MACPAC FILMS LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED SEPTEMBER 30, 2026

COMPANY INFORMATION

Board of Directors

Mr. Naeem Ali Muhammad Munshi – Chairman & Non-Executive Director
Mr. Najmul Hassan – Chief Executive Officer
Mr. Ehtesham Maqbool Elahi – Executive Director
Mr. Shabbir Hamza Khandwala – Independent Director
Ms. Hafsa Abbasy – Independent Director
Mr. Shariq Maqbool Elahi – Non-Executive Director
Ms. Semeen Akhter – Independent Director

Board Audit Committee (BAC)

Mr. Shabbir Hamza Khandwala – Chairman
Mr. Naeem Ali Muhammad Munshi – Member
Mr. Shariq Maqbool Elahi – Member

Human Resource & Remuneration Committee (HR&RC)

Ms. Hafsa Abbasy – Chairperson
Mr. Shariq Maqbool Elahi – Member
Mr. Ehtesham Maqbool Elahi – Member

Management Team

Mr. Muhammad Asim – Chief Financial Officer
Mr. Aquil A. Khan – Company Secretary
Mr. Mohammad Fahad – Head of Internal Audit
Mr. Junaid Hashmi – Head of Operations
Mr. Rana Faisal – National Sales Manager
Ms. Um-e-Farwa – Head of Digital Transformation
Mr. Kamran Rasool – Head of Engineering

The Management Team is also supported by:

Mr. Habib Elahi – Group Director
Ms. Muneeza Kassim – Group Chief Financial Officer
Mr. Darrel Jacob – Group Chief Human Resources Officer

Auditors

M/s. KPMG Taseer Hadi & Co. Chartered Accountants

Legal Advisors

Mr. Abdul Ghaffar Khan
Address: F-72/1, KDA Scheme 5, Kehkashan, Clifton, Karachi

Ms. Nausheen Ahmad
Address: 21C, Zamzama Commercial Lane 5, Phase V, DHA, Karachi

Shariah Advisor

M/s. Alhamd Shariah Advisory Services (Pvt). Ltd.

Share Registrar

CDC Share Registrar Services Limited

Address:	CDC House, 99-B, Block 'B', S.M.C.H.S, Main Shara-e-Faisal, Karachi 74400
Customer Support Service:	0800-CDCPL
(23275) Fax:	+92 (21) 34326034
Email:	info@cdcpak.com
Website:	www.cdcpakistan.com

Bankers

Al Baraka Bank Pakistan Limited
Bank Alfalah Limited
Bank Al Habib Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab
United Bank Limited
Soneri Bank Limited

Addresses

Registered/Head Office

Plot No. 44-C, Block-6, P.E.C.H.S., Main Razi Road, Karachi.
UAN: (+92-21) 111-MFL (635)-111 Phone: (+92-21) 34305810
Email: info@macpacfilms.com, company.secretary@macpacfilms.com

Factory Office

Plot No. EZ/1/P-10 Eastern Industrial Zone, Port Qasim Area, Karachi
UAN: (+92-21) 111-MFL (635)-111 Phone: (+92-21) 34305810
Email: info@macpacfilms.com

North Sales Office

Room #21, 2nd Floor, Lahore Center, Gulberg, Lahore-54660, Pakistan
Phone: (+92-42) 35782616
Email: sales.north@macpacfilms.com

Website https://macpacfilms.com

MACPAC FILMS ltd.

DIRECTORS' REPORT

In the name of Allah, the Most Gracious, the Most Benevolent and the Most Merciful.

As-salamu Alaikum

Dear Members,

The Board of Directors of your Company is pleased to present the unaudited condensed interim financial statements for the three months ended September 30, 2026.

Economic Overview

During the quarter, global geopolitical tensions and regional conflict continued to create uncertainty in international trade, energy markets and global supply chains. Volatility in oil prices, freight costs and raw material prices remained key considerations for manufacturers, influencing procurement decisions and operating costs.

These external developments continued to pose challenges for the local manufacturing sector, requiring businesses to remain agile in managing input costs, ensuring the availability of raw materials and responding to evolving market conditions.
Against this backdrop, the Company remained focused on operational continuity, prudent procurement and cost management to mitigate external risks and support business performance.

Financial Performance

The Company delivered a strong financial performance during the quarter ended 30 September 2026, achieving substantial growth in revenue and profitability compared with the corresponding period last year. The improvement reflects stronger sales, higher gross profit margins and a significant increase in operating profitability. The Company also returned to profitability at the net level, marking a positive turnaround from the loss reported in the corresponding quarter last year.

The key financial results for the quarter, compared with the corresponding quarter last year, are set out below.

Financial measure	Sep 2026	Sep 2025
Net revenue (PKR million)	2,317.5	1,372.4
Gross profit (PKR million)	383.3	176.1
Gross profit margin	16.5%	12.8%
Operating profit (PKR million)	172.4	21.5
Profit/(loss) after taxation (PKR million)	89.3	(19.3)
Earnings/(loss) per share (PKR)	1.51	(0.33)

These results represent a significant improvement in the Company's financial performance and provide a positive foundation for the remainder of the financial year. The Management remain focused on sustaining this momentum through disciplined financial management, operating efficiency and a continued emphasis on profitable growth.

Operational Highlights

During the quarter, Management focused on strengthening operating performance, improving production efficiency and ensuring continuity of supply amid ongoing geopolitical uncertainty and volatility in energy and raw material markets.

Key operational priorities included:

- Enhancing production planning and operating efficiency to support higher output and effective utilisation of available capacity.
- Exercising prudent control over raw material consumption and input costs to improve cost competitiveness and protect margins.
- Strengthening procurement planning and supply chain resilience to minimise operational disruption.

The Company will continue to monitor developments in international markets and adapt its production, procurement and sales strategies to changing market conditions, with a focus on maintaining service levels, controlling costs and protecting profitability.

Sustainability and Operational Excellence

The Company continued to advance its energy transition and operational efficiency initiatives during the quarter. Its total solar power capacity reached 3.1 MW, with the solar project becoming operational in September 2026. In addition, the separate 2.5 MW K-Electric project also went live during the month.

The commencement of these initiatives represents an important step in the Company's efforts to diversify its energy sources and improve the efficiency of its energy consumption.

The Company remains committed to responsible manufacturing, safe operations and the efficient utilisation of energy and other resources. These initiatives form part of its broader focus on operational excellence, cost competitiveness and sustainable business practices.

MACPAC FILMS ltd.

Future Outlook

The Company remains focused on building on its operational and financial progress through disciplined cost management, efficient operations and a continued emphasis on customer satisfaction. Management will pursue the following priorities to support sustainable growth:

- Maintaining cost discipline and enhancing operational efficiency.
- Strengthening procurement planning to ensure the timely availability of raw materials at competitive costs.
- Sustaining production, dispatch and sales momentum.
- Responding proactively to customer demand and evolving market opportunities.

The Board remains cautiously optimistic about the Company's prospects, while recognising that sustaining the improvement in financial performance will require continued operational discipline, prudent financial management and responsiveness to market developments.

The Company will continue to focus on strengthening its competitive position, delivering value to its stakeholders and pursuing sustainable, profitable growth.

Acknowledgement

The Board of Directors expresses its sincere gratitude to shareholders, employees, customers, financial institutions and all stakeholders for their continued support and confidence.

NAJMUL HASSAN
CHIEF EXECUTIVE OFFICER

EHTESHAM MAQBOOL ELAHI
DIRECTOR

Karachi
October 27, 2026

MACPAC Films Limited

Condensed Interim Statement of Financial Position

As at September, 30 2026

	Note	September, 30 2026 (Un-audited)	June, 30 2026 (Audited)
		---------- (Rupees) ---------	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	**2,525,881,851**	2,511,208,215
Intangible assets		**8,292,641**	9,334,444
Long-term deposits		**32,175,100**	32,175,100
		2,566,349,592	2,552,717,759
CURRENT ASSETS			
Inventories	7	**1,198,882,711**	1,394,533,016
Stores and spares		**155,328,453**	156,049,580
Trade receivables - net	8	**1,969,705,731**	1,452,841,599
Loans and advances		**152,444,951**	110,767,100
Short-term deposits, prepayments and other receivables		**84,551,351**	155,381,782
Taxation - net		**211,803,258**	229,177,534
Short term Investment	9	**48,524,062**	48,524,062
Cash and bank balances	10	**139,813,038**	189,120,174
		3,961,053,555	3,736,394,847
TOTAL ASSETS		**6,527,403,147**	6,289,112,606
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
AUTHORISED SHARE CAPITAL			
70,000,000 (June 30, 2026: 70,000,000) ordinary shares of Rs.10/- each		**700,000,000**	700,000,000
Issued, subscribed and paid-up capital		**593,011,500**	593,011,500
Share premium		**173,566,620**	173,566,620
Revenue reserves		**834,378,223**	745,042,437
Surplus on revaluation of property, plant and equipment		**823,040,000**	823,040,000
		2,423,996,343	2,334,660,557
NON-CURRENT LIABILITIES			
Diminishing musharika arrangement		**141,260,911**	153,804,066
Lease liabilities		**57,024,832**	59,193,238
Deferred tax liability		**95,375,770**	95,375,770
Employee benefits obligations		**251,541,290**	237,676,887
		545,202,803	546,049,961
CURRENT LIABILITIES			
Trade and other payables		**2,307,148,003**	2,303,455,207
Contract liabilities		**176,877,568**	101,121,498
Short-term borrowings - secured	11	**754,298,392**	681,494,191
Unclaimed dividend		**1,370,298**	1,371,135
Current portion of liabilities		**318,509,740**	320,960,057
		3,558,204,001	3,408,402,088
TOTAL LIABILITIES		**4,103,406,804**	3,954,452,049
CONTINGENCIES AND COMMITMENTS	12		
TOTAL EQUITY AND LIABILITIES		**6,527,403,147**	6,289,112,606

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Executive Officer | **Director** | **Chief Financial Officer**

MACPAC Films Limited

Condensed Interim Statement of Profit or Loss (Un-audited)

For the three months ended September, 30 2026

	Note	Three months ended	
		September, 30 2026	September, 30 2025
		(Rupees)	
Revenue from contracts with customers - net	*13*	**2,317,455,550**	1,372,419,964
Cost of sales		**(1,934,119,754)**	(1,196,297,416)
Gross profit		**383,335,796**	176,122,548
Administrative expenses		**(127,144,653)**	(100,760,721)
Marketing and distribution expenses		**(71,305,534)**	(49,366,736)
Other operating expenses		**(12,486,398)**	(4,536,575)
Operating profit		**172,399,211**	21,458,516
Finance costs	*14*	**(40,074,285)**	(31,866,542)
Other income	*15*	**7,991,328**	8,223,280
Profit / (loss) before income tax and levy		**140,316,254**	(2,184,746)
Taxation - levy		**(28,968,194)**	(14,128,851)
Profit / (loss) before tax		**111,348,060**	(16,313,597)
Income tax		**(22,012,273)**	(3,026,398)
Profit / (loss) after taxation		**89,335,787**	(19,339,995)
Earnings per share - basic and diluted		**1.51**	(0.33)

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

MACPAC Films Limited

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the three months ended September, 30 2026

	Three months ended	
	September, 30 2026	September, 30 2025
	---------- (Rupees) ----------	
Profit / (loss) for the period	**89,335,787**	(19,339,995)
Other comprehensive income, net of tax	**-**	-
Total comprehensive income / (loss) for the period	**89,335,787**	(19,339,995)

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Executive Officer | **Director** | **Chief Financial Officer**

MACPAC Films Limited

Condensed Interim Statement of Changes in Equity (Un-audited)

For the three months ended September, 30 2026

	Share Capital	Capital Reserves		Revenue Reserves		
	Issued, subscribed and paid-up capital	Share premium	Revaluation Surplus	Un-appropriated profits	Total reserves	Total
	---------- (Rupees) ----------					
Balance as at June 30, 2025 - (Audited)	593,011,500	173,566,620	823,040,000	654,990,615	1,651,597,235	2,244,608,735
Total comprehensive income for the period						
Loss for the period	-	-	-	(19,339,995)	(19,339,995)	(19,339,995)
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(19,339,995)	(19,339,995)	(19,339,995)
Transaction with owners:						
Final Cash Dividend for the year ended 30 June, 2025 at the rate of Rs. 0.50 per share	-	-	-	(29,650,575)	(29,650,575)	(29,650,575)
Balance as at September, 30 2025 (Un-audited)	**593,011,500**	**173,566,620**	**823,040,000**	**606,000,045**	**1,602,606,665**	**2,195,618,165**
Balance as at June 30, 2026 - (Audited)	**593,011,500**	**173,566,620**	**823,040,000**	**745,042,436**	**1,741,649,056**	**2,334,660,556**
Profit for the period	**-**	**-**	**-**	**89,335,787**	**89,335,787**	**89,335,787**
Other comprehensive income, net of tax	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the period	**-**	**-**	**-**	**89,335,787**	**89,335,787**	**89,335,787**
Transaction with owners:						
Final Cash Dividend for the year ended 30 June, 2026 at the rate of Nil per share	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at September, 30 2026 (Un-audited)	**593,011,500**	**173,566,620**	**823,040,000**	**834,378,223**	**1,830,984,843**	**2,423,996,343**

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

MACPAC Films Limited

Condensed Interim Statement of Cashflows (Un-audited)

For the three months ended September, 30 2026

	Three months ended	
	September, 30 2026	September, 30 2025
	---------- (Rupees) ---------	
CASH FLOWS GENERATED FROM OPERATIONS		
Profit / (loss) before income tax and levy	**140,316,254**	(2,184,746)
Adjustments for non-cash and other items:		
Depreciation	**43,503,051**	42,238,456
Amortisation	**1,041,806**	1,041,806
Unrealised exchange loss	**38,010**	131,569
Gain on sale of fixed asset	**(1,046,166)**	(3,562,553)
Provision for gratuity	**19,411,658**	15,392,556
Finance costs	**40,074,285**	31,866,542
	103,022,644	87,108,376
Changes in working capital		
(Increase) / decrease in current assets:		
Inventories	**195,650,305**	(46,629,303)
Stores and Spares	**721,127**	(1,875,447)
Trade receivables - net	**(516,864,132)**	(36,160,139)
Loans and advances	**(41,677,851)**	(2,253,755)
Short term deposits, prepayments and other receivables	**70,830,431**	103,425,136
	(291,340,121)	16,506,492
Increase / (decrease) in current liability:		
Trade and other payables	**5,349,629**	(130,128,580)
Contract liabilities	**75,756,070**	-
Cashflows generated from / (used in) operations	**33,104,476**	(28,698,458)
Taxes paid	**(33,606,191)**	(14,641,046)
Gratuity paid	**(5,547,255)**	(5,169,281)
Finance costs paid	**(33,507,889)**	(28,592,828)
	(72,661,335)	(48,403,155)
Net cash used in operating activities	**(39,556,859)**	(77,101,613)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditures	**(77,330,524)**	(66,988,220)
Proceeds from disposal of fixed assets	**20,200,000**	7,243,335
Net cash used in investing activities	**(57,130,524)**	(59,744,885)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of diminishing musharika - net	**(20,501,140)**	(1,047,578)
Payment against of lease liabilities - net	**(4,922,814)**	(2,312,932)
Repayment / Proceeds from borrowings - net	**72,804,201**	132,642,466
Net cash generated from financing activities	**47,380,247**	129,281,956
Net decrease in cash and cash equivalents	**(49,307,136)**	(7,564,542)
Cash and cash equivalents at the beginning of the period	**189,120,174**	65,091,237
Cash and cash equivalents at the end of the period	**139,813,038**	57,526,695

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Executive Officer **Director** **Chief Financial Officer**

MACPAC Films Limited

Notes to the Condensed Interim Financial Statements (Un-audited)

For the three months ended September, 30 2026

1 STATUS AND NATURE OF BUSINESS

Macpac Films Limited (the Company) was incorporated on August 19, 1993, in Pakistan as a limited liability company under the repealed Companies Ordinance, 1984 [now Companies act, 2017 (the Act)] and was listed on the Pakistan Stock Exchange Limited on February 24, 2004. The principal activity of the Company is to manufacture, produce, buy and sell plastic packaging films. The registered office of the Company is situated at Plot no. 44-C, P.E.C.H.S, Block 6, Main Razi Road, Karachi.

2 GEOGRAPHICAL LOCATION AND ADDRESS OF BUSINESS UNIT/PLANT

Location and address	Purpose
44-C, P.E.C.H.S, Block 6, Main Razi Road, Karachi	Registered Office & Head Office
Plot # Ez/1/P-10 East Industrial Zone, Karachi	Production Plant
Room # 21, Second floor, Gulberg Centre, Lahore	North Sales Office

3 BASIS OF PREPARATION

3.1 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except as stated otherwise.

The comparative statement of financial position presented in these condensed interim financial statements as at September 30, 2026 has been extracted from the audited financial statements of the Company for the year ended June 30, 2026, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been extracted from the unaudited condensed interim financial statements of the Company for the three months ended September 30, 2025.

These condensed interim financial statements of the Company do not include all of the information required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended June 30, 2026. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

3.2 Statement of compliance

These condensed interim financial statements of the Company for the three months ended September 30, 2026 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where the provisions of, directives and notifications issued under the Companies Act, 2017 differ with the requirements of IAS 34 or IFAS, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

3.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani rupees which is also the Company’s functional currency and all financial information presented has been rounded off to the nearest rupee, except otherwise stated.

3.4 These condensed interim financial statements are unaudited submitted to the shareholders as required vide section 237 of the Companies Act, 2017.

4 MATERIAL ACCOUNTING POLICIES

The material accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the audited financial statements for the year ended June 30, 2026.

4.1 Change in accounting standards, interpretations and amendments to published approved accounting and reporting standards

a) Standards, interpretations of and amendments to the accounting and reporting standards that are effective in the 'current period:

There are certain amendments and interpretations to the approved accounting standards that were effective during the year. However, they did not have material effect on these financial statements and hence are not disclosed in these financial statements.

b) Standards, Interpretations and Amendments to published approved accounting standards that are not yet effective

The following accounting and reporting standards as applicable in Pakistan and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 July 2026:

- Financial Assets with ESG-Linked features:

  Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

  Although the new amendments are more permissive, they apply to all contingent features, not just ESG-linked features. While the amendments may allow certain financial assets with contingent features to meet the SPPI criterion, companies may need to perform additional work to prove this. Judgement will be required in determining whether the new test is met.

  The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g., where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

  The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

  - not related directly to a change in basic lending risks or costs; and
  - are not measured at fair value through profit or loss.

  The amendments apply for reporting periods beginning on or after 1 January 2026. Companies can choose to early-adopt these amendments (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.

- Recognition / Derecognition requirements of Financial Assets / liabilities by Electronic Payments:

  The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognized and derecognized and provide an exception for certain financial liabilities settled using an electronic payment system. Companies generally derecognize their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the company to derecognize its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

  - no practical ability to withdraw, stop or cancel the payment instruction;
  - no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
  - the settlement risk associated with the electronic payment system is insignificant.

  The amendments apply for reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

- Other related amendments:

Contractually linked instruments (CLIs) and non-recourse features:

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

Disclosures on investments in equity instruments:

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

The amendments apply for reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

- **Annual Improvements to IFRS Accounting Standards – Amendments to:**

  - IFRS 7 Financial Instruments: Disclosures and it's accompanying Guidance on implementing IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash flows

  Major amendments are introduced to IFRS 9, which are summarized as follows address:

  • a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables:

  Under IFRS 15, a trade receivable may be recognized at an amount that differs from the transaction price – e.g. when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure trade receivables without a significant financing component at the transaction price. The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15; and

  • how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9:

  When lease liabilities are derecognized under IFRS 9, the difference between the carrying amount and the consideration paid is recognized in profit or loss.

  The amendment on trade receivables may require some companies to change their accounting policy.

  The amendments apply for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

  The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

- **Contracts Referencing Nature-dependent Electricity – (Amendments to IFRS 9 and IFRS 7)** address the challenges faced by Companies in applying IFRS 9 Financial Instruments to contracts referencing nature-dependent electricity – sometimes referred to as renewable power purchase agreements (PPAs). The IASB has also added new disclosure requirements for certain PPAs to IFRS 7 Financial Instruments: Disclosures.

  The amendments include guidance on:

  - The 'own-use' exemption for purchasers of electricity under such PPAs; and

  - Hedge accounting requirements for companies that hedge their purchases or sales of electricity using PPAs.

  The amendments for the own-use exemption:

  - Existing IFRS 9 guidance left ambiguity on whether PPAs could qualify for the own-use exemption (i.e., not

accounted for as derivatives).

- The amendments allow a company to apply the own-use exemption to PPAs if the company has been, and expects to be, a net-purchaser of electricity for the contract period.

- The amendments apply retrospectively using facts and circumstances at the beginning of the reporting period of initial application, without requiring prior periods to be restated.

The amendments for hedge accounting:

- Virtual PPAs and other PPAs that do not meet the own-use exemption are accounted for as derivatives and measured at FVTPL. Hedge accounting under IFRS 9 can help reduce volatility by reflecting how PPAs hedge future electricity purchases or sales, but applying it presents challenges. A key issue arises from a mismatch between the P50 estimate used to measure the PPA and the P90 estimate required for the highly probable hedged transaction, which may prevent hedge accounting qualification. Subject to certain conditions, the amendments permit designation of a variable nominal volume of forecasted renewable electricity sales or purchases as the hedged transaction, rather than a fixed volume based on P90 estimates. This variable volume reflects what is expected to be delivered by the referenced generation facility, supporting an economic offset and enabling hedge accounting. A P50 estimate indicates the volume of energy production expected to be exceeded with 50 percent probability. A P90 estimate indicates the volume of energy production expected to be exceeded with 90 percent probability.
- The amendments apply prospectively to new hedging relationships designated on or after the date of initial application. They also allow companies to discontinue an existing hedging relationship if the same hedging instrument is designated under the new requirements.

The new disclosure requirements:

- a company may apply the own-use exemption to certain PPAs under the amendments and therefore would not recognise these PPAs in its statement of financial position.

- where this is the case, a company is required to disclose further information such as:

- contractual features exposing the company to variability in electricity volume and risk of oversupply;

- estimated future cash flows from unrecognised contractual commitments to buy electricity in appropriate time bands;
- qualitative information about how the company assessed whether a contract might become onerous; and

- qualitative and quantitative information about the costs and proceeds associated with purchases and sales of electricity, based on the information used for the ‘net-purchaser’ assessment.

- in addition, for PPAs designated in a cash flow hedging relationship, companies need to disaggregate the information disclosed about terms and conditions by risk category.

The amendments apply for reporting periods beginning on or after 1 January 2026.

5 USE OF JUDGEMENTS AND ESTIMATES

The preparation of these condensed interim financial statements requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to annual audited financial statements as at and for the year ended June 30, 2026.

			September, 30 2026 (Un-audited)	June, 30 2026 (Audited)
			---------- (Rupees) ----------	
6	**PROPERTY, PLANT AND EQUIPMENT**			
	Operating fixed assets		**2,352,868,743**	2,240,560,792
	Right-of-use assets		**73,245,826**	75,056,478
	Capital work-in-progress (CWIP)		**99,767,284**	195,590,945
			2,525,881,853	2,511,208,215
7	**INVENTORIES**			
	Raw material:			
	- In hand		**273,971,429**	232,011,412
	- In transit		**295,703,481**	781,176,212
	- In bonded warehouse		**291,424,872**	54,812,158
			861,099,782	1,067,999,782
	Packing material		**10,801,200**	14,064,559
	Work in process		**249,830,089**	222,832,506
	Finished goods		**77,151,640**	89,636,169
			337,782,929	326,533,234
			1,198,882,711	1,394,533,016
8	**TRADE RECEIVABLES - NET**			
	Trade receivables - net		**1,969,705,731**	1,452,841,599

8.1 This includes an amount of Rs. 426.34 million (June 30, 2026: Rs.385.43 million) due from related parties.

9	**SHORT TERM INVESTMENT**			
	Investment in Term Deposit Receipt - at amortised cost	*9.1*	**48,524,062**	48,524,062

9.1 This represents Shariah compliant investments in term deposit receipts (TDRs) amounting to Rs. 48.52 million, maturing on March 31, 2027, at a rate of 8.5% to 10.5% (2026: Rs. 48.52 million at a rate of 8.5% to 10.5%). These TDRs are submitted as bank guarantee to SSGC being a security deposit.

			September, 30 2026 (Un-audited)	June, 30 2026 (Audited)
10	**CASH AND BANK BALANCES**			
	Cash and bank	*10.1*	**139,813,038**	189,120,174

10.1 As at 30th September 2026 the Shariah compliant bank deposits/bank balances are Rs. 72 million (June 30, 2026: Rs. 88.8 million)

10.2 Relationship with shariah compliant banks

Bank Name	**Relationship**
Dubai Islamic Bank Pakistan Limited	Agent, partner and account holder
Al Baraka Bank Pakistan Limited	Agent, partner and account holder
Bank AL Habib Limited	Account holder
Meezan Bank Limited	Partner and account holder
Bank Alfalah Limited	Account holder
Faysal Bank Limited	Account holder
Habib Metropolitan Bank Limited	Account holder
The Bank of Punjab	Agent, partner and account holder
Standard Chartered Bank Pakistan Limited	Agent, partner and account holder
First Habib Modarba	Agent, Partner
Soneri Bank Limited	Agent, partner and account holder
United Bank Limited	Agent, partner and account holder

11	**SHORT-TERM BORROWINGS - SECURED**			
	Short-term borrowings - secured	*11.1*	**754,298,392**	681,494,191

11.1 Short term borrowing includes Istisnaʿ financing comprises Rs. 447.5 million from Dubai Islamic Bank (June 30, 2026: Rs. 209 million), Rs. 132 million from United Bank (June 30, 2026: Rs. 272 million) and Rs. 155 million from Al Barakah (June 30, 2026: Rs. 123.5 million).

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

The status of contingencies as reported in the annual financial statements for the year ended June 30, 2026 remained unchanged during the current period.

		Note	---------- (Rupees) ----------	
12.2	**Commitments**			
	Post dated cheques deposited		**102,097,554**	66,731,975
	Outstanding bank guarantees		**70,624,112**	70,624,112
	Outstanding letters of credit	*12.2.1*	**512,721,608**	542,919,100

12.2.1 The aforesaid letter of credit is secured against lien over import documents.

13 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

	September, 30 2026 (Un-audited)	September, 30 2025 (Un-audited)
	---------- (Rupees) ----------	
Gross Sales		
- Local	**2,749,793,571**	1,628,453,656
- Exports	**-**	3,577,208
	2,749,793,571	1,632,030,864
Less: Sales tax	**(432,338,021)**	(259,610,900)
	2,317,455,550	1,372,419,964

13.1 All sales revenue earned by the Company is Shariah compliant.

14 FINANCE COSTS

This includes mark-up on shariah compliant financing arrangements of long term diminishing musharika and short term istisna arrangement of Rs. 8.1 million (2025: Rs. 9.731 million) and Rs. 21.8 million (2025: Rs. 17.553 million) respectively.

15 OTHER INCOME

This includes Profit earned from shariah compliant bank deposits/bank balances amounting to Rs. 1 million (2025: Rs. 0.8 million)

16 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties of the Company comprise of associated companies, major shareholders, directors, key management personnel and customers. All the transactions with related parties are entered into at agreed terms duly approved by Board of Directors of the Company. The transactions with related parties other than those disclosed elsewhere in these condensed interim financial statements are as follows:

Name of the related party	Basis of relationship	Transactions during the period	Three months ended: September, 30 2026	Three months ended: September, 30 2025
			---------- (Un-audited) ----------	
			---------- (Rupees) ----------	
TOYO Packaging (Private) Limited	Common Directorship	Sales	**54,722,305**	70,765,950
		Receipt	**10,663,267**	54,689,995
		Purchases	**367,210**	509,598
		Payments	**53,365**	-
		Shared expenses charged (Net)	**642,235**	-
Hilal Foods (Private) Limited	Common Directorship	Sales	**7,685,771**	15,308,157
		Receipt	**9,205,621**	7,928,214
Shalimar Food Products (Private)	Common Directorship	Sales	**18,315,457**	9,786,308
		Receipt	**21,705,699**	12,310,719
Mac Business Solution (Private) Limited	Common Directorship	Sales	**37,764,635**	34,438,871
		Receipt	**44,811,738**	35,931,888
		Payment	**21,478,630**	15,528,060
		Shared expenses charged (Net)	**15,985,446**	18,087,309
TGA Sustainability (Private) Limited	Common Directorship	Sales	**65,649,602**	35,946,435
		Receipt	**63,500,000**	16,092,622
		Purchases	**648,348**	-
Board of Directors (executive and non-executive)	Directors and Key Management Personnel	Salary and other benefits	**49,138,490**	28,475,531

Name of the related party	Basis of relationship	Nature of outstanding balances	September, 30 2026 (Un-audited)	June, 30 2026 (Audited)
			---------- (Rupees) ----------	
TOYO Packaging (Private) Limited	Common Directorship	Net Receivable	**182,986,262**	139,883,304
Hilal Foods (Private) Limited	Common Directorship	Net Receivable	**7,938,549**	9,458,399
Shalimar Food Products (Private) Limited	Common Directorship	Net Receivable	**5,943,148**	9,333,390
Mac Business Solution (Private) Limited	Common Directorship	Net Receivable	**65,246,256**	66,800,176
TGA Sustainability (Private) Limited	Common Directorship	Net Receivable	**172,486,126**	170,984,872

17 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

The Company's financial risk objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2026.

The carrying values of all financial assets and other financial liabilities reflected in these condensed interim financial statements are estimated to approximate their fair values, as these are either short-term in nature or repriced accordingly.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The Company while assessing fair values uses valuation techniques that are appropriate in the circumstances using relevant observable data as far as possible and minimizing the use of unobservable inputs. Fair values are categorized into following three levels based on the input used in the valuation techniques;

- Level 1 Quoted prices in active markets for identical assets or liabilities that can be assessed at measurement.

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

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

If inputs used to measure the fair values of an asset or a liability fall into different levels 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.

Transfers, if any, between levels of the fair value hierarchy is recognized at the end of the reporting period during which the transfer has occurred. The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of changes in market and trading activity and changes in inputs used in valuation techniques.

As at period end the fair value of all the financial assets and liabilities approximates to their carrying values. The Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for leasehold land, which is stated at revalued amount. The Company does not expect that unobservable inputs may have significant effect on fair values as there are no assets and liablitities which are categorized under level 3 category.

18 CORRESPONDING FIGURES

18.1 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison, the effects of which are not material.

19 GENERAL

19.1 Segment Reporting

These condensed interim financial statements have been prepared on the basis of single reportable segment. Geographically, all the sales were carried out from Pakistan. All non-current assets of the Company as at September, 30 2026 are located in Pakistan.

20 DATE OF AUTHORISATION

These condensed interim financial statements were authorised and approved for issue on Oct 27, 2026 by the Board of Directors of the Company.

Chief Executive Officer	Director	Chief Financial Officer