity of the agreement.

**24.8** This includes Rs. 113 million payable to the Seller against the purchase of Malir and Sakro land. This is non-interest based, unsecured and shall be payable on demand.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                                                     | 2026             | 2025             |
|-----------------------------------------------------|------------------|------------------|
|                                                     | Rupees '000      |                  |
| <b>25. SHORT TERM BORROWINGS</b>                    |                  |                  |
| <b>Secured borrowings</b>                           |                  |                  |
| <b>Conventional:</b>                                |                  |                  |
| Running finance facilities - notes 25.1 & 25.3      | 1,296,923        | 1,295,206        |
| Export refinance facility - notes 25.1 & 25.6       | 100,000          | -                |
| Short-term finance facility - notes 25.7            | 500,000          | 300,000          |
|                                                     | <b>1,896,923</b> | <b>1,595,206</b> |
| <b>Islamic</b>                                      |                  |                  |
| Running musharaka - notes 25.1, 25.2, 25.4          | 5,807,862        | 6,236,996        |
| Export refinance facility - notes 25.1 & 25.6       | 100,000          | -                |
| Current portion of long term borrowings - note 20   | 36,798           | 14,303           |
|                                                     | <b>5,944,660</b> | <b>6,251,299</b> |
| <b>Unsecured borrowings</b>                         |                  |                  |
| International Brands (Private) Limited - notes 25.5 | 11,411           | 11,411           |
|                                                     | <b>7,852,994</b> | <b>7,857,916</b> |

**25.1** The Group has entered into financing arrangements from various banks amounting to Rs. 10,139 million (2025: Rs. 8,389 million) which includes financing facilities obtained under Islamic mode amounting to Rs. 8,089 million (2025: Rs. 6,789 million). The arrangements are secured jointly by registered mortgage of Rs. 2,813.50 million (2025: Rs. 1,937.5 million) of immovable property together with joint pari passu charge on all current assets of the Company to the extent of Rs. 15,169 million (2025: Rs. 11,680.83 million).

**25.2** The amount utilised by the Group under the Islamic mode of financing amounted to Rs. 5,907.86 million (2025: Rs. 6,237 million).

**25.3** The rates of mark-up on financing obtained by the Parent Company ranged between 11.74% to 13.99% (2025: 12.33% to 21.83%) per annum.

**25.4** The rates of profit ranged between 10.58% to 13.03% (2025: 12.08% to 22.72%) per annum.

**25.5** This represents interest free loan which is repayable on demand.



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

**25.6** The Parent Company obtained funded working capital financing facilities amounting to Rs. 350 million under Export Refinance Facility (ERF Part I & II) which is secured by pari passu hypothecation charges over stocks, receivables and plant and machinery, together with a pari passu charge over the Company's land and building situated at Plot No. F-319, SITE, Karachi. The Export Refinance Facility carries mark-up at SBP Refinance Rate plus 1% per annum (effective rate: 5.5% per annum).

**25.7** During the year, this short term finance facility has been obtained by the Parent Company to meet the working capital requirement amounting to Rs. 500 million (2025: Rs. 300 million). The facility has a tenor of up to one year, with each tranche having a maximum tenor of 120 days and repayable through a single bullet payment on maturity. The facility is secured by joint pari passu hypothecation charge over current assets (stocks and receivables) and fixed assets (plant and machinery) amounting to Rs. 541.67 million, together with a joint pari passu equitable mortgage over the Company's land and building situated at Plot No. F-319, SITE, Karachi amounting to Rs. 125 million, aggregating to Rs. 666.67 million. The facility carries mark-up at the relevant KIBOR plus a negotiated spread on a tranche-by-tranche basis.

## 26. CONTRACT LIABILITIES

The contract liabilities primarily relate to the advance consideration received from customers for future sales as per the Company's policy, for which revenue is recognised at a point in time. Revenue recognised from contract liabilities during the year amounted to Rs. 58.92 million (2025: Rs. 43.67 million).

## 27. UNPAID DIVIDEND

This consists of unpaid dividend on account of:

|                                     | 2026           | 2025           |
|-------------------------------------|----------------|----------------|
|                                     | Rupees '000    |                |
| - Bonus shares withheld - note 27.1 | 146,038        | 146,038        |
| - Unavailability of bank details    | 35,591         | 36,022         |
| - Others - note 27.2                | 14,299         | 14,303         |
|                                     | <b>195,928</b> | <b>196,363</b> |

**27.1** This includes dividend on bonus shares withheld pertaining to 115 shareholders on which a stay order from the Honourable High Court of Sindh has been obtained against the requirement of section 236M of income tax ordinance, 2001.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 27.2** This includes unpaid dividend amounting to Rs. 14.02 million (2025: Rs. 14.02 million) in respect of dividend withheld due to non-compliance of certain legal / regulatory requirements by the shareholders.

## **28. CONTINGENCIES AND COMMITMENTS**

### **28.1 Contingencies**

|               | <b>Name of the court, agency or authority</b> | <b>Description of the factual basis of the proceeding and relief sought</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>Principal parties</b>                          | <b>Date instituted</b> |
|---------------|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|------------------------|
| <b>28.1.1</b> | Honourable High Court of Sindh                | <p>Section 236M of the Income tax Ordinance, 2001 (inserted through the Finance Act, 2014), specified that every company, quoted on stock exchange, while issuing bonus shares shall withhold five percent of the bonus shares to be issued. Bonus shares withheld shall only be issued to a shareholder, if the Company collects tax equal to five percent of the value of the bonus shares issued including bonus share withheld, determined on the basis of day-end price on the first day of closure of books. The tax was to be collected within fifteen days of the first day of closure of books, after which the company was required to deposit shares withheld to Central Depository Company, in favour of the Federal Government. This section was later deleted through the Finance Act, 2018.</p> <p>Similarly, section 236Z of the Income tax Ordinance, 2001 (inserted through the Finance Act, 2023), specifies that every company, while issuing bonus shares shall withhold ten percent of the bonus shares to be issued. Bonus shares withheld shall only be issued to a shareholder, if the Company collects tax equal to ten percent of the value of the bonus shares issued including bonus share withheld, determined on the basis of day-end price on the first day of closure of books. The tax is to be collected within fifteen days of the first day of closure of books, after which the Company is required to dispose of the shares withheld.</p> <p>Based on the requirement mentioned above, the Parent Company is exposed to a tax liability of approximately Rs. 198.54 million (2025: Rs. 103.9 million), on account of bonus shares received from IBL HealthCare Limited from 2015 to 2018, 2024 and 2026. The Parent Company has filed a petition in respect of tax on bonus shares in the Honourable High Court of Sindh, and expects a favourable outcome, based on a legal advice. Further, pending decision of the Honourable High Court of Sindh, IBL HealthCare Limited has withheld 4,131,113 shares (2025: 2,799,762 shares) with Central Depository Company of Pakistan Limited.</p> | The Parent Company and The Federation of Pakistan | 11-Nov-15              |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|               | Name of the court, agency or authority | Description of the factual basis of the proceeding and relief sought                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Principal parties                                 | Date instituted |
|---------------|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------|
| <b>28.1.2</b> | Honourable High Court of Sindh         | Exemption provided to the companies falling under Group Relief (section 59B of Income Tax Ordinance, 2001), from tax on intercorporate dividend as mentioned under Clause 103A of Part I of the Second Schedule of the Income Tax Ordinance, 2001, is not applicable now on account of deletion of Section 59B from the said clause, through the Finance Act, 2016.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | The Parent Company and The Federation of Pakistan | 2017 to 2023    |
|               |                                        | <p>The Constitution Petition filed by the Parent Company against tax on intercorporate dividend received from the subsidiary companies has now been disposed off by the Honourable High Court of Sindh vide the Order dated March 22, 2023 holding tax recoverable.</p> <p>Recovery notices were then received under section 138(1) of the Ordinance for Tax Years 2017 to 2023 for tax recovery on intercorporate dividend, against which the company obtained stay from the High Court of Sindh on legal complaints.</p> <p>The Parent Company has approached the Supreme Court of Pakistan which has granted interim relief vide the Order dated August 28, 2023 [C.P No. 2096-2111/23]. In view of the above, no provision has been made for aggregate amount of tax on intercorporate dividend from Tax Years 2017 to 2023 aggregating Rs. 1,618.47 million. The Parent Company expects a favourable outcome based on the legal advice.</p> |                                                   |                 |
| <b>28.1.3</b> | Honourable High Court of Sindh         | On November 10, 2020, IBLHC filed a suit before the High Court of Sindh challenging the refusal by the Customs Authorities of exemption on the dietary food for medical purposes being imported by IBLHC from Nestle Health Sciences GmbH, Deutschland (Germany). The Court has restrained the Custom Authorities from disallowing exemption to IBLHC till the hearing of injunction application. The exposure of IBLHC on account of Custom Duties has increased to Rs. 346.89 million (2025: Rs. 243.42 million). IBLHC's management believes that the likelihood of liability is low and based on the advice of legal consultant, no provision is required.                                                                                                                                                                                                                                                                                   | IBLHC and Custom authorities                      | 10-Nov-20       |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|               | Name of the court, agency or authority | Description of the factual basis of the proceeding and relief sought                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Principal parties            | Date instituted |
|---------------|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------|
| <b>28.1.4</b> | Honourable High Court of Sindh         | On November 23, 2020, IBLHC filed a suit before the High Court of Sindh challenging the refusal by the Customs Authorities of exemption on the dietary food for medical purposes being imported by IBLHC from Mead Johnson Nutrition (Thailand). The Court has restrained the Custom Authorities from disallowing exemption to IBLHC till the hearing of injunction application. The exposure of IBLHC on account of Custom Duties has increased to Rs. 75.42 million (2025: Rs. 65.39 million). IBLHC's management believes that the likelihood of liability is low and based on the advice of legal consultant, no provision is required.                                             | IBLHC and Custom authorities | 23-Nov-20       |
| <b>28.1.5</b> | Honourable High Court of Sindh         | On October 31, 2024, IBLHC filed a suit before the High Court of Sindh challenging the refusal by the Customs Authorities of exemption on the dietary food for medical purposes being imported by IBLHC from Nestle Health Sciences GmbH, Deutschland (Germany). The Court has restrained the Customs Authorities from disallowing exemption to IBLHC till the hearing of injunction application. The exposure of IBLHC on account of Custom Duties is Rs. 23.38 million (2025: Rs. 23.38 million). IBLHC's management believes that the likelihood of liability is low and based on the advice of legal consultant, no provision is required in the consolidated financial statements. | IBLHC and Custom authorities | 31-Oct-24       |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|               | Name of the court, agency or authority | Description of the factual basis of the proceeding and relief sought                                                                                                                                                                                                                                                                                                                       | Principal parties                                | Date instituted                             |
|---------------|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|---------------------------------------------|
| <b>28.1.6</b> | Honourable High Court of Sindh         | SPPL's declared version of return of income, for tax years 2014, 2015 and 2016, have been rejected by the respective Tax Officers and the amounts deemed to be assessed under the Final Tax Regime (FTR) of the provisions of section 169 read with section 153(1)(c) of the Income Tax Ordinance, 2001 (the Ordinance) have been subjected to tax under the normal provisions of the law. | SPPL, Commissioner Inland Revenue, CIRA and ATIR | 10-May-2016,<br>30-June-2016,<br>3-Feb-2017 |

Consequently, net profit as per audited financial statements have been considered as taxable income for the respective years and tax liability at normal rate determined along with super tax and Workers' Welfare Fund aggregating to Rs. 783.34 million. Appeal against the above orders for the tax year 2014 and 2015 were filed before the ATIR which has been decided against SPPL vide order dated September 18, 2017 against which an appeal before Honourable High Court of Sindh has been filed whereas, for Tax Year 2016, the ATIR passed an appellate order dated November 28, 2024, which is consistent with the decisions for prior years. Accordingly, the matter for Tax Year 2016 has also been taken up before the Honourable High Court of Sindh.

SPPL's management has obtained a stay order from the Honourable High Court of Sindh against the recovery of demand and expects a positive outcome. Therefore, no provision has been made in the consolidated financial statements.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|               | Name of the court, agency or authority                      | Description of the factual basis of the proceeding and relief sought                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Principal parties   | Date instituted |
|---------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------|
| <b>28.1.7</b> | Appellate Tribunal Inland Revenue (ATIR)                    | SPPL's declared version for return of income for tax year 2017 has been rejected by the Additional Commissioner Inland Revenue (ACIR) and the amounts deemed to be assessed under FTR of provision of section 169 read with section 153(1)(c) of the Income Tax Ordinance has been subjected to tax under the normal provision of the law.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | SPPL, ACIR and CIRA | 16-Feb-18       |
|               | Appellate Tribunal Inland Revenue (ATIR) - <i>continued</i> | Consequently, net profit as per audited financial statements has been considered as taxable income and tax liability at normal rate was determined along with super tax aggregating to Rs. 542.41 million. An appeal against the order of ACIR was filed with Commissioner Inland Revenue - Appeals (CIR-A). However (CIR-A) disposed of the appeal by upholding the order of the ACIR. Consequently, the SPPL filed a further appeal before the ATIR, which the ATIR through its order dated September 25, 2025 partially disposed of in its favor i.e. accepting the SPPL's grounds on its order relating to the levy of super tax under section 4B(2) of the Ordinance and maintaining the orders relating to the chargeability of FTR income under normal provisions of the law. Accordingly, the SPPL has filed a reference with the Sindh High Court and has also obtained stay from the court after making a conditional payment of 30% of the demand maintained, on January 14, 2026. | SPPL, ACIR and CIRA | 16-Feb-18       |
| <b>28.1.8</b> | Commissioner Inland Revenue (Appeals)                       | The Deputy Commissioner Inland Revenue (DCIR) passed order dated May 30, 2022 under section 161/205 of the Ordinance raising demand of Rs. 27.81 million on short deduction of tax on various payments which mainly included intercorporate dividend and purchases of raw materials. An appeal was filed before the CIRA, who vide order dated December 28, 2023 issued remand back directions for certain matters. Accordingly, the previously assessed demand is no longer considered payable. The revised liability, if any, will be determined upon issuance of the appeal effect order, which is currently awaited.                                                                                                                                                                                                                                                                                                                                                                      | SPPL, ACIR and CIRA | 30-May-22       |
|               |                                                             | SPPL's management expects a favourable outcome based on advice from tax advisers and favourable decision on similar matter in SPPL's own case in prior years. Hence, no provision has been made in the consolidated financial statements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                     |                 |



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                | Name of the court, agency or authority     | Description of the factual basis of the proceeding and relief sought                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Principal parties    | Date instituted |
|----------------|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------|
| <b>28.1.9</b>  | Honourable High Court of Sindh             | Order dated May 21, 2024 was framed levying Super Tax under section 4B of the Ordinance of Rs 21.59 million recover Super Tax @ 3% of the imputable income for the year 2018.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | SPPL, ACIR and CIRA  | 21-May-24       |
|                |                                            | <p>Appeal is filed before ATIR dated June 14, 2024 has been heard on July 29, 2024. The ATIR in its order dated September 5, 2024 has raised a super tax demand of Rs. 21.59 million, against which SPPL has obtained a stay order from the Sindh High Court upon payment of Rs. 6.47 million by the Parent Company, representing 30% of the disputed amount.</p> <p>However, pursuant to the order, dated January 27, 2026 of Federal Constitutional Court of Pakistan concerning the levy of super tax, the aforesaid levy stands validated. Accordingly, SPPL has recorded provision amounting to Rs. 15.12 million in these consolidated financial statements, however no notice for recovery has been received in this respect as at June 30, 2026.</p> |                      |                 |
| <b>28.1.10</b> | Appellate Tribunal Inland Revenue - (ATIR) | After conclusion of audit u/s 72(b) of the Sales Tax Act 1990, SLPL received assessment order no. 01 of 2022 - 23 dated July 05, 2022 under section 11(2) of the Sales Tax Act, 1990 (ACT) in which demand of Rs. 171.65 million has been raised along with the levy of penalty of Rs 8.58 million for the Sales Tax Periods from July 2016 to June 2017.                                                                                                                                                                                                                                                                                                                                                                                                    | SLPL, ACIR and CIR-A | 5-Jul-22        |
|                |                                            | SLPL filed an appeal before CIR-A against the said order and CIR-A upheld the original assessment through Order-in-Appeal No. 17 dated September 28, 2023. SLPL has filed a further appeal before the ATIR. As of the reporting date, no hearing has been fixed till date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                      |                 |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

| Name of the court, agency or authority                       | Description of the factual basis of the proceeding and relief sought                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Principal parties    | Date instituted |
|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------|
| <b>28.1.11</b> Commissioner Inland Revenue - Appeals (CIR-A) | <p>Show cause notice dated January 12, 2021 was issued alleging that SLPL has adjusted refund from previous years without a refund order. A show cause notice dated January 27, 2021 was then issued against SLPL for adjustment of refund of Rs 1.93 million from previous years in the absence of a refund order. The showcause notice was responded by SLPL informing about the pending refund application.</p> <p>The ACIR through Order dated May 7, 2024 amended the deemed assessment order where no amendment in the income for the tax year 2015 was made, and thereby tax demand of Rs 1.37 million was raised.</p> <p>SLPL filed an appeal before the Commissioner Inland Revenue-Appeals (CIR-A) against the said order whereby main issue along with consequential effect thereof has been decided in favour of SLPL vide appellate order dated May 26, 2025.</p>                                             | SLPL, ACIR and CIR-A | 7-May-24        |
| <b>28.1.12</b> Appellate Tribunal Inland Revenue - (ATIR)    | <p>Monitoring proceedings were initiated and subsequent issue show cause notices for the tax year 2018, dated February 22, 2019 was issued under section 161 / 205 of the Income Tax Ordinance, 2001 (the 'Ordinance').</p> <p>The order dated June 30, 2024 was issued against SLPL raising a demand of Rs. 91.41 million due to non-withholding of tax at source on payments by SLPL under relevant sections of the Ordinance. Further, a demand in respect of default surcharge of Rs. 10.97 million was also raised under section 205 of the Ordinance due to the above non-withholding of tax.</p> <p>The appeal filed before the ATIR was initially fixed for hearing on September 9, 2024, but was adjourned. During the prior year, the appeal was heard and reserved for order on December 6, 2024, however the bench hearing the aforesaid appeal was reconstituted due to which the appeal will be reheard.</p> | SLPL, ACIR and CIR-A | 30-Jun-24       |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

| Name of the court, agency or authority                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Description of the factual basis of the proceeding and relief sought                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Principal parties           | Date instituted |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------|
| <b>28.1.13</b> Commissioner Inland Revenue - Appeals (CIR-A)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Show Cause Notice dated April 9, 2026 was issued under section 122(9) of the Ordinance which was followed by the order dated June 1, 2026 under section 122(1) of the Ordinance thus amending the income of the Company for the tax year 2020 whereby tax loss of Rs. 2.73 million as per the return of income was amended to taxable income of Rs. 544.39 million due to disallowance of sales discount u/s 21(c) of the ordinance and hereby raising an corresponding tax liability of Rs. 157.87 million.                                                                                                                                                                                                                             | SLPL, ACIR and CIR-A        | 1-Jun-26        |
| SLPL has filed an appeal before the Commissioner Inland Revenue-Appeals (CIR-A) against the said order which is still yet to be heard as at June 30, 2026.                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                             |                 |
| <b>28.1.14</b> Honourable High Court of Sindh                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | On June 03, 2025, the Parent Company received an order from SECP imposing penalty amounting to Rs. 4.5 million, disregarding the appeal of the Parent Company that advances to subsidiaries - other than the normal course of business are not subject to any interest and formal arrangement. However the Parent Company has filed a suit against the above order in Sindh High Court and based on the legal opinion, the management is confident that ultimate decision of the case will be in favor of the Parent Company, hence no penalty has been accrued and paid in these consolidated financial statements. Further, based on the advice of legal counsel, no interest has been accrued on advances to 100% owned subsidiaries. | The Parent Company and SECP | 19-Apr-21       |
| <b>28.1.15</b> The Company had been contesting the validity and applicability of levy under section 4B and 4C before the Honourable High Court of Sindh. However, the Federal Constitutional Court of Pakistan, through its judgment dated 27 January 2026, has upheld section 4B and 4C as intra vires, confirming that the levy is constitutionally valid and continues to apply. For further details, refer note 37.2.3 and 37.2.4 to these consolidated financial statements. Other tax contingencies are disclosed in note - 37.2 to these consolidated financial statements. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                             |                 |
| <b>28.1.16</b> Tax contingencies are disclosed in respective notes of these consolidated financial statements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                             |                 |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 28.2 Commitments

**28.2.1** The facility for opening letters of credit and guarantees for the Parent Company as at June 30, 2026 amounted to Rs. 4,015 million (2025: Rs. 3,265 million) of which the amount remaining unutilised as at year end amounted to Rs. 940 million (2025: Rs. 1,180 million).

**28.2.2** The facility for opening letter of credit and guarantee for IBLHC as at June 30, 2026 amounted to Rs. 900 million (2025: Rs. 900 million) and Rs. 20 million (2025: Rs. 20 million) of which the amount remaining unutilised at the end of year was Rs. 195 million (2025: Rs. 246.27 million) and Rs. 14.72 million (2025: Rs. 2.43 million) respectively.

**28.2.3** Post-dated cheques issued in favour of Collector of Customs by the Parent Company for import of inventory at June 30, 2026 amounted to Rs. 538.95 million (2025: Rs. 197.65 million).

**28.2.4** Commitments in respect of capital expenditures:

**2026** 2025

Rupees '000

Property, plant and equipment

**34,214**

6,766

### 29. REVENUE FROM CONTRACTS WITH CUSTOMERS

Gross sales

Local sales

**40,579,826**

30,565,361

Export sales

**3,130,232**

2,629,587

**43,710,058**

33,194,948

Toll manufacturing

**15,561**

6,981

**43,725,619**

33,201,929

Sales tax

**(882,578)**

(721,085)

**42,843,041**

32,480,844

Less:

Discounts, rebates and allowances

**4,303,308**

1,389,581

Sales returns

**1,730,772**

2,491,429

**6,034,080**

3,881,010

**36,808,961**

28,599,834

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                                  | 2026              | 2025       |
|----------------------------------|-------------------|------------|
|                                  | Rupees '000       |            |
| <b>29.1 Geographical Markets</b> |                   |            |
| Pakistan                         | <b>34,350,101</b> | 26,297,557 |
| Afghanistan                      | <b>178,807</b>    | -          |
| Srilanka                         | <b>1,127,112</b>  | 886,980    |
| Cambodia                         | <b>303,717</b>    | 473,427    |
| Myanmar                          | <b>413,785</b>    | 456,380    |
| Vietnam                          | <b>59,243</b>     | 108,978    |
| Oman                             | <b>27,215</b>     | 188,108    |
| Laos                             | <b>49,625</b>     | 36,703     |
| Iraq                             | <b>82,027</b>     | -          |
| Kenya                            | <b>20,371</b>     | 24,075     |
| Sudan                            | <b>58,863</b>     | -          |
| Tajikistan                       | <b>40,470</b>     | 27,980     |
| Uganda                           | <b>40,828</b>     | 32,071     |
| Philippines                      | <b>18,997</b>     | 24,908     |
| Senegal                          | <b>15,978</b>     | 17,426     |
| Rwanda                           | <b>6,267</b>      | 14,566     |
| Others                           | <b>15,555</b>     | 10,675     |
|                                  | <b>36,808,961</b> | 28,599,834 |

**29.2** Revenue from contracts with customers includes sales made to IBL Operations (Private) Limited and United Brands Limited - related parties amounted to Rs. 25.72 billion (2025: Rs. 22.32 billion) and Rs. Nil (2025: Rs. 135.93 million) respectively.

**29.3** Consequent to Order 4480/2018 dated August 3, 2018 issued by the Honourable Supreme Court of Pakistan, the Drug Regulatory Authority of Pakistan (DRAP) fixed maximum retail price of drugs vide notification S.R.O 1610/2018 dated December 31, 2018. Further, DRAP vide Notification S.R.O 34(1)/2019 dated January 10, 2019 increased the maximum retail prices of drugs by nine percent over and above the maximum retail prices as determined under hardship category during the year 2018 and fifteen percent over and above existing maximum retail prices determined under Drug Pricing Policy, 2018 for drugs other than those specified under hardship category.

The Honorable High Court of Sindh vide Order dated January 22, 2019 has disposed off all the legal cases of the Parent Company against DRAP. As mandated under the orders dated August 3, 2018 and November 14, 2018 passed by the Honourable Supreme Court of Pakistan in Human Rights Case No. 2858 of 2006, the Parent Company may file an appeal before the Appellate Board of DRAP as provided under Section 9 of the Drugs Act, 1976, if the Parent Company is dissatisfied by the prices fixed by DRAP.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

Consequent to the above, the Parent Company challenged the prices for five of its products namely, Peditral, Gravinite, Metodine, CalanSR and Hydryllin set by DRAP in its Appellate Board and the Appellate Board under its orders dated June 18, 2020 and June 25, 2019 rejected the said application of the Parent Company. The Parent Company has challenged the said orders in the Honourable High Court of Sindh and an interim order has been passed restricting DRAP from taking any coercive action against the Parent Company.

During the financial year 2021, the Parent Company received a notice from the Drug Regulatory Authority of Pakistan (DRAP) directing the Parent Company to reduce the price of its generic brand, Co-Extor, by 15% below the corresponding originator brand through its letter dated May 5, 2021, alleging that the product was being sold at prices higher than those approved by DRAP. The Parent Company challenged the said directive and obtained a stay order dated May 20, 2021 from the Honourable High Court of Sindh restraining DRAP from taking any coercive action against the Parent Company.

Subsequently, the Parent Company pursued the statutory appellate remedy before the Drug Regulatory Authority of Pakistan (DRAP) constituted under the Drugs Act, 1976. The appeal was dismissed through an order dated August 31, 2021. Thereafter, the Parent Company instituted civil proceedings challenging, inter alia, the pricing directive and the validity of the appellate proceedings. By order dated July 22, 2026, the Civil Court held that the Parent Company had exhausted its statutory remedy before the Appellate Board and that any remaining grievances concerning the validity of the appellate proceedings and compliance with principles of natural justice should be pursued before the Honourable High Court of Sindh under Article 199 of the Constitution. Accordingly, the Parent Company was returned for presentation before the appropriate forum. The Parent Company is presently pursuing the matter through the available legal remedies.

During the financial year 2023, the Parent Company has received an annual price adjustment on all of its products at a rate of 7% on essential products and 10% on other products based on CPI 2022 and at a rate of 14% on essential products and 20% on other products allowed via SRO 595 (I)/2023 dated May 19, 2023 to cope up with the current situation of inflation and dollar parity.

During the financial year 2024, the government has approved deregulation of drug prices not included in the National Essential Medicines List (NEML) via SRO 230 (I)/2024 dated February 19, 2024, on recommendation of the Ministry of National Health. Therefore the prices of medicines, other than essential, will be exempted from the section 12 of Drugs Act, 1976 which grants autonomy to the Parent Company to independently raise prices of non-essential drugs.

Following the aforesaid deregulation, five of the six products subject to the pricing litigation have been deregulated and, accordingly, the Parent Company believes that no retrospective price adjustment in respect of these products will be demanded. Pursuant to the aforementioned deregulation, the Parent Company received an annual price adjustment of 14% based on CPI 2023, applicable only to its essential products.

During the year, the Company received an annual price adjustment of 3.14% on its essential products based on CPI 2025 (2025: 7% based on CPI 2024).

Exposure of the Parent Company due to abovementioned litigations (including deregulated products) amounted to Rs. 4.14 billion (2025: Rs. 4.14 billion).



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                                           | 2026              | 2025              |
|-------------------------------------------|-------------------|-------------------|
|                                           | Rupees '000       |                   |
| <b>30. COST OF SALES</b>                  |                   |                   |
| Raw and packing material consumed         | 9,669,602         | 7,552,887         |
| Processing charges                        | 836,319           | 776,202           |
| Salaries, wages and benefits              | 967,472           | 722,109           |
| Provision for staff gratuity              | 3,110             | 5,920             |
| Provident fund contribution               | 45,841            | 26,668            |
| Carriage and duties                       | 100,604           | 68,118            |
| Fuel, water and power                     | 548,068           | 629,667           |
| Rent, rate and taxes                      | 81,772            | 73,716            |
| Canteen expenses                          | 61,084            | 57,514            |
| Quality control samples                   | 45,163            | 10,566            |
| Stationery and supplies                   | 20,171            | 20,334            |
| Travelling                                | 66,016            | 52,797            |
| Repairs and maintenance                   | 244,629           | 181,674           |
| Security expenses                         | 25,835            | 28,514            |
| Vehicle expenses                          | 39,989            | 30,178            |
| Insurance                                 | 13,627            | 11,707            |
| Legal and professional charges            | 16,408            | 2,604             |
| Depreciation                              | 675,785           | 577,141           |
| Medical expenses                          | 32,847            | 19,409            |
| Research cost                             | 138,090           | 47,129            |
| Stores and spares consumed                | 44,964            | 41,370            |
| Others                                    | 28,111            | 857               |
|                                           | <b>13,705,507</b> | <b>10,937,081</b> |
| Add: Opening work-in-process              | 247,217           | 171,218           |
| Less: Closing work-in-process             | (372,445)         | (247,217)         |
|                                           | <b>(125,228)</b>  | <b>(75,999)</b>   |
| <b>Cost of goods manufactured</b>         | <b>13,580,279</b> | <b>10,861,082</b> |
| Add: Opening inventory of finished goods  | 1,730,895         | 1,098,275         |
| Add: Finished goods purchased             | 5,341,688         | 4,405,319         |
| Less: Closing inventory of finished goods | (2,903,237)       | (1,730,895)       |
|                                           | <b>17,749,625</b> | <b>14,633,781</b> |
| Less: Cost of samples                     | (75,699)          | (105,892)         |
|                                           | <b>17,673,926</b> | <b>14,527,889</b> |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                                  | 2026              | 2025        |
|----------------------------------|-------------------|-------------|
| <b>31. DISTRIBUTION COSTS</b>    |                   | Rupees '000 |
| Salaries, wages and benefits     | <b>3,588,096</b>  | 2,775,050   |
| Advertising and promotion        | <b>1,887,534</b>  | 1,291,154   |
| Travelling and related           | <b>1,509,942</b>  | 1,158,036   |
| Carriage and duties              | <b>1,083,961</b>  | 951,866     |
| Samples                          | <b>387,266</b>    | 432,595     |
| Bonus to salesmen                | <b>796,700</b>    | 548,791     |
| Service charges - note 31.1      | <b>248,516</b>    | 152,615     |
| Personnel training               | <b>394,861</b>    | 115,364     |
| Vehicle running                  | <b>133,314</b>    | 128,684     |
| Stationery and printed materials | <b>27,244</b>     | 32,201      |
| Rent, rate and taxes             | <b>174,136</b>    | 194,496     |
| Fees and subscription            | <b>222,840</b>    | 182,699     |
| Legal and professional charges   | <b>39,506</b>     | 23,330      |
| Provident fund contribution      | <b>103,476</b>    | 86,222      |
| Medical expenses                 | <b>104,106</b>    | 57,479      |
| Replacement products             | <b>87,538</b>     | 149,174     |
| Depreciation                     | <b>44,640</b>     | 40,604      |
| Fuel, water and power            | <b>149,357</b>    | 252,450     |
| Inventory written off            | <b>53,961</b>     | 16,350      |
| Communication                    | <b>41,531</b>     | 41,297      |
| Insurance                        | <b>31,396</b>     | 20,095      |
| Repairs and maintenance          | <b>7,326</b>      | 12,635      |
| Security                         | <b>19,531</b>     | 10,662      |
| Canteen expenses                 | <b>5,018</b>      | 6,769       |
| Amortisation                     | <b>863</b>        | 92          |
| Others                           | <b>71,978</b>     | 30,074      |
|                                  | <b>11,214,637</b> | 8,710,784   |

**31.1** These service charges mainly comprise of payments made to distributors for sale to institutions as per the agreement.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                                                       | 2026             | 2025      |
|-------------------------------------------------------|------------------|-----------|
|                                                       | Rupees '000      |           |
| <b>32. ADMINISTRATIVE EXPENSES</b>                    |                  |           |
| Salaries, wages and benefits                          | <b>485,621</b>   | 554,993   |
| Corporate services charged by ultimate parent company | <b>166,200</b>   | 166,200   |
| Donation - notes 32.3 to 32.5                         | <b>188,412</b>   | 145,418   |
| Depreciation                                          | <b>236,809</b>   | 208,781   |
| Legal and professional charges                        | <b>136,812</b>   | 249,570   |
| Repairs and maintenance                               | <b>82,539</b>    | 183,239   |
| Software maintenance services                         | <b>271,117</b>   | 117,610   |
| Amortisation                                          | <b>16,001</b>    | 18,729    |
| Insurance                                             | <b>72,555</b>    | 84,742    |
| Rent, rate and taxes                                  | <b>24,647</b>    | 7,063     |
| Travelling                                            | <b>58,699</b>    | 18,560    |
| Auditors' remuneration - note 32.2                    | <b>47,401</b>    | 49,470    |
| Stationery and supplies                               | <b>45,828</b>    | 37,861    |
| Vehicle expenses                                      | <b>39,538</b>    | 27,565    |
| Fees and subscription                                 | <b>51,814</b>    | 35,495    |
| Provident fund contribution                           | <b>18,355</b>    | 14,788    |
| Communication                                         | <b>15,973</b>    | 13,020    |
| Security expenses                                     | <b>8,072</b>     | 4,911     |
| Provision for staff gratuity                          | <b>6,020</b>     | 4,358     |
| Fuel, water and power - note 32.1                     | <b>6,486</b>     | 3,874     |
| Canteen expenses                                      | <b>2,624</b>     | 4,524     |
| Personnel training                                    | <b>15,061</b>    | 3,699     |
| Others                                                | <b>36,065</b>    | 41,990    |
|                                                       | <b>2,032,649</b> | 1,996,460 |

**32.1** This amount is stated net of fixed charges recovered from tenants in respect of provision of amenities.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                                                                                                               | 2026          | 2025          |
|---------------------------------------------------------------------------------------------------------------|---------------|---------------|
|                                                                                                               | Rupees '000   |               |
| <b>32.2 Auditors' remuneration</b>                                                                            |               |               |
| <b>Group auditor</b>                                                                                          |               |               |
| Audit fee - Standalone                                                                                        | 10,000        | 8,000         |
| - Consolidation                                                                                               | 4,000         | 3,000         |
| - Subsidiaries                                                                                                | 7,100         | 6,400         |
| Fee for review of interim financial information and Statement of Compliance with Code of Corporate Governance | 3,750         | 2,950         |
| Taxation services                                                                                             | 15,850        | 14,068        |
| Other certifications, attestations and other services                                                         | 600           | 10,246        |
| Out-of-pocket expenses                                                                                        | 3,133         | 1,906         |
| <b>Component auditors</b>                                                                                     |               |               |
| Audit fee                                                                                                     | 2,600         | 2,600         |
| Out-of-pocket expenses                                                                                        | 368           | 300           |
|                                                                                                               | <b>47,401</b> | <b>49,470</b> |

**32.3** Donations to a single party exceeding higher of Rs. 1 million or 10% of total donations i.e. Rs. 18.84 million are as follows:

|                                  | 2026          | 2025          |
|----------------------------------|---------------|---------------|
|                                  | Rupees '000   |               |
| AKAR Hospital - note 32.5.1      | -             | 38,064        |
| Munash Enterprises - note 32.3.1 | 27,172        | -             |
| The Citizen Foundation           | 44,000        | 19,000        |
| Karachi Relief Trust             | -             | 18,300        |
|                                  | <b>71,172</b> | <b>75,364</b> |

**32.3.1** This represents medicines distributed to different relief camps through Munash Enterprises.

**32.4** During the year, the Group also donated Rs. 84.1 million to its related parties:

|                                             | 2026          | 2025          |
|---------------------------------------------|---------------|---------------|
|                                             | Rupees '000   |               |
| AKAR Hospital                               | -             | 38,064        |
| The Citizen Foundation                      | 44,000        | 19,000        |
| Karachi Relief Trust                        | 16,600        | 18,300        |
| Rashid Abdullah Foundation                  | 3,500         | 5,000         |
| Indus Valley School of Art and Architecture | -             | 500           |
| Indus Hospital & Health Network             | 20,000        | -             |
|                                             | <b>84,100</b> | <b>80,864</b> |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

**32.5** Following directors' interest in the above related parties is limited to the extent of their involvement as directors:

| Name of Related Party                                       | Association               |
|-------------------------------------------------------------|---------------------------|
| - The Citizen Foundation                                    | Munis Abdullah - Trustee  |
| - Karachi Relief Trust - note 32.5.2                        | Adnan Asdar Ali - Trustee |
| - Rashid Abdullah Foundation                                | Munis Abdullah - Trustee  |
| - Indus Hospital & Health Network - note 32.5.2             | Adnan Asdar Ali - Trustee |
| - Indus Valley School of Art and Architecture - note 32.5.2 | Adnan Asdar Ali - Trustee |

**32.5.1** During the prior year, AKAR Hospital ceased to be a related party of the Group. Previously, the hospital had been under the oversight of the Group's management.

**32.5.2** From, December 31, 2025, Karachi Relief Trust, Indus Valley School of Art and Architecture and Indus Hospital & Health Network ceased to be a related party of the Group as Adnan Asdar Ali resigned from board of directors.

**32.5.3** The Directors or their spouse have no interest in any other donee entity.

**2026**                      2025  
Rupees '000

### 33. OTHER EXPENSES

|                                                        |                |        |
|--------------------------------------------------------|----------------|--------|
| Workers' Profit Participation Fund - note 24.5         | <b>261,496</b> | 32,682 |
| Workers' Welfare Fund - note 24.6                      | <b>90,917</b>  | 36,755 |
| Central Research Fund                                  | <b>44,294</b>  | 6,685  |
| Provision for expected credit losses                   | <b>16,282</b>  | 17,681 |
| Loss on disposal of property, plant and equipment      | <b>12,324</b>  | -      |
| Loss on disposal of short-term investments - note 33.1 | <b>9,395</b>   | -      |
|                                                        | <b>434,708</b> | 93,803 |

**33.1** This represents loss amounting to Rs. 9.39 million relating to the disposal of unsecured perpetual Term Finance Certificates (TFCs) from Habib Bank Limited at a consideration of Rs. 90.61 million. The TFC carried mark-up of KIBOR plus 1.6% per annum.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                                                                                        | 2026           | 2025    |
|----------------------------------------------------------------------------------------|----------------|---------|
|                                                                                        | Rupees '000    |         |
| <b>34. OTHER INCOME</b>                                                                |                |         |
| <b>Income from financial assets</b>                                                    |                |         |
| Interest Income from Term Finance Certificates                                         | 67             | 16,973  |
| Unwinding of deferred consideration - note 34.3                                        | 322,124        | 37,128  |
| Finance income on delayed payment - note 34.3                                          | -              | 135,000 |
| Profit on saving account                                                               | 3              | 25      |
|                                                                                        | <b>322,194</b> | 189,126 |
| <b>Income from non-financial assets</b>                                                |                |         |
| Gain on disposal of property,<br>plant and equipment - net                             | -              | 16,780  |
| Income from provision of amenities in<br>respect of investment properties              | 121,091        | 58,719  |
| Rental income from investment<br>properties - note 34.1 & 34.2                         | 108,797        | 109,524 |
| Loss on modification of the lease                                                      | -              | (113)   |
| Market Place Commission                                                                | 1,037          | 1,730   |
| Income from architectural & interior designing -<br>note 34.4                          | 11,639         | 1,380   |
| Marketing and promotional services - note 34.5                                         | 36,494         | -       |
| Liabilities no longer payable written back                                             | -              | 12,015  |
| Scrap sales                                                                            | 42,393         | 32,541  |
| Dossier fee - note 34.6                                                                | 190,000        | -       |
| Others                                                                                 | -              | 48      |
|                                                                                        | <b>321,451</b> | 232,624 |
|                                                                                        | <b>833,645</b> | 421,750 |
| <b>34.1</b> This includes rental income from related parties,<br>which are as follows: |                |         |
| - United Retail (Private) Limited                                                      | 9,434          | 9,983   |
| - Universal Retail (Private) Limited                                                   | 42,148         | 37,218  |
| - International Brands (Private) Limited                                               | 22,572         | 20,463  |
| - IBL Operations (Private) Limited                                                     | 10,232         | 9,080   |
| - IBL Unisys (Private) Limited                                                         | 2,984          | 2,811   |
|                                                                                        | <b>87,370</b>  | 79,555  |



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 34.2** Future undiscounted lease payments to be received under operating leases as at June 30, 2026 are as follows :

|                       | 2026           | 2025           |
|-----------------------|----------------|----------------|
|                       | Rupees '000    |                |
| Within one year       | 115,223        | 104,751        |
| Between 1 and 2 years | 44,159         | 115,223        |
| Between 2 and 3 years | 21,886         | 44,159         |
| Between 3 and 4 years | 12,804         | 21,886         |
| Between 4 and 5 years | -              | 12,804         |
|                       | <b>194,072</b> | <b>298,823</b> |

- 34.3** These included Rs. 135 million related to finance income charged to Ijara Capital Partners Limited ('ICPL') and Noventa Pharma (Private) Limited ('the Buyers') by the Parent Company for the delaying payment received in respect of divestment of subsidiary i.e. Searle Pakistan (Private) Limited, which was completed on January 31, 2025.

- 34.4** These represents architectural and interior designing services provided by the Parent Company, under the brand name "Habitt Spaces" to the customers. This includes providing designing, drawing, bills of quantity and top supervision services to the customers.

- 34.5** This represents marketing and promotional services rendered by the Parent Company to Searle Pakistan (Private) Limited in relation to export sales.

- 34.6** This represents income from the sale of cross reference dossier relating to pharmaceutical products in accordance with the agreements signed with the customers.

## **35. FINANCE COST**

|                                                            | 2026             | 2025             |
|------------------------------------------------------------|------------------|------------------|
|                                                            | Rupees '000      |                  |
| Mark-up on:                                                |                  |                  |
| - Long-term borrowing - note 35.1                          |                  |                  |
| Musharaka facility                                         | -                | 665,077          |
| Interest on financial liability                            | 13,105           | 11,513           |
| - Short-term borrowing - note 35.1                         | 983,598          | 1,279,208        |
| Interest on:                                               |                  |                  |
| Employees provident fund - Parent Company                  | 2,620            | 19,246           |
| Exchange loss - net                                        | 28,057           | 51,733           |
| Bank charges                                               | 56,158           | 58,689           |
| Interest on provident fund                                 | 102              | 890              |
| Interest on lease liabilities                              | 9,530            | 11,142           |
| Interest on Workers' Profit Participation Fund - note 24.5 | 725              | 3,389            |
|                                                            | <b>1,093,895</b> | <b>2,100,887</b> |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 35.1** This includes amount of mark-up expense by Parent Company and IBL Healthcare Limited under Islamic mode of financing amounting to Rs. 801 million (2025: Rs. 3,204 million).

|                     | 2026          | 2025          |
|---------------------|---------------|---------------|
|                     | Rupees '000   |               |
| <b>36. LEVIES</b>   |               |               |
| Minimum tax u/s 148 | 20,524        | 44,458        |
| Minimum Tax u/s 113 | 2,463         | 16,074        |
|                     | <b>22,987</b> | <b>60,532</b> |

- 36.1** These represent minimum tax under Income Tax Ordinance, 2001, representing levies in term of requirements of IFRIC 21/IAS 37.

|                                            | 2026             | 2025           |
|--------------------------------------------|------------------|----------------|
|                                            | Rupees '000      |                |
| <b>37. INCOME TAX EXPENSE</b>              |                  |                |
| Income Tax                                 |                  |                |
| For the year                               | 2,119,419        | 833,275        |
| Prior year charge                          | 495,374          | 5,856          |
|                                            | <b>2,614,793</b> | <b>839,131</b> |
| Deferred tax charge / (credit) - note 21.2 | 1,026,272        | (115,270)      |
|                                            | <b>3,641,065</b> | <b>723,861</b> |

**37.1 Relationship between tax expense and accounting profit**

|                                           |                  |                |
|-------------------------------------------|------------------|----------------|
| Profit before income tax                  | 4,176,804        | 1,531,229      |
| Tax at applicable rate of 29% (2025: 29%) | 1,211,273        | 444,056        |
| Effect of:                                |                  |                |
| - final / minimum tax regime              | 42,566           | 74,575         |
| - prior year charge                       | 495,374          | 5,856          |
| - deferred tax asset derecognised         | 1,170,150        | -              |
| - super tax                               | 581,291          | 107,225        |
| - others                                  | 140,411          | 92,149         |
|                                           | <b>3,641,065</b> | <b>723,861</b> |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 37.2 Current status of tax assessments

#### 37.2.1 Tax Years 2009 to 2017 (Parent Company)

The taxation authorities amended the Parent Company's tax assessments for tax years 2009 to 2017 through orders issued under Section 120 of the Income Tax Ordinance, 2001, whereby various expenses, deductions and tax credits were disallowed. The principal adjustments relate to non-deduction of withholding tax on distributors' margins, inadmissibility of group relief claims, disallowance of finance costs on long-term loans on the grounds that such costs were not incurred in deriving business income, advertisement expenses, salesmen's bonuses, bonus shares, discounts granted to a group company, compensation paid on delayed execution of contracts, deemed interest income on interest-free loans extended to a group company, disallowance of tax credits and other expenditures falling within the ambit of Section 21(c) of the Income Tax Ordinance, 2001 due to non-compliance with withholding tax requirements.

The aggregate exposure arising from these assessments amounts to approximately Rs. 618.62 million. Appeals against these orders are currently pending adjudication before the Appellate Tribunal Inland Revenue (ATIR).

#### 37.2.2 Tax Years 2018 to 2024 (Parent Company)

The Parent Company's amendment for the tax year 2018 was made vide Order dated June 29, 2024 under section 122(1) of the Ordinance on completion of the audit proceedings whereby the taxable income declared in the return of income amounting to Rs. 111.33 million was amended to Rs. 4,757.82 million. The amendment primarily arose due to disallowance of consultancy charges, processing charges and corporate services charges treated as non-business expenditure, addition on account of differences between imports reported in the return and reflected on the FBR ITMS portal, and disallowance of initial allowance claimed on additions to property, plant and equipment under section 23 of the Ordinance, resulting in a net increase in taxable income of Rs. 4,646.49 million.

Consequently, a tax demand of Rs. 1,306 million was raised. The Parent Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) vide letter dated July 26, 2024, which is yet to be heard. The Contention behind this is that the refund order issued was not considered while framing the amendment order. The matter is pending adjudication before the appellate forum.

The amendment for the tax year 2019 was made vide Order dated August 30, 2023 under section 122(1)/(5) of the Ordinance on completion of the audit proceedings where the disallowances of expenses have been made for non-withholding of taxes under Purchases and certain other head of expenses aggregating Rs 2,632.87 million and tax demand of Rs 324.39 million was raised after adjusting available advance tax. Rectification against the order was filed vide letter dated September 25, 2023.

During the year, the Appellate Tribunal Inland Revenue decided the Parent Company's appeal, maintaining certain additions and disallowances while remanding certain issues for reconsideration. The Parent Company has filed a reference before the Honourable High Court of Sindh and the remanded matters remain pending before the relevant tax authorities.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

The Parent Company has received amended assessment orders in respect of tax years 2020 and 2021, whereby taxable income was amended and tax demands of Rs. 287.75 million. The demand primarily relates to the disallowance of certain expenses and the reversal of previously allowed refund adjustments. The Company has filed an appeal against the aforesaid order before the Appellate Tribunal Inland Revenue, which is currently pending adjudication.

Further, during the year, an order dated June 29, 2026 was passed under sections 161/205 of the Income Tax Ordinance, 2001 in respect of tax year 2020, raising an additional demand of Rs. 462.31 million on account of alleged withholding tax defaults on various expense heads. The Parent Company has filed an appeal before the Commissioner Inland Revenue (Appeals) against the aforesaid order, which is pending adjudication. The Parent Company also intends to seek rectification in respect of certain errors and non-consideration of submissions made during the proceedings.

The Parent Company has received an amended assessment order for tax year 2021, whereby the previously determined tax refund of Rs. 186.07 million was revised to Rs. 34.56 million, primarily due to the disallowance of certain expenses. The Parent Company has filed an appeal against the aforesaid order before the Appellate Tribunal Inland Revenue, which is currently pending adjudication.

Further, for tax year 2022, tax refundable of Rs. 489.93 million has been revised to a tax payable of Rs. 45.58 million due to disallowance of tax deducted at source of Rs. 192.04 million and revision of tax liability amounting to Rs. 621.75 million due to disallowance of certain expenses through order dated June 27, 2025 under section 122(5A) of the Ordinance.

For tax year 2024, tax refundable of Rs. 524.08 million has been revised to a tax payable of Rs. 46.3 million due to revision of income assessed to Rs. 1.76 billion due to disallowance of certain expenses through order dated April 27, 2026 under section 122(5A) of the Ordinance. The Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) vide letter dated May 22, 2026, which is yet to be heard.

However, considering the factual and legal position on the actions taken and on the legal advice, the Parent Company expects a favourable outcome.

### 37.2.3 Super tax under section 4B

#### 37.2.3.1 Parent Company

The petition filed by the Parent Company against the imposition of super tax for rehabilitation of temporarily displaced persons under section 4B of the Income Tax Ordinance, 2001 for tax years 2015 to 2019 before the Honourable High Court of Sindh was rejected vide order dated July 21, 2020. Consequently, the Parent Company received various notices from the tax authorities for recovery of super tax for tax years 2015 to 2019.

Separate orders for tax years 2016, 2018 and 2019 were framed under section 4B of the Ordinance which were challenged in appeal on legal as well as computational matters, including the applicability of super tax on income subject to Final Tax Regime (FTR).

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

Orders for tax years 2018 and 2019 were maintained by the appellate authorities and the Appellate Tribunal Inland Revenue, against which the Company had preferred references before the Honourable High Court of Sindh. For tax year 2016, the Honourable High Court of Sindh had remanded back the proceedings to ATIR. The Honourable Supreme Court of Pakistan had also granted stay against recovery subject to deposit of 50% of the disputed amount.

During the year, the Federal Constitutional Court of Pakistan, through its judgment dated January 27, 2026, upheld section 4B of the Income Tax Ordinance, 2001 as intra vires, confirming that the levy is constitutionally valid and enforceable. Accordingly, all petitions filed by the Parent Company in this regard stand dismissed.

Consequent to the aforesaid judgment, the total exposure of the Parent Company under section 4B for tax years 2015 to 2019, based on the demand position, amounts to Rs. 403.27 million. Out of the aforesaid amount, the Parent Company has provided charge for demand under Section 4B amounting to Rs. 100.31 million on its return position in these consolidated financial statements. The remaining balance of Rs. 302.96 million has not been recognised based on the following contentions:

- Taxability of exempt intercorporate dividend income in light of stay obtained from the Honourable High Court of Sindh refer - note 28.1.2.
- Erroneous additions in the notices received; and
- Status of pending appeal of the company before the appellate authorities.

Based on the advice of its legal and tax consultants, the Company expects a favourable outcome in respect of the aforesaid matters.

### 37.2.3.2 Searle Pharmaceuticals (Private) Limited (SPPL)

SPPL received various notices from the tax authorities for recovery of super tax for tax years 2017 and 2018 under section 4B of the Income Tax Ordinance, 2001.

Show cause notice dated January 21, 2026 under section 4B of the ordinance was received intending to levy super tax of Rs. 61.85 million on the amended income under section 122(5A) of the ordinance under the proceedings discussed above in note 28.1.7 of these consolidated financial statements. This was responded on the grounds that any new proceedings under the tax year 2017 is time-barred as of now, thus challenging the manner of issuance of such notice.

Order dated May 21, 2024 was framed levying Super Tax under section 4B of the Ordinance of Rs. 21.59 million recover Super Tax @ 3% of the imputable income for the year 2018.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

Appeal is filed before ATIR dated June 14, 2024 has been heard on July 29, 2024. The ATIR in its order dated September 5, 2024 has raised a super tax demand of Rs. 21.59 million, against which SPPL has obtained a stay order from the Sindh High Court upon payment of Rs. 6.47 million by the Parent Company, representing 30% of the disputed amount.

However, pursuant to the order, dated January 27, 2026 of Federal Constitutional Court of Pakistan concerning the levy of super tax, the aforesaid levy stands validated. Accordingly, SPPL has recorded provision amounting to Rs. 15.12 million in these consolidated financial statements, however no notice for recovery has been received in this respect as at June 30, 2026.

### 37.2.4 Super tax under section 4C

#### 37.2.4.1 Parent Company

The Government had levied a super tax for tax year 2022 and onwards on high earning persons under section 4C of the Income Tax Ordinance, 2001. Further, enhanced super tax rates were introduced for specified sectors, including the pharmaceutical sector. Through the Finance Act 2023, the Government had introduced new slab rates for super tax for taxpayers having income in excess of Rs 300 million. The Parent Company had challenged the validity and applicability of section 4C and the enhanced rates introduced through subsequent Finance Acts before the competent judicial forums.

However, during the year, the Federal Constitutional Court of Pakistan, through its judgment dated January 27, 2026, upheld section 4C of the Income Tax Ordinance, 2001 as intra vires, confirming that the levy is constitutionally valid and enforceable. Accordingly, all petitions filed by the Parent Company in this regard stand dismissed.

Consequent to the aforesaid judgment, the total exposure of the Parent Company under section 4C for tax years 2022 to 2025, amounts to Rs. 946.56 million, based on the amended assessment orders. Out of the aforesaid amount, the Company has paid super tax under Section 4C amounting to Rs. 303.02 million and recognised a provision aggregating to Rs. 261.83 million based on its return position in these consolidated financial statements.

However, the Parent Company has not recognised provision for the remaining amount of Rs. 381.71 million in these consolidated financial statements based on the pending appeal before the appellate authorities for tax year 2022 to 2024.

Based on the advice of its legal and tax consultants, the Parent Company expects a favourable outcome in respect of the aforesaid matters.



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 37.2.4.2 Searle Biosciences (Private) Limited (SBS)

In continuation of the aforesaid judgement of Federal Constitutional Court of Pakistan, SBS exposure of super tax relating to Tax Year 2022 stands at Rs. 47.31 million, net of amounts already settled through post dated cheques i.e. Rs. 31.55 million, which has also been duly provided in these consolidated financial statements.

### 37.2.4.3 IBL Healthcare Limited (IBL HC)

In continuation of the aforesaid judgement of Federal Constitutional Court of Pakistan, IBL HC's exposure of super tax relating to Tax Year 2022 stands at Rs. 19.62 million, which has been duly provided in these consolidated financial statements.

| 38. BASIC & DILUTED EARNINGS PER SHARE / (LOSS) PER SHARE                                   | 2026    | (Restated)<br>2025 |
|---------------------------------------------------------------------------------------------|---------|--------------------|
|                                                                                             |         |                    |
| Profit / (loss) for the year (Rupees '000)                                                  | 440,373 | (1,398,406)        |
| Weighted average number of outstanding shares at the end of year (in thousands) - note 38.1 | 588,219 | 588,219            |
| Basic & diluted earnings per share / (loss) per share - (Rupees)                            | 0.75    | (2.38)             |

|      |                                                             | (Restated)   |
|------|-------------------------------------------------------------|--------------|
| 38.1 | Weighted average number of ordinary shares                  | 2026<br>2025 |
|      | Issued ordinary shares as at July 01                        | 511,494      |
|      | Effect of number of shares issued through bonus             | 76,725       |
|      | Weighted average number of<br>ordinary shares as at June 30 | 588,219      |

**38.2** Diluted earnings per share has not been presented as the Group did not have any convertible instruments in issue as at June 30, 2026 and 2025.

# Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

| 39. CASH GENERATED FROM OPERATIONS                               | Note | 2026               | 2025        |
|------------------------------------------------------------------|------|--------------------|-------------|
|                                                                  |      | Rupees '000        |             |
| Profit before income tax                                         |      | <b>4,176,804</b>   | 1,531,229   |
| Add / (less): Adjustments for non-cash charges and other items   |      |                    |             |
| Depreciation of property, plant and equipment                    | 4.13 | <b>849,848</b>     | 839,763     |
| Depreciation of right-of-use assets                              | 5.1  | <b>12,720</b>      | 25,320      |
| Depreciation of investment properties                            | 6.1  | <b>94,664</b>      | 93,240      |
| Loss / (gain) on disposal of property, plant and equipment - net |      | <b>12,324</b>      | (16,780)    |
| Loss on disposal of short-term investments                       |      | <b>9,395</b>       |             |
| Unwinding of deferred consideration                              |      | <b>(322,124)</b>   | (37,128)    |
| Amortisation of intangible assets                                | 7.1  | <b>17,067</b>      | 19,113      |
| Liabilities no longer payable written back                       | 34   | <b>-</b>           | (12,015)    |
| Allowance for impairment of trade receivables                    |      | <b>16,282</b>      | 13,235      |
| Interest on lease liabilities                                    | 35   | <b>9,530</b>       | 11,142      |
| Provision for retirement benefits obligation                     |      | <b>9,131</b>       | 10,278      |
| Amortisation of transaction cost                                 |      | <b>-</b>           | 28,881      |
| Impairment loss on goodwill                                      | 7.6  | <b>993,000</b>     | 927,463     |
| Workers Welfare Fund and Workers                                 |      |                    |             |
| Profit Participation Fund                                        |      | <b>352,413</b>     | 69,437      |
| Interest on Worker's Profit Participation Fund                   |      | <b>725</b>         | 3,389       |
| Finance cost                                                     |      | <b>1,083,640</b>   | 2,380,395   |
|                                                                  |      | <b>3,138,615</b>   | 4,355,733   |
| Profit before working capital changes                            |      | <b>7,315,419</b>   | 5,886,962   |
| <b>Effect on cash flow due to working capital changes</b>        |      |                    |             |
| (Increase) / decrease in current assets:                         |      |                    |             |
| Inventories                                                      |      | <b>(2,279,042)</b> | (1,263,996) |
| Trade receivables                                                |      | <b>(763,731)</b>   | 676,864     |
| Loans and advances                                               |      | <b>(995,968)</b>   | (216,788)   |
| Trade deposits and short-term prepayments                        |      | <b>(146,377)</b>   | (76,991)    |
| Other receivables                                                |      | <b>21,725</b>      | (645,337)   |
| Refunds due from government - sales tax                          |      | <b>71,586</b>      | (112,182)   |
|                                                                  |      | <b>(4,091,807)</b> | (1,638,430) |
| Increase / (decrease) in current liabilities:                    |      |                    |             |
| Trade and other payables                                         |      | <b>623,846</b>     | (1,874,373) |
| Contract liabilities                                             |      | <b>123,295</b>     | 17,708      |
|                                                                  |      | <b>747,141</b>     | (1,856,665) |
| Cash generated from operations                                   |      | <b>3,970,753</b>   | 2,391,867   |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

Note **2026** 2025  
Rupees '000

### 40. CASH AND CASH EQUIVALENTS

|                                                    |                    |             |
|----------------------------------------------------|--------------------|-------------|
| Cash and bank balances - note 16 and note 17.2     | <b>2,474,924</b>   | 398,751     |
| Short-term investment - note 15                    | <b>400,000</b>     | -           |
| Running finance under markup arrangement - note 25 | <b>(1,296,923)</b> | (1,295,206) |
|                                                    | <b>1,578,001</b>   | (896,455)   |

### 41. SEGMENT INFORMATION

Based on Group's internal management reporting structure for the year, no reportable segments were identified that were of continuing significance for decision making. The Group's 99% revenue consist of pharmaceutical sales and none of the assets of the Group are located outside Pakistan.

### 42. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts in respect of remuneration, including all benefits, to the Chief Executive and Executive Director of the Parent Company and Executives of the Group are as follows:

|                         | Chief Executive |         | Directors    |       | Executives       |           |
|-------------------------|-----------------|---------|--------------|-------|------------------|-----------|
|                         | 2026            | 2025    | 2026         | 2025  | 2026             | 2025      |
|                         | Rupees '000     |         |              |       |                  |           |
| Managerial remuneration | <b>24,502</b>   | 41,145  | -            | -     | <b>664,197</b>   | 574,288   |
| Housing allowance       | <b>11,026</b>   | 18,515  | -            | -     | <b>274,554</b>   | 202,667   |
| Utility allowance       | <b>2,450</b>    | 4,114   | -            | -     | <b>55,900</b>    | 57,039    |
| Other allowances        | <b>444</b>      | 14,658  | -            | -     | <b>103,862</b>   | 117,009   |
| Medical expenses        | -               | 236     | -            | -     | <b>1,232</b>     | 14,666    |
| Benefits                | <b>3,780</b>    | 37,487  | -            | -     | <b>97,855</b>    | 111,260   |
| Bonus                   | <b>7,981</b>    | 6,857   | -            | -     | <b>49,848</b>    | 84,375    |
| Retirement benefits     | <b>2,450</b>    | 4,114   | -            | -     | <b>57,774</b>    | 49,102    |
| Others                  | <b>232</b>      | 350     | -            | -     | <b>23,731</b>    | 20,762    |
| Directors' Fee          | -               | -       | <b>3,375</b> | 1,800 | -                | -         |
|                         | <b>52,865</b>   | 127,476 | <b>3,375</b> | 1,800 | <b>1,328,953</b> | 1,231,168 |
| Number of persons       | <b>1</b>        | 1       | <b>6</b>     | 6     | <b>206</b>       | 186       |

**42.1** In addition to the above, the Chief Executive and some of the Executives have been provided with free use of the Group maintained cars.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

**42.2** During the year, the Parent Company has paid to six non-executive directors (2025: five) an aggregate amount of Rs. 3.38 million (2025: Rs. 1.80 million) as fee for attending board meetings. During the year, IBLHC has also paid fee to seven non-executive directors (2025: seven) and one executive director (2025: Nil) for attending Board of Directors meetings during the year amounted to Rs. 1.04 million (2025: Rs. 0.47 million).

**42.3** Executives as mentioned above include Chief Executive Officers of subsidiary companies.

### 43. TRANSACTIONS WITH RELATED PARTIES

**43.1** The related parties of the Group comprise of the Ultimate Parent Company, associated companies or undertakings, directors, key management personnel and staff retirement funds. The Group continues to have a policy whereby transactions with related parties are entered into at mutually agreed terms and conditions. Remuneration of key management personnel are in accordance with their terms of contracts.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The Group considers its Chief Executive, Chief Financial Officer, Company Secretary, Directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

| Nature of relationship                 |   | Nature of transactions                     | 2026        | 2025       |
|----------------------------------------|---|--------------------------------------------|-------------|------------|
|                                        |   |                                            | Rupees '000 |            |
| <b>Ultimate Parent Company:</b>        |   |                                            |             |            |
| International Brands (Private) Limited | - | Corporate service charges                  | 166,200     | 166,200    |
|                                        | - | Rent income                                | 22,572      | 20,463     |
|                                        | - | Income from provision of amenities         | 15,789      | 15,630     |
|                                        | - | Expense paid by the Ultimate Parent        | 766         | 6,280      |
|                                        | - | Expense paid by the group                  | 11,797      | 197,391    |
|                                        | - | Interest expense paid by the group         | -           | 1,699,273  |
|                                        | - | Shared costs                               | 3,216       | -          |
|                                        | - | Advance collected on behalf of the Company | 80,000      | -          |
| <b>Associated Companies:</b>           |   |                                            |             |            |
| IBL Operations (Private) Limited       | - | Gross revenue less sales tax               | 27,603,638  | 22,316,562 |
|                                        | - | Rental income                              | 10,232      | 9,080      |
|                                        | - | Income from provision of amenities         | 4,904       | 4,959      |
|                                        | - | Inventory claims                           | 1,023,609   | 698,766    |
|                                        | - | Discounts claimed                          | 1,171,749   | 923,184    |
|                                        | - | Purchases                                  | 1,158       | -          |
|                                        | - | Expenses paid on behalf of the Group       | 364,747     | 297,280    |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

| Nature of relationship             | Nature of transactions                        | 2026        | 2025    |
|------------------------------------|-----------------------------------------------|-------------|---------|
|                                    |                                               | Rupees '000 |         |
|                                    | - Advance against future inventory claims     | 200,000     | -       |
|                                    | - Shared cost                                 | 24,320      | -       |
|                                    | - Sale of vehicles                            | 2,600       | -       |
|                                    | - Reimbursement of expenses                   | 14,808      | -       |
|                                    | - Purchase of asset                           | 3,628       | -       |
|                                    | - Others                                      | 19,816      | -       |
| United Brands Limited              | - Revenue                                     | -           | 135,925 |
|                                    | - Office Expense                              | 50          | -       |
| IBL Unisys<br>(Private) Limited    | - Rent Income                                 | 2,984       | 2,811   |
|                                    | - Income from provision of amenities          | 1,535       | 1,551   |
|                                    | - IT Services                                 | 86,637      | 117,656 |
|                                    | - Purchases                                   | 730         | 408     |
|                                    | - Advance for services                        | -           | 12,326  |
|                                    | - Purchase of property, plant and equipment   | 12,674      | -       |
|                                    | - Reimbursement of expense                    | 3,600       | -       |
|                                    | - Office Expenses                             | 1,509       | -       |
|                                    | - Shared costs                                | 3,630       | -       |
| IBL Logistics<br>(Private) Limited | - Carriage and duties                         | -           | 312,813 |
|                                    | - Expenses paid on behalf of the Group        | 526         | 113     |
|                                    | - Advance against Transportation charges      | 21,000      | -       |
| United Retail<br>(Private) Limited | - Rent income                                 | 9,434       | 1,161   |
|                                    | - Income from provision of amenities          | 58,932      | 72,584  |
|                                    | - Salaries and wages                          | -           | 12,210  |
|                                    | - Printing and stationary                     | -           | 662     |
|                                    | - Others                                      | 626         | 13,261  |
|                                    | - Purchases                                   | 6,283       | -       |
|                                    | - Purchase of investment property             | -           | 105,700 |
|                                    | - Architectural & interior designing services | 150         | -       |
|                                    | - Advance against supplies                    | 2,153       | -       |
|                                    | - Purchases of computer equipments            | 127         | -       |
|                                    | - Expenses paid on behalf of the Company      | 18,352      | -       |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

| Nature of relationship                    |   | Nature of transactions                      | 2026        | 2025    |
|-------------------------------------------|---|---------------------------------------------|-------------|---------|
|                                           |   |                                             | Rupees '000 |         |
| Universal Retail<br>(Private) Limited     | - | Rent income                                 | 42,148      | 37,219  |
|                                           | - | Income from provision of amenities          | 88,322      | 93,503  |
|                                           | - | Shared Cost                                 | 2,689       | 1,608   |
|                                           | - | Sales                                       | 24,057      | -       |
|                                           | - | Architectural & interior designing services | 2,000       | -       |
|                                           | - | Purchases                                   | 1,760       | -       |
|                                           | - | Other purchases                             | 1,798       | -       |
| Sponsors                                  | - | Convertible loan                            | 900         | -       |
| AKAR Hospital                             | - | Donations                                   | -           | 38,119  |
| Karachi Relief Trust                      | - | Donations                                   | 16,600      | 18,300  |
| Rashid Abdullah<br>Foundation             | - | Donations                                   | 3,500       | 5,000   |
| Multinet<br>(Private) Limited             | - | Internet services                           | 1,548       | 4,469   |
|                                           | - | Convertible loan                            | 13,907      | 29,413  |
| The Citizen Foundation                    | - | Donations                                   | 44,000      | 19,000  |
| Indus Hospital & Health<br>Network        | - | Donations                                   | 10,000      | -       |
| Searle Pakistan Limited<br>Provident Fund | - | Interest repayments                         | 2,620       | 17,553  |
| Staff Retirement Benefit                  | - | Contributions to provident fund             | 311,012     | 257,481 |
| Key management<br>employees compensation  | - | Salaries and other employee benefits        | 525,150     | 501,451 |
|                                           | - | Contributions to provident fund             | 39,303      | 45,172  |
|                                           | - | Director's fee and conveyance               | 3,325       | 3,100   |
|                                           | - | Sale of goods                               | 3           | 60      |
|                                           | - | Post employee benefit                       | -           | 595     |
|                                           | - | Advances given                              | 29,100      | 11,995  |
|                                           | - | Repayment of advances                       | 10,075      | 7,390   |



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

- 43.2** The status of outstanding balances with related parties as at June 30, 2026 is included in the respective notes to the consolidated financial statements. These are settled in the ordinary course of business.
- 43.3** None of the key management personnel had any arrangements with the Group other than the employment contract.
- 43.4** Following are the related parties with whom the Group had entered into transactions or have arrangement(s) / agreement(s) in place:

| S. No. | Company Name                                   | Basis of Association    | Aggregate % of Shareholding |
|--------|------------------------------------------------|-------------------------|-----------------------------|
| 1.     | International Brands (Private) Limited         | Ultimate Parent Company | 50.03%                      |
| 2.     | IBL Operations (Private) Limited               | Common Ultimate Parent  | N/A                         |
| 3.     | IBL Unisys (Private) Limited                   | Common Ultimate Parent  | N/A                         |
| 4.     | Multinet (Private) Limited                     | Common Directorship     | N/A                         |
| 5.     | United Brands Limited                          | Common Ultimate Parent  | N/A                         |
| 6.     | IBL Logistics (Private) Limited                | Common Ultimate Parent  | N/A                         |
| 7.     | United Retail (Private) Limited                | Common Management       | N/A                         |
| 8.     | Universal Retail (Private) Limited             | Common Management       | N/A                         |
| 9.     | Indus Hospital & Health Network                | Common Directorship     | N/A                         |
| 10.    | The Hunar Foundation                           | Common Directorship     | N/A                         |
| 11.    | Universal Ventures (Private) Limited           | Common Directorship     | N/A                         |
| 12.    | Sabaq Learning Foundation                      | Common Directorship     | N/A                         |
| 13.    | The Citizens Foundation                        | Common Directorship     | N/A                         |
| 14.    | Karachi Relief Trust                           | Common Directorship     | N/A                         |
| 15.    | Searle Pakistan Limited - Provident Fund       | Retirement Fund         | N/A                         |
| 16.    | Nextar Pharma (Private) Limited Provident Fund | Retirement Fund         | N/A                         |
| 17.    | IBL Healthcare Limited Provident Fund          | Retirement Fund         | N/A                         |
| 18.    | Rashid Abdullah Foundation                     | Common Directorship     | N/A                         |

## 44. PLANT CAPACITIES AND ACTUAL PRODUCTION

The capacity and production of the Group's plants are indeterminable as these are multi-product and involve varying processes of manufacture.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 45. SHARIAH DISCLOSURES (under clause VII of Part I of Fourth Schedule of the Companies Act, 2017)

The requirement of Shariah Disclosures given in clause VII of Part I of Fourth Schedule of the Companies Act, 2017 are as under except for clause (vi) to (viii) and (x), which are zero / not applicable:

| <b>Disclosures in relation to the consolidated statement of financial position - Liability</b> | <b>2026</b>        | <b>2025</b> |
|------------------------------------------------------------------------------------------------|--------------------|-------------|
|                                                                                                | <b>Rupees '000</b> |             |
| - Short-term financing as per Islamic mode - note - 25                                         | <b>5,944,660</b>   | 6,236,996   |
| - Long-term financing as per Islamic mode - note - 20                                          | <b>164,208</b>     | 60,370      |
| - Mark-up accrued on conventional loan - note - 24                                             | <b>50,044</b>      | 48,258      |
| - Mark-up accrued on Islamic loan - note - 24                                                  | <b>186,373</b>     | 182,792     |
| <b>Disclosures in relation to the consolidated statement of financial position - Assets</b>    |                    |             |
| - Shariah-compliant short-term investment - note 15                                            | <b>400,000</b>     | -           |
| - Shariah-compliant bank balances - note 16                                                    | <b>320,312</b>     | 78,044      |
| <b>Disclosures required in relation to the consolidated statement of profit or loss</b>        |                    |             |
| - Revenue earned from a Shariah compliant business segment                                     | <b>36,808,961</b>  | 28,599,834  |
| - Late payments or liquidated damages                                                          | <b>27,034</b>      | -           |
| - Exchange gain                                                                                | <b>153</b>         | 242         |
| - Profit paid on Islamic mode of financing                                                     | <b>794,250</b>     | 1,907,907   |
| <b>Break-up of other income excluding profits in bank deposits and TDRs</b>                    |                    |             |
| <b>Shariah compliant income:</b>                                                               |                    |             |
| - Scrap sales                                                                                  | <b>42,393</b>      | 32,541      |
| - Rental income from investment property                                                       | <b>108,797</b>     | 109,524     |
| - Income from provision of amenities in respect of investment properties                       | <b>121,091</b>     | 58,719      |
| - Gain on disposal of property, plant and equipment                                            | <b>-</b>           | 16,780      |
| - Liabilities no longer payable written back                                                   | <b>-</b>           | 12,015      |
| - Income from architectural & interior designing                                               | <b>11,639</b>      | 1,380       |
| - Market place commission                                                                      | <b>1,037</b>       | 1,730       |
| - Marketing and promotional services                                                           | <b>36,494</b>      | -           |
| - Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs                   | <b>67</b>          | -           |
| - Others                                                                                       | <b>-</b>           | 48          |
| <b>Shariah non-compliant income</b>                                                            |                    |             |
| - Interest Income from Term Finance Certificates                                               | <b>-</b>           | 16,973      |
| - Unwinding of deferred consideration - note 34.3                                              | <b>322,124</b>     | 37,128      |
| - Finance income on delayed payment - note 34.3                                                | <b>-</b>           | 135,000     |
| - Profit earned from shariah non - compliant bank deposits, bank balances, or TDRs             | <b>3</b>           | -           |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 45.1 Relationship with shariah compliant financial institutions

#### Islamic Banks

The Company has the following available facilities :

|                                   | Running<br>Musharka | Import<br>Murabaha | Istisna   | Letter of<br>Guarantee | Letter of<br>Credit | Export<br>Refinance<br>Scheme |
|-----------------------------------|---------------------|--------------------|-----------|------------------------|---------------------|-------------------------------|
|                                   | (Rupees in '000)    |                    |           |                        |                     |                               |
| Meezan Bank Limited               |                     |                    |           |                        |                     |                               |
| - main limit                      | 700,000             | -                  | -         | -                      | -                   | -                             |
| - sub-limit                       | -                   | -                  | -         | -                      | 200,000             | -                             |
| Al Baraka Bank (Pakistan) Limited | -                   | -                  | 1,200,000 | -                      | 950,000             | -                             |
| Askari Bank Limited               |                     |                    |           |                        |                     |                               |
| - main limit                      | 500,000             | 200,000            | -         | -                      | -                   | -                             |
| - sub-limit                       | -                   | -                  | -         | 200,000                | 200,000             | -                             |
| Bank Alfalah Limited              | 500,000             | -                  | -         | -                      | 300,000             |                               |
| Soneri Bank Limited               |                     |                    |           |                        |                     |                               |
| - main limit                      | 600,000             | -                  | -         | 40,000                 | 400,000             | -                             |
| - sub-limit                       | -                   | -                  | -         | 100,000                |                     | -                             |
| Faysal Bank Limited               |                     |                    |           |                        |                     |                               |
| - main limit                      | 1,500,000           | -                  | -         | -                      | 500,000             | -                             |
| - sub-limit                       | -                   | -                  | -         | 50,000                 | -                   | -                             |
| Bank AL Habib Limited             | -                   | 250,000            | -         | -                      | 250,000             | -                             |
| Dubai Islamic Bank Pakistan       |                     |                    |           |                        |                     |                               |
| - main limit                      | 700,000             | -                  | -         | -                      | 300,000             | -                             |
| - sub-limit                       | -                   | 200,000            | -         | 90,000                 | -                   | -                             |
| Habib Bank Limited                |                     |                    |           |                        |                     |                               |
| - main limit                      | 1,339,000           | -                  | -         | 15,000                 | 800,000             | -                             |
| - sub-limit                       | -                   | 500,000            | -         | -                      | -                   | 350,000                       |
| United Bank Limited               | -                   | *500,000           | -         | -                      | 500,000             | -                             |
| Bank Islami Pakistan Limited      |                     |                    |           |                        |                     |                               |
| - main limit                      | 500,000             | -                  | -         | 100,000                | -                   | -                             |
| - sub-limit                       | -                   | -                  | -         | 500,000                | 500,000             | -                             |

\* The Import Murabaha facility includes sub-limits of Rs. 500 million, Rs. 350 million and Rs. 100 million for FE-Export, Ameen Musharakah Running Finance (AMRF) and IERF-I/II, respectively.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### Window Takaful Operators

The Group has obtained various takaful policies from multiple takaful operators including life insurance from EFU Life Assurance Limited, health insurance from IGI Life Insurance Limited - Window Takaful, property all risks insurance from IGI Insurance - Window Takaful, property all risks, marine import and in-transit insurance from Jubilee General Insurance Company Limited - Window Takaful.

## 46. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

### 46.1 Financial risk factors

The Group's activities expose it to variety of financial risks namely market risk (including interest rate risk, currency risk and other price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on having cost effective funding as well as managing financial risk to minimise earnings volatility and provide maximum return to shareholders. The Company has exposure to following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

### Risk management framework

The Board meets frequently throughout the year for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 46.2 Financial assets and liabilities

|                                      | 2026                    |                         |             | 2025                    |                         |             |
|--------------------------------------|-------------------------|-------------------------|-------------|-------------------------|-------------------------|-------------|
|                                      | Maturity up to one year | Maturity after one year | Total       | Maturity up to one year | Maturity after one year | Total       |
|                                      | ----- Rupees '000 ----- |                         |             |                         |                         |             |
| Financial assets                     |                         |                         |             |                         |                         |             |
| At amortised cost                    |                         |                         |             |                         |                         |             |
| Loans, advances and deposits         | 597,694                 | 21,439                  | 619,133     | 241,013                 | 12,805                  | 253,818     |
| Trade receivables                    | 12,348,039              | -                       | 12,348,039  | 11,600,590              | -                       | 11,600,590  |
| Other receivables                    | 2,858,288               | -                       | 2,858,288   | 5,029,809               | -                       | 5,029,809   |
| Short-term investment                | 400,000                 | -                       | 400,000     | 100,000                 | -                       | 100,000     |
| Bank balances                        | 2,470,900               | -                       | 2,470,900   | 392,870                 | -                       | 392,870     |
| Cash in hand                         | 4,024                   | -                       | 4,024       | 5,881                   | -                       | 5,881       |
|                                      | 18,678,945              | 21,439                  | 18,700,384  | 17,370,163              | 12,805                  | 17,382,968  |
| Financial liabilities                |                         |                         |             |                         |                         |             |
| Long-term borrowing                  | 36,798                  | 127,410                 | 164,208     | 14,303                  | 46,067                  | 60,370      |
| Trade and other payables             | 7,323,065               | -                       | 7,323,065   | 6,624,331               | -                       | 6,624,331   |
| Lease liability                      | 14,044                  | 43,470                  | 57,514      | 12,026                  | 57,514                  | 69,540      |
| Unpaid dividend                      | 195,928                 | -                       | 195,928     | 196,363                 | -                       | 196,363     |
| Unclaimed dividend                   | 43,632                  | -                       | 43,632      | 43,884                  | -                       | 43,884      |
| Short-term borrowings                | 7,816,196               | -                       | 7,816,196   | 7,843,613               | -                       | 7,843,613   |
|                                      | 15,429,663              | 170,880                 | 15,600,543  | 14,734,520              | 103,581                 | 14,838,101  |
| On reporting date gap                | 3,249,282               | (149,441)               | 3,099,841   | 2,635,643               | (90,776)                | 2,544,867   |
| Net financial (liabilities) / assets |                         |                         |             |                         |                         |             |
| Interest bearing                     | (7,455,627)             | (170,880)               | (7,626,507) | (7,757,916)             | (46,067)                | (7,803,983) |
| Non-interest bearing                 | 10,704,909              | 21,439                  | 10,726,348  | 10,393,559              | (44,709)                | 10,348,850  |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### (a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group is exposed to currency risk and interest rate risk only.

### (i) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest rates. As per market practices, Group's borrowings are on variable interest rate exposing the Group to interest rate risk.

At June 30, 2026, the Group has net variable interest bearing financial liabilities of Rs. 7.57 billion (2025: Rs.7.89 billion).

### Cash flow sensitivity analysis for variable rate instruments

A change in interest rate varied by 200 basis points with all the other variables held constant, profit before income tax for the year would have been approximately Rs. 151.38 million (2025: Rs. 157.85 million) higher / lower, mainly as a result of lower / higher interest expense on floating rate borrowings.

### (ii) Currency risk

The Group's exposure to foreign currency risk is as follows:

|                              | 2026                 |                  | 2025                 |                  |
|------------------------------|----------------------|------------------|----------------------|------------------|
|                              | Rupees               | Foreign Currency | Rupees               | Foreign Currency |
|                              | ----- (In 000) ----- |                  | ----- (In 000) ----- |                  |
| <b>Financial assets:</b>     |                      |                  |                      |                  |
| Bank Balances                | 45,436               | 163              | 17,184               | 61               |
| Trade receivables            | 643,812              | 2,315            | 844,040              | 2,976            |
| <b>Financial liabilities</b> |                      |                  |                      |                  |
| Trade and other payables     | (1,720,080)          | (7,416)          | (1,414,452)          | (5,489)          |
| - USD                        | (1,435,450)          | (5,153)          | (1,335,975)          | (4,702)          |
| - GBP                        | (75,812)             | (206)            | (23,379)             | (60)             |
| - EURO                       | (142,967)            | (450)            | (53,985)             | (162)            |
| - JPY                        | -                    | -                | (1,113)              | (565)            |
| - CNY                        | (65,851)             | (1,607)          | -                    | -                |
| <b>Net exposure</b>          | <b>(1,030,832)</b>   | <b>(4,938)</b>   | <b>(553,228)</b>     | <b>(2,452)</b>   |



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

The following significant exchange rates were applicable during the year:

|                                              | Reporting date rate    |                  |
|----------------------------------------------|------------------------|------------------|
|                                              | 2026                   | 2025             |
|                                              | Buying / Selling       | Buying / Selling |
| US Dollars (USD) to Pakistani Rupee (PKR)    | <b>278.05 / 278.55</b> | 283.60 / 284.10  |
| Great British Pound (GBP) to Pakistani Rupee | <b>367.98 / 368.64</b> | 388.97 / 389.65  |
| Euro (EUR) to Pakistani Rupee                | <b>316.95 / 317.52</b> | 332.25 / 332.83  |
| Chinese Yuan (CNY) to Pakistani Rupee        | <b>40.91 / 40.99</b>   | 39.59 / 39.66    |
| Japanese Yen (JPY) to Pakistani Rupee        | <b>1.71 / 1.72</b>     | 1.97 / 1.97      |

### Sensitivity analysis

As at June 30, 2026, if the Pakistan Rupee had weakened / strengthened by 10% against the relevant foreign currencies to which the Group is exposed, with all other variables held constant, profit / (loss) before income tax for the year would have been higher / lower by Rs. 103.08 million (2025: Rs. 55.32 million), mainly as a result of foreign exchange gains / losses on translation of foreign currency denominated trade and other payables, trade receivables and cash and bank.

#### (iii) Price risk

Price risk is the risk that fair value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to individual financial instrument company, its issuer or factors affecting all similar financial instrument traded in the market. The Group has no investment as at June 30, 2026 which is subject to a change in market price.

#### (b) Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparts failed to perform as contracted. The maximum exposure to credit risk is equal to the carrying amount of financial assets. Out of the total financial assets of Rs. 18,700 million (2025: Rs. 17,383 million) the financial assets exposed to the credit risk amount to Rs. 18,696 million (2025: Rs. 17,377 million). The carrying values of financial assets are as under:

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

|                              | 2026              | 2025              |
|------------------------------|-------------------|-------------------|
|                              | Rupees '000       |                   |
| Loans, advances and deposits | 619,133           | 253,818           |
| Trade receivables            | 12,348,039        | 11,600,590        |
| Other receivables            | 2,858,288         | 5,029,809         |
| Short term investment        | 400,000           | 100,000           |
| Bank balances                | 2,470,900         | 392,870           |
|                              | <b>18,696,360</b> | <b>17,377,087</b> |

Trade receivables of the Group are not exposed to significant credit risk as the major amount is due from IBL Operations (Private) Limited - an associated company. However, the Group has established policies and procedures for timely recovery of trade receivables. With respect to parties other than affiliates, the Group mitigates its exposure and credit risk by applying credit limits to its customers.

Deposits, loans, advances and other receivables are not exposed to any material credit risk as loans and advances mainly relate to advances which will be settled in the ordinary course of business and other receivables mainly pertains to related parties.

Bank balances and short term investments are held only with reputable banks with high quality external ratings assessed by external rating agencies. Following are the credit ratings of banks within which balances are held or credit lines are available:

| Bank Name                       | Rating Agency | Rating    |            |
|---------------------------------|---------------|-----------|------------|
|                                 |               | Long Term | Short Term |
| Albaraka Bank Pakistan Limited  | VIS           | AA-       | A1         |
| Askari Bank Limited             | PACRA         | AA+       | A1+        |
| Bank Al Falah Limited           | PACRA         | AAA       | A1+        |
| Bank Al Habib Limited           | PACRA         | AAA       | A1+        |
| Dubai Islamic Bank Limited      | VIS           | AA        | A1+        |
| Faysal Bank Limited             | PACRA         | AA+       | A1+        |
| Habib Bank Limited              | VIS           | AA+       | A1+        |
| Habib Metropolitan Bank Limited | PACRA         | AAA       | A1+        |
| Meezan Bank Limited             | VIS           | AAA       | A1+        |
| National Bank of Pakistan       | PACRA         | AAA       | A1+        |
| Soneri Bank Limited             | PACRA         | AA        | A1+        |
| Bank Makramah Limited           | VIS           | A-        | A2         |
| The Bank Of Punjab              | PACRA         | AAA       | A1+        |
| Bank Islami Pakistan Limited    | PACRA         | AA-       | A1         |
| United Bank Limited             | VIS           | AAA       | A1+        |
| Allied Bank Limited             | VIS           | AAA       | A1+        |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at reporting date.

### (c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. 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 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. The Group ensures that it has sufficient cash to meet expected working capital requirements by having credit lines available.

The contractual maturities of financial liabilities, except long term loan and lease liabilities are given in note 46.2. The contractual cash flows of long term loan and lease liabilities are as under:

| 2026                                        |                       |                      |                   |                      |                |                  |
|---------------------------------------------|-----------------------|----------------------|-------------------|----------------------|----------------|------------------|
| Carrying amount                             | Contractual cashflows |                      |                   |                      | Total          |                  |
|                                             | Six months or less    | Six to twelve months | Two to five years | More than five years |                |                  |
| ----- (Rupees in '000) -----                |                       |                      |                   |                      |                |                  |
| <b>Non-derivative financial liabilities</b> |                       |                      |                   |                      |                |                  |
| Long-term financing                         | 164,208               | (27,494)             | (29,422)          | (154,466)            | -              | (211,382)        |
| Lease Liabilities                           | 57,514                | (10,465)             | (11,212)          | (51,353)             | -              | (73,030)         |
|                                             | <u>221,722</u>        | <u>(37,959)</u>      | <u>(40,634)</u>   | <u>(205,819)</u>     | <u>-</u>       | <u>(284,412)</u> |
| 2025                                        |                       |                      |                   |                      |                |                  |
| Carrying amount                             | Contractual cashflows |                      |                   |                      | Total          |                  |
|                                             | Six months or less    | Six to twelve months | Two to five years | More than five years |                |                  |
| ----- (Rupees in '000) -----                |                       |                      |                   |                      |                |                  |
| <b>Non-derivative financial liabilities</b> |                       |                      |                   |                      |                |                  |
| Long-term financing                         | 60,370                | (11,478)             | (10,671)          | (54,838)             | -              | (76,987)         |
| Lease Liabilities                           | 69,540                | (10,465)             | (11,090)          | (71,030)             | (2,000)        | (94,585)         |
|                                             | <u>129,910</u>        | <u>(21,943)</u>      | <u>(21,761)</u>   | <u>(125,868)</u>     | <u>(2,000)</u> | <u>(171,572)</u> |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 46.3 Reconciliation of movements of liabilities to cash flows arising from financing activities

|                                                | 2026                  |                     |                             |                  |
|------------------------------------------------|-----------------------|---------------------|-----------------------------|------------------|
|                                                | Short-term borrowings | Long-term financing | Unpaid / unclaimed dividend | Total            |
|                                                | (Rupees in '000)      |                     |                             |                  |
| Balance as at July 1, 2025                     | 6,536,996             | 60,370              | 240,247                     | 6,837,613        |
| <i>Changes from financing cash flows</i>       |                       |                     |                             |                  |
| Repayment of loan                              | (39,844,392)          | (39,738)            | -                           | (39,884,130)     |
| Proceeds received                              | 39,815,258            | -                   | -                           | 39,815,258       |
| Dividend paid                                  | -                     | -                   | (687)                       | (687)            |
| <b>Total changes from financing activities</b> | <b>(29,134)</b>       | <b>(39,738)</b>     | <b>(687)</b>                | <b>(69,559)</b>  |
| <i>Other changes</i>                           |                       |                     |                             |                  |
| Purchase of property, plant and equipment      | -                     | 143,576             | -                           | 143,576          |
| Interest expense                               | -                     | 13,105              | -                           | 13,105           |
| Interest paid                                  | -                     | (13,105)            | -                           | (13,105)         |
| Amortization of transaction cost               | -                     | -                   | -                           | -                |
| <b>Total loan related other changes</b>        | <b>-</b>              | <b>143,576</b>      | <b>-</b>                    | <b>143,576</b>   |
| Equity related other changes                   | -                     | -                   | -                           | -                |
| <b>Balance as at June 30, 2026</b>             | <b>6,507,862</b>      | <b>164,208</b>      | <b>239,560</b>              | <b>6,911,630</b> |

|                                                | 2025                  |                     |                             |                    |
|------------------------------------------------|-----------------------|---------------------|-----------------------------|--------------------|
|                                                | Short-term borrowings | Long-term financing | Unpaid / unclaimed dividend | Total              |
|                                                | (Rupees in '000)      |                     |                             |                    |
| Balance as at July 1, 2024                     | 7,285,980             | 5,838,254           | 241,400                     | 13,365,634         |
| <i>Changes from financing cash flows</i>       |                       |                     |                             |                    |
| Repayment of loan                              | (9,170,634)           | (5,781,697)         | -                           | (14,952,331)       |
| Proceeds received                              | 8,421,650             | -                   | -                           | 8,421,650          |
| Dividend paid                                  | -                     | -                   | (1,153)                     | (1,153)            |
| <b>Total changes from financing activities</b> | <b>(748,984)</b>      | <b>(5,781,697)</b>  | <b>(1,153)</b>              | <b>(6,531,834)</b> |
| <i>Other changes</i>                           |                       |                     |                             |                    |
| Interest expense                               | -                     | 676,590             | -                           | 676,590            |
| Interest paid                                  | -                     | (701,658)           | -                           | (701,658)          |
| Amortization of transaction cost               | -                     | 28,881              | -                           | 28,881             |
| <b>Total loan related other changes</b>        | <b>-</b>              | <b>3,813</b>        | <b>-</b>                    | <b>3,813</b>       |
| Equity related other changes                   | -                     | -                   | -                           | -                  |
| <b>Balance as at June 30, 2025</b>             | <b>6,536,996</b>      | <b>60,370</b>       | <b>240,247</b>              | <b>6,837,613</b>   |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 47. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

The debt to capital ratio is as follows:

|                                 | 2026        | 2025       |
|---------------------------------|-------------|------------|
|                                 | Rupees '000 |            |
| Total borrowings                | 7,980,404   | 7,903,983  |
| Cash and bank balances- note 16 | (2,474,924) | (398,751)  |
| Net debt                        | 5,505,480   | 7,505,232  |
| Equity                          | 34,342,633  | 32,892,784 |
| Total capital                   | 39,848,113  | 40,398,016 |
| Debt to capital ratio           | 14%         | 19%        |

### 48. MEASUREMENT OF FAIR VALUES

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

When measuring the fair value of an asset or a liability, the Group uses valuation techniques that are appropriate in the circumstances and uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Group engages an independent external valuers to carry out valuation of its non-financial assets (i.e. Leasehold Land, Building, Plant and Machinery, Vehicles and Air-conditioning System) with sufficient regularity. Involvement of external valuers is decided upon by Group. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

As at June 30, 2026, all financial assets and financial liabilities are carried at amortised cost which is approximate to their fair value. The Group measures the Leasehold Land, Building, Plant and Machinery, Vehicles and Air-conditioning System at fair value and all such fair value measurements are classified within Level 2 of the fair value hierarchy.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the management recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

The following table provides the valuation approach, inputs used and inter-relationship between significant unobservable inputs and fair value measurement of the Group's property, plant and equipment and investment property measured at fair value:

| Assets measured at fair value                                                                   | Date of valuation | Valuation approach and inputs used                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Inter-relationship between significant observable inputs and fair value measurement                                                                                                        |
|-------------------------------------------------------------------------------------------------|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revalued property,<br>plant and equipment<br>and investment properties                          |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                            |
| - Leasehold land, building,<br>plant and machinery,<br>vehicles and air-conditioning<br>systems | June 30,<br>2026  | The valuation model is based on price per square meter and current replacement cost method adjusted for depreciation factor for the existing assets in use. In determining the valuations for land and buildings, the valuer refers to current market conditions, structure, current replacement cost, sale prices of comparable land in similar location adjusted for differences in key attributes such as land size and inquires with numerous independent local estate agents / realtors in the vicinity to establish the present market value. The fair valuation of land and building is considered to represent a level 2 valuation based on significant observable inputs being the location and condition of the assets. | The fair values are subject to change owing to changes in input. However, management does not expect material sensitivity to the fair values arising from the change in observable inputs. |



## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

The Group assessed that the fair values of cash and cash equivalents, other receivables, trade deposits, trade debts, short-term borrowings, trade and other payables, accrued mark-up and unclaimed dividends approximate their carrying amounts largely due to short-term maturities of these instruments. For long-term deposit and long-term financing, the Group consider that their carrying values approximates fair value owing to credit standing of counterparties and interest payable on borrowings are market rates.

### 49. NUMBER OF EMPLOYEES

2026 2025

|             |                                                                         |              |       |
|-------------|-------------------------------------------------------------------------|--------------|-------|
| <b>49.1</b> | Number of employees including contractual employees at year end         | <b>3,715</b> | 3,799 |
|             | Average number of employees including contractual employees at year end | <b>3,780</b> | 3,727 |
|             | Number of employees working in the factory at year end                  | <b>412</b>   | 406   |
|             | Average number of employees working in the factory at year end          | <b>414</b>   | 404   |

### 50. LISTING OF SUBSIDIARY COMPANIES

| Name of Subsidiary                          | Financial year end |
|---------------------------------------------|--------------------|
| - IBL HealthCare Limited                    | June 30            |
| - Searle Pharmaceuticals (Private) Limited  | June 30            |
| - Searle Laboratories (Private) Limited     | June 30            |
| - Searle Biosciences (Private) Limited      | June 30            |
| - Searle Biopharma (Private) Limited        | June 30            |
| - IBL Future Technologies (Private) Limited | June 30            |
| - Searle IV Solutions (Private) Limited     | June 30            |
| - Stellar Venture (Private) Limited         | June 30            |
| - My Cart (Private) Limited                 | June 30            |
| - IBL Frontier Market (Private) Limited     | June 30            |
| - Prime Health (Private) Limited            | June 30            |

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 51. NON-CONTROLLING INTERESTS

Set out below is summarised financial information for each subsidiary that has Non-Controlling Interests (NCI).

| Name of subsidiaries                       | IBLHC     | SBPL<br>[Formerly: NPPL] | MyCart   |
|--------------------------------------------|-----------|--------------------------|----------|
| Percentage Parent                          | 25.81%    | 12.80%                   | 50.00%   |
| Total assets                               | 4,034,170 | 6,001,151                | 19,725   |
| Total liabilities                          | 1,490,718 | 1,368,195                | 45,160   |
| Total comprehensive income / loss          | 220,402   | 466,321                  | (42,417) |
| Allocated to NCI                           | 56,886    | 59,689                   | (6,402)  |
| Accumulated NCI                            | 616,815   | 109,904                  | 187,141  |
| Cash and cash equivalents                  | 727,182   | 67,596                   | 398      |
| <b>Cash generated from / (utilised in)</b> |           |                          |          |
| - operating activities                     | 901,621   | (29,299)                 | (14,871) |
| - investing activities                     | (5,897)   | (3,706,486)              | (177)    |
| - financing activities                     | (135,062) | 3,800,000                | 14,807   |
| Dividend paid to NCI                       | -         | -                        | -        |

### 52. BUSINESS UNITS - GEOGRAPHICAL LOCATION AND ADDRESSES

#### Business units

#### Addresses

#### Factories

- F-319, S.I.T.E Area, Karachi.
- 32 km Multan Road, Lahore.
- E-44 - 45, North Western Industrial store, Port Qasim, Karachi.
- C-14, Manghopir Road, S.I.T.E, Karachi.
- Plot # E-58, North Western Industrial Zone, Port Qasim, Karachi.
- 1.5 Km, Raiwind Road, Manga Mandi, Lahore.
- Plot No. F-548, SITE, Karachi.

#### Warehouses and storage facilities

- Plot No. 21-C, Sector 15/16, Gulshan-e-Mazdoor, Hub River Road, Karachi.
- Kotlakpat, Plot No. 131/3, Quaid-e-Azam Industrial Estate, Gate 4, Near Fine Chowk, Kotlakhpot, Lahore.
- DHL Logistics, 26 - Km Multan road, opposite Maraka PTCL Exchange, Lahore.
- Shabab Studio Chung, 19-KM, Multan Road, Lahore.
- Plot No. 1D-28, Sector 30, Korangi Industrial Area, Karachi.
- Plot No. 56, Sector 7/A, Korangi Industrial Area, Karachi.

## Notes to and forming part of the Consolidated Financial Statements

For the year ended June 30, 2026

### 53. GENERAL

#### 53.1 Non-adjusting events after reporting date

##### 53.1.1 Dividend

The Board of Directors of the Parent Company in the meeting held on September 25, 2026, has approved the following appropriation:

|                                                                             | 2026        | 2025    |
|-----------------------------------------------------------------------------|-------------|---------|
|                                                                             | Rupees '000 |         |
| Nil bonus shares (June 30, 2025: 15 bonus shares for every 100 shares held) | -           | 767,242 |
| Cash dividend of Rs. 1.00 per share (June 30, 2025: Rs. Nil per share)      | 588,219     | -       |

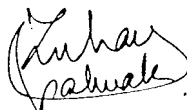
The approval of the members of the Parent Company for the cash dividend shall be obtained at the Annual General Meeting to be held on October 22, 2026. This would be recognised in the Parent Company's financial statements in the year in which such dividend is declared / approved.

#### 53.2 DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements were approved and authorised for issue by the Board of Directors of the Parent Company on September 25, 2026.



Chief Executive



Director



Chief Financial Officer

## Pattern of Shareholding

As at June 30, 2026

| Number of Shareholders |         | Shareholdings'Slab |         | Total Shares Held |
|------------------------|---------|--------------------|---------|-------------------|
| 8,963                  | 1       | to                 | 100     | 308,615           |
| 7,566                  | 101     | to                 | 500     | 2,208,582         |
| 4,276                  | 501     | to                 | 1,000   | 3,471,262         |
| 7,025                  | 1,001   | to                 | 5,000   | 17,027,292        |
| 1,786                  | 5,001   | to                 | 10,000  | 13,332,760        |
| 681                    | 10,001  | to                 | 15,000  | 8,374,699         |
| 335                    | 15,001  | to                 | 20,000  | 5,986,676         |
| 215                    | 20,001  | to                 | 25,000  | 4,942,285         |
| 150                    | 25,001  | to                 | 30,000  | 4,209,420         |
| 97                     | 30,001  | to                 | 35,000  | 3,184,008         |
| 62                     | 35,001  | to                 | 40,000  | 2,348,759         |
| 51                     | 40,001  | to                 | 45,000  | 2,159,482         |
| 77                     | 45,001  | to                 | 50,000  | 3,727,170         |
| 33                     | 50,001  | to                 | 55,000  | 1,728,805         |
| 41                     | 55,001  | to                 | 60,000  | 2,357,127         |
| 21                     | 60,001  | to                 | 65,000  | 1,317,861         |
| 14                     | 65,001  | to                 | 70,000  | 941,707           |
| 16                     | 70,001  | to                 | 75,000  | 1,162,136         |
| 20                     | 75,001  | to                 | 80,000  | 1,557,113         |
| 11                     | 80,001  | to                 | 85,000  | 907,840           |
| 15                     | 85,001  | to                 | 90,000  | 1,321,548         |
| 6                      | 90,001  | to                 | 95,000  | 555,699           |
| 38                     | 95,001  | to                 | 100,000 | 3,755,203         |
| 6                      | 100,001 | to                 | 105,000 | 613,933           |
| 9                      | 105,001 | to                 | 110,000 | 962,828           |
| 19                     | 110,001 | to                 | 115,000 | 2,152,544         |
| 11                     | 115,001 | to                 | 120,000 | 1,299,031         |
| 5                      | 120,001 | to                 | 125,000 | 615,296           |
| 3                      | 125,001 | to                 | 130,000 | 378,464           |
| 7                      | 130,001 | to                 | 135,000 | 922,968           |
| 6                      | 135,001 | to                 | 140,000 | 827,896           |
| 8                      | 140,001 | to                 | 145,000 | 1,138,340         |
| 6                      | 145,001 | to                 | 150,000 | 889,515           |
| 5                      | 150,001 | to                 | 155,000 | 763,684           |
| 1                      | 155,001 | to                 | 160,000 | 155,675           |
| 3                      | 160,001 | to                 | 165,000 | 484,554           |
| 4                      | 165,001 | to                 | 170,000 | 671,816           |
| 7                      | 170,001 | to                 | 175,000 | 1,210,508         |
| 2                      | 175,001 | to                 | 180,000 | 356,500           |
| 5                      | 180,001 | to                 | 185,000 | 919,829           |
| 6                      | 185,001 | to                 | 190,000 | 1,128,775         |

## Pattern of Shareholding

As at June 30, 2026

| Number of Shareholders |         | Shareholdings'Slab |         | Total Shares Held |
|------------------------|---------|--------------------|---------|-------------------|
| 1                      | 190,001 | to                 | 195,000 | 191,000           |
| 10                     | 195,001 | to                 | 200,000 | 1,987,392         |
| 3                      | 200,001 | to                 | 205,000 | 602,692           |
| 6                      | 205,001 | to                 | 210,000 | 1,246,407         |
| 1                      | 210,001 | to                 | 215,000 | 211,328           |
| 2                      | 215,001 | to                 | 220,000 | 435,858           |
| 2                      | 220,001 | to                 | 225,000 | 441,417           |
| 3                      | 225,001 | to                 | 230,000 | 682,713           |
| 5                      | 230,001 | to                 | 235,000 | 1,158,539         |
| 2                      | 235,001 | to                 | 240,000 | 473,036           |
| 4                      | 240,001 | to                 | 245,000 | 968,312           |
| 1                      | 245,001 | to                 | 250,000 | 248,000           |
| 2                      | 250,001 | to                 | 255,000 | 505,083           |
| 2                      | 270,001 | to                 | 275,000 | 544,994           |
| 2                      | 275,001 | to                 | 280,000 | 557,600           |
| 1                      | 280,001 | to                 | 285,000 | 283,750           |
| 1                      | 285,001 | to                 | 290,000 | 287,500           |
| 3                      | 290,001 | to                 | 295,000 | 873,521           |
| 5                      | 295,001 | to                 | 300,000 | 1,492,401         |
| 1                      | 305,001 | to                 | 310,000 | 310,000           |
| 1                      | 310,001 | to                 | 315,000 | 312,000           |
| 1                      | 315,001 | to                 | 320,000 | 320,000           |
| 1                      | 320,001 | to                 | 325,000 | 323,552           |
| 1                      | 325,001 | to                 | 330,000 | 327,560           |
| 1                      | 345,001 | to                 | 350,000 | 345,077           |
| 1                      | 355,001 | to                 | 360,000 | 355,249           |
| 1                      | 360,001 | to                 | 365,000 | 362,781           |
| 3                      | 365,001 | to                 | 370,000 | 1,103,739         |
| 2                      | 375,001 | to                 | 380,000 | 757,727           |
| 1                      | 380,001 | to                 | 385,000 | 385,000           |
| 2                      | 385,001 | to                 | 390,000 | 779,637           |
| 1                      | 390,001 | to                 | 395,000 | 394,000           |
| 2                      | 395,001 | to                 | 400,000 | 800,000           |
| 1                      | 420,001 | to                 | 425,000 | 425,000           |
| 1                      | 435,001 | to                 | 440,000 | 435,099           |
| 1                      | 450,001 | to                 | 455,000 | 454,570           |
| 1                      | 455,001 | to                 | 460,000 | 456,107           |
| 1                      | 465,001 | to                 | 470,000 | 466,312           |
| 1                      | 480,001 | to                 | 485,000 | 482,375           |
| 1                      | 490,001 | to                 | 495,000 | 492,995           |
| 1                      | 500,001 | to                 | 505,000 | 503,649           |

## Pattern of Shareholding

As at June 30, 2026

| Number of Shareholders | Shareholdings'Slab |    |           | Total Shares Held |
|------------------------|--------------------|----|-----------|-------------------|
| 1                      | 540,001            | to | 545,000   | 540,500           |
| 1                      | 545,001            | to | 550,000   | 545,318           |
| 1                      | 560,001            | to | 565,000   | 561,450           |
| 1                      | 570,001            | to | 575,000   | 575,000           |
| 2                      | 595,001            | to | 600,000   | 1,195,813         |
| 1                      | 600,001            | to | 605,000   | 600,744           |
| 1                      | 610,001            | to | 615,000   | 611,614           |
| 1                      | 625,001            | to | 630,000   | 629,568           |
| 1                      | 645,001            | to | 650,000   | 650,000           |
| 1                      | 650,001            | to | 655,000   | 652,625           |
| 1                      | 660,001            | to | 665,000   | 662,840           |
| 3                      | 665,001            | to | 670,000   | 2,001,102         |
| 2                      | 695,001            | to | 700,000   | 1,400,000         |
| 1                      | 725,001            | to | 730,000   | 730,000           |
| 1                      | 820,001            | to | 825,000   | 820,348           |
| 1                      | 850,001            | to | 855,000   | 851,687           |
| 1                      | 875,001            | to | 880,000   | 877,347           |
| 1                      | 895,001            | to | 900,000   | 895,515           |
| 1                      | 915,001            | to | 920,000   | 918,915           |
| 2                      | 930,001            | to | 935,000   | 1,865,579         |
| 1                      | 945,001            | to | 950,000   | 947,109           |
| 1                      | 960,001            | to | 965,000   | 965,000           |
| 1                      | 975,001            | to | 980,000   | 980,000           |
| 1                      | 980,001            | to | 985,000   | 983,599           |
| 1                      | 985,001            | to | 990,000   | 988,612           |
| 1                      | 1,090,001          | to | 1,095,000 | 1,094,500         |
| 2                      | 1,095,001          | to | 1,100,000 | 2,199,905         |
| 1                      | 1,105,001          | to | 1,110,000 | 1,109,269         |
| 1                      | 1,110,001          | to | 1,115,000 | 1,110,649         |
| 1                      | 1,130,001          | to | 1,135,000 | 1,134,573         |
| 1                      | 1,145,001          | to | 1,150,000 | 1,150,000         |
| 1                      | 1,165,001          | to | 1,170,000 | 1,169,972         |
| 1                      | 1,190,001          | to | 1,195,000 | 1,192,291         |
| 1                      | 1,235,001          | to | 1,240,000 | 1,236,934         |
| 1                      | 1,340,001          | to | 1,345,000 | 1,340,419         |
| 1                      | 1,380,001          | to | 1,385,000 | 1,384,642         |
| 1                      | 1,390,001          | to | 1,395,000 | 1,391,784         |
| 1                      | 1,430,001          | to | 1,435,000 | 1,430,922         |
| 1                      | 1,435,001          | to | 1,440,000 | 1,435,711         |
| 2                      | 1,495,001          | to | 1,500,000 | 2,998,088         |
| 1                      | 1,565,001          | to | 1,570,000 | 1,567,536         |



## Pattern of Shareholding

As at June 30, 2026

| Number of Shareholders |             | Shareholdings'Slab |             | Total Shares Held  |
|------------------------|-------------|--------------------|-------------|--------------------|
| 1                      | 1,595,001   | to                 | 1,600,000   | 1,600,000          |
| 1                      | 1,630,001   | to                 | 1,635,000   | 1,631,288          |
| 1                      | 1,635,001   | to                 | 1,640,000   | 1,636,376          |
| 1                      | 1,745,001   | to                 | 1,750,000   | 1,746,825          |
| 1                      | 1,885,001   | to                 | 1,890,000   | 1,885,919          |
| 1                      | 1,945,001   | to                 | 1,950,000   | 1,947,450          |
| 1                      | 2,180,001   | to                 | 2,185,000   | 2,184,709          |
| 1                      | 2,595,001   | to                 | 2,600,000   | 2,596,500          |
| 1                      | 3,210,001   | to                 | 3,215,000   | 3,212,925          |
| 1                      | 3,235,001   | to                 | 3,240,000   | 3,235,997          |
| 1                      | 3,520,001   | to                 | 3,525,000   | 3,521,053          |
| 1                      | 3,635,001   | to                 | 3,640,000   | 3,636,447          |
| 1                      | 3,860,001   | to                 | 3,865,000   | 3,862,899          |
| 1                      | 4,580,001   | to                 | 4,585,000   | 4,584,354          |
| 1                      | 5,240,001   | to                 | 5,245,000   | 5,243,668          |
| 1                      | 5,805,001   | to                 | 5,810,000   | 5,809,936          |
| 1                      | 5,920,001   | to                 | 5,925,000   | 5,920,594          |
| 1                      | 7,760,001   | to                 | 7,765,000   | 7,762,610          |
| 1                      | 10,650,001  | to                 | 10,655,000  | 10,654,533         |
| 1                      | 22,215,001  | to                 | 22,220,000  | 22,215,774         |
| 1                      | 30,060,001  | to                 | 30,065,000  | 30,064,283         |
| 1                      | 291,700,001 | to                 | 291,705,000 | 291,704,790        |
| <b>31,765</b>          |             |                    |             | <b>588,218,587</b> |

# Pattern of Shareholding

As at June 30, 2026

| Sr. No.   | Categories of Shareholders                                                          | Number of Shareholders | Shares Held        | Percentage        |
|-----------|-------------------------------------------------------------------------------------|------------------------|--------------------|-------------------|
| <b>1</b>  | <b>Directors, Chief Executive Officer, their Spouse(s) and Minor Children</b>       |                        |                    |                   |
|           | MR. ARSHAD ANIS                                                                     | 1                      | 31,742             | 0.01              |
|           | MR. TAHIR AHMED                                                                     | 1                      | 25,821             | 0.00              |
|           | MR. MUNIS ABDULLAH                                                                  | 1                      | 295,292            | 0.05              |
|           | MR. S. NADEEM AHMED                                                                 | 1                      | 7,912              | 0.00              |
|           | MR. ZUBAIR RAZZAK PALWALA                                                           | 2                      | 266,831            | 0.05              |
|           | MS. SHAISTA KHALIQ REHMAN                                                           | 2                      | 221,566            | 0.04              |
|           | MS. AMEENA SAIYID                                                                   | 1                      | 567                | 0.00              |
|           |                                                                                     | <b>9</b>               | <b>849,731</b>     | <b>0.14</b>       |
| <b>2</b>  | <b>Associated Companies, undertakings and related parties</b>                       |                        |                    |                   |
|           | INTERNATIONAL BRANDS (PRIVATE) LIMITED                                              | 2                      | 294,301,290        | 50.03             |
|           | IBL OPERATIONS (PRIVATE) LIMITED                                                    | 1                      | 124,533            | 0.02              |
|           | TRUSTEE SEARLE PAKISTAN LIMITED PROVIDENT FUND                                      | 1                      | 242,887            | 0.04              |
|           | UNITED BRANDS LIMITED STAFF PROVIDENT FUND                                          | 1                      | 8,797              | 0.00              |
|           | IBL OPERATIONS (PRIVATE) LIMITED STAFF PROVIDENT FUND                               | 1                      | 85,987             | 0.01              |
|           | MR. M. SAJID HUSSAIN                                                                | 1                      | 44                 | 0.00              |
|           |                                                                                     | <b>7</b>               | <b>294,763,538</b> | <b>50.11</b>      |
| <b>3</b>  | <b>National Investment Trust &amp; Industrial Corporation of Pakistan</b>           | -                      | -                  | -                 |
| <b>4</b>  | <b>Banks Development Financial Institutions, Non-Banking Financial Institutions</b> | <b>15</b>              | <b>31,584,603</b>  | <b>5.37</b>       |
| <b>5</b>  | <b>Insurance Companies</b>                                                          | <b>17</b>              | <b>2,248,156</b>   | <b>0.38</b>       |
| <b>6</b>  | <b>Modarabas and Mutual Funds</b>                                                   | <b>61</b>              | <b>18,408,676</b>  | <b>3.13</b>       |
| <b>7</b>  | <b>General Public</b>                                                               |                        |                    |                   |
|           | a. Local                                                                            | 30,122                 | 156,424,780        | 26.59             |
|           | b. Foreign                                                                          | 1,258                  | 10,477,336         | 1.78              |
| <b>8</b>  | <b>Foreign Companies</b>                                                            | <b>25</b>              | <b>14,591,439</b>  | <b>2.48</b>       |
| <b>9</b>  | <b>Others</b>                                                                       |                        |                    |                   |
|           | Trust and Funds                                                                     | 77                     | 37,054,492         | 6.30              |
|           | Joint Stock Companies                                                               | 174                    | 21,815,836         | 3.71              |
|           | <b>Totals</b>                                                                       | <b>31,765</b>          | <b>588,218,587</b> | <b>100.00</b>     |
| <b>10</b> | <b>Shareholders holding 10% or more shares</b>                                      |                        | <b>Shares Held</b> | <b>Percentage</b> |
|           | <b>*INTERNATIONAL BRANDS LIMITED</b>                                                |                        | <b>307,801,776</b> | <b>52.33</b>      |

\* This includes 13,500,486 shares which are freezed in lieu of 5% & 10% withholding tax under section 236M & 236Z of the Income Tax Ordinance, 2001. The Shareholder has filed a petition against such provision and the case is pending before the Hon'ble High Court.

# SEARLE

## Proxy Form

The Secretary

The Searle Company Limited

2nd Floor, One IBL Centre, Plot # 1, Block 7 & 8, D.M.C.H.S, Tipu Sultan Road,

Off Shahra-e-Faisal, Karachi-75350

I/We, \_\_\_\_\_ of \_\_\_\_\_, shareholder of  
The Searle Company Limited, holding \_\_\_\_\_ ordinary share(s) as per Register Folio No.  
/ CDC Account No. \_\_\_\_\_ hereby appoint \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_ holding CNIC/Passport No. \_\_\_\_\_, or  
failing him/her hereby appoint \_\_\_\_\_ of \_\_\_\_\_  
holding CNIC/Passport No. \_\_\_\_\_, as my/our proxy, to attend and vote for  
me/us and on my/our behalf at the 60th Annual General Meeting of the Company, to be held on  
Thursday, October 22, 2026 at 04:00 p.m. and/or any adjournment thereof.  
Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2026

### Witness 1:

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

CNIC #: \_\_\_\_\_

Address: \_\_\_\_\_

[Signature should agree  
with the specimen signature  
registered with the Company]

Sign across Rs.5/-  
Revenue Stamp

Signature of Member(s)

### Witness 2:

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

CNIC #: \_\_\_\_\_

Address: \_\_\_\_\_

Shareholder's Folio No.: \_\_\_\_\_

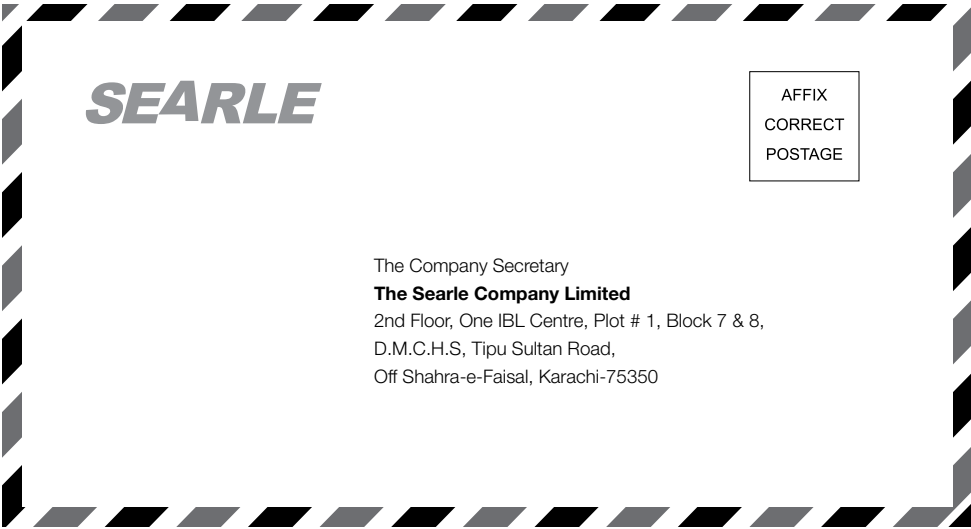
and/or CDC Participant I.D. No.: \_\_\_\_\_

and Sub-Account No.: \_\_\_\_\_

Shareholder's CNIC #: \_\_\_\_\_

### Note:

- The member is requested:
  - To affix revenue stamp of Rs.5/- at the place indicated above.
  - To sign across the revenue stamp in the same style of signature as is registered with the Company.
  - To write down his/her/their folio number.
  - Attach an attested photocopy of their valid Computerized National Identity Card/Passport/Board Resolution and the copy of CNIC of the proxy, with this proxy form before submission.
- In order to be valid, this proxy must be received at the registered office of the Company at least 48 hours before the time fixed for the meeting, duly completed in all respects.
- CDS Shareholders or their proxies should bring their original computerized national identity card or passport along with the Participant's ID Number and their Account Number to facilitate their identification. Detailed procedure is given in the notes to the notice of AGM.



**SEARLE**

AFFIX  
CORRECT  
POSTAGE

The Company Secretary  
**The Searle Company Limited**  
2nd Floor, One IBL Centre, Plot # 1, Block 7 & 8,  
D.M.C.H.S, Tipu Sultan Road,  
Off Shahra-e-Faisal, Karachi-75350

# SEARLE

پراکسی مندرام

سیکرٹری

سرل سچنی لمیٹڈ

سیکرٹری مندرام، آئی بی ایل سینٹر، پلاٹ نمبر 1 بلاک 7 اور 8، فیو سلطان روڈ

شمارہ فیسل کراچی-75350

میں / ہم، \_\_\_\_\_ ساکن \_\_\_\_\_، دی سرل سچنی لمیٹڈ کے شیئر ہولڈر، جو مندرجہ ذیل  
نمبر / سی ڈی سی اکاؤنٹ نمبر \_\_\_\_\_ کے تحت \_\_\_\_\_ عدد عام شیئرز کے حامل ہیں، اس کے ذریعے  
\_\_\_\_\_ ساکن \_\_\_\_\_، حاصل شناختی کارڈ / پاسپورٹ نمبر \_\_\_\_\_  
کو، یا ان کی عدم موجودگی میں \_\_\_\_\_ ساکن \_\_\_\_\_، حاصل کیا ہے / ہوگا / ہوگا، اور / یا اس کے کسی ملٹی شدہ اجلاس میں  
/ پاسپورٹ نمبر \_\_\_\_\_ کو اپنا / اپنے نمائندہ (پراکسی) مقرر کرتا / کرتے ہیں، تاکہ وہ میری / ہماری جانب سے اور میرے / ہمارے  
نمائندے کے طور پر سچنی کا سالانہ اجلاس عام، جو جمعرات، 22 اکتوبر 2026 کو شام 4:00 بجے منعقد ہوگا، اور / یا اس کے کسی ملٹی شدہ اجلاس میں  
شرکت کرے اور ووٹ دے۔

بطور گواہ میرے / ہمارے ہاتھ / اس پر \_\_\_\_\_ 2026 کے دن

[دستخط سچنی کے ساتھ رجسٹر شدہ نمونہ]

دستخط کے مطابق ہونے چاہیے۔]

مُہر

ممبران کے دستخط

\_\_\_\_\_ شیئر ہولڈر کا فلیو نمبر: \_\_\_\_\_  
\_\_\_\_\_ اور سی ڈی سی پارٹنرمنٹ آئی ڈی نمبر: \_\_\_\_\_  
\_\_\_\_\_ اور سب اکاؤنٹ نمبر: \_\_\_\_\_  
\_\_\_\_\_ شیئر ہولڈر کا شناختی کارڈ نمبر: \_\_\_\_\_

گواہ 1:

دستخط: \_\_\_\_\_  
نام: \_\_\_\_\_  
\_\_\_\_\_ کپیڈ ٹرانزیکشن شناختی کارڈ نمبر: \_\_\_\_\_  
پتہ: \_\_\_\_\_  
\_\_\_\_\_

گواہ 2:

دستخط: \_\_\_\_\_  
نام: \_\_\_\_\_  
\_\_\_\_\_ کپیڈ ٹرانزیکشن شناختی کارڈ نمبر: \_\_\_\_\_  
پتہ: \_\_\_\_\_  
\_\_\_\_\_

نوٹ:

- 1- ممبر سے درخواست ہے کہ:
  - (i) دیے گئے حقائق میں اسی طرز دستخط میں دستخط کریں جو سچنی کے ساتھ رجسٹر ہے۔
  - (ii) اپنے فلیو نمبر درج کریں۔
  - (iii) پراکسی مندرام متعین کرنے سے قبل اپنے درست کپیڈ ٹرانزیکشن شناختی کارڈ / پاسپورٹ / پر دست دراد کی تصدیق شدہ فوٹوکاپی اور پراکسی کے کپیڈ ٹرانزیکشن شناختی کارڈ کی کاپی ساتھ منسلک کریں۔
- 2- پراکسی مندرام صرف اسی صورت میں متبادل قبول ہوگا جب تک مکمل طور پر شدہ صورت میں اجلاس کے مقررہ وقت سے کم از کم 48 گھنٹے قبل سچنی کے رجسٹرڈ دفتر میں موصول ہو جائے۔
- 3- سی ڈی ایس شیئر ہولڈر ز یا ان کے پراکسی کو اپنی شناخت کے لیے اصل کپیڈ ٹرانزیکشن شناختی کارڈ یا پاسپورٹ کے ساتھ ساتھ پارٹنرمنٹ آئی ڈی نمبر اور اکاؤنٹ نمبر بھی ساتھ لانا ہوگا۔ تفصیلی طریقہ کار سالانہ اجلاس عام کے نوٹس کے مندرجات میں دیا گیا ہے۔

**SEARLE**

درست مالیت  
کی ڈاک  
چسپاں کریں

دی کمپنی سیکریٹری  
دی سرل کمپنی لمیٹڈ

دوسری منزل، ون آئی بی ایل سینٹر، پلاٹ نمبر 1،

بلاک 7 اور 8، ٹیپو سلطان روڈ، آف شاہراہ فیصل، کراچی۔ 75350



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\*Mobile apps are also available for download for android and ios devices

The logo for Searle, featuring the word "SEARLE" in a bold, blue, sans-serif font. A thick blue vertical bar is positioned to the left of the text.

**THE SEARLE COMPANY LIMITED**

2nd Floor, One IBL Centre, Plot# 1, Block 7 & 8,  
Dehli Mercantile Muslim Cooperative Housing Society  
(DMCHS) Tipu Sultan Road, Off. Shahrah-e-Faisal, Karachi  
URL: [www.searlecompany.com](http://www.searlecompany.com)