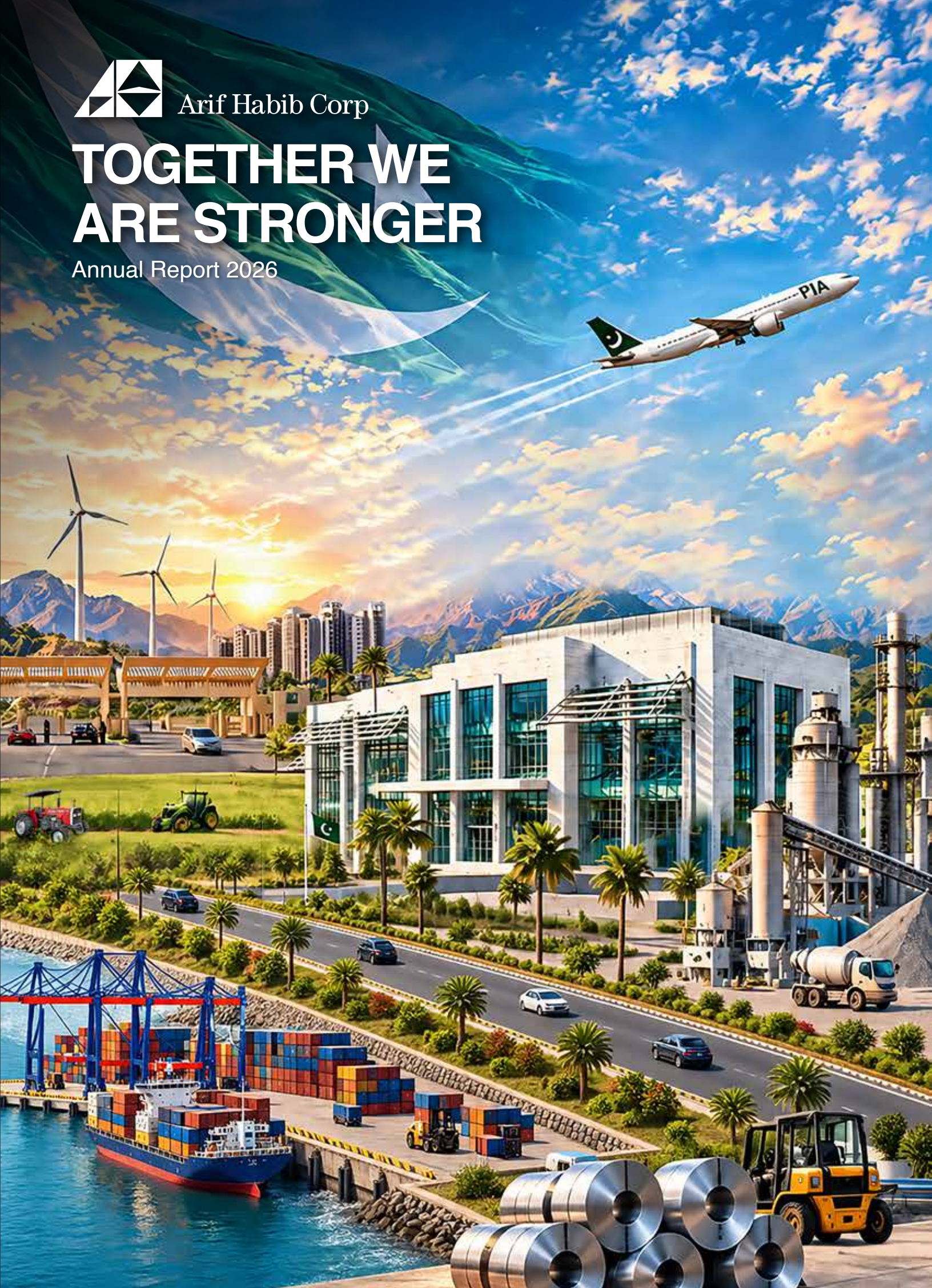




Arif Habib Corp

TOGETHER WE ARE STRONGER

Annual Report 2026



Arif Habib Group

Since its inception, the Arif Habib Group has been at the forefront of innovation, turning bold ideas into tangible realities. We've played a pivotal role in Pakistan's growth story, investing in sectors that drive national development and uplift communities across the country. Our entrepreneurial spirit and passion for positive change have fueled our expansion into diverse industries, including financial services, fertilizers, cement, steel, renewable energy, and real estate development. By leveraging our expertise and forging strategic partnerships, we've consistently delivered value to our stakeholders and contributed significantly to Pakistan's economy.

Quality and excellence are the cornerstones of our business model. We're committed to setting new standards and pushing the boundaries of what's possible. With unwavering faith in Pakistan's potential, we're dedicated to harnessing innovation and transforming challenges into opportunities for growth and prosperity.





Arif Habib Corporation Limited

Arif Habib Corporation Limited (AHCL) is the cornerstone of the Arif Habib Group, a legacy built on the entrepreneurial vision of Mr. Arif Habib. Incorporated as a public limited company in 1994, AHCL has consistently delivered value to its shareholders and stakeholders.

Since its IPO in 2001, AHCL has demonstrated a strong commitment to growth and profitability. The company has distributed PKR 23.11 billion in dividends (including specie dividends) and repurchased 47,375,000 shares at a cumulative premium of PKR 1.47 billion through two buybacks. AHCL's share price has delivered a Compounded Annualized Return of 30% for initial investors.

The Arif Habib brand is synonymous with integrity, excellence, and a relentless focus on stakeholder value. Our commitment to best practices and ethical conduct has earned us the trust and respect of our clients, partners and employees. As we continue to evolve, we remain dedicated to upholding the high standards that have defined our success.

ARIF HABIB GROUP'S JOURNEY

1994

Establishment of Arif Habib Corporation (Previous name Arif Habib Securities)

2001

Establishment of Asset Management Company, Arif Habib Investments

2004

Establishment of Arif Habib Limited by separating brokerage business from Arif Habib Corporation

2004

Acquired Rupali Bank, renamed Arif Habib Rupali Bank and then Arif Habib Bank; finally sold off

Acquisition of Sukh Chayn Gardens and Thatta Cement

2008

Acquired stake in ICPL (Dolmen City)

2009

Establishment of REIT Management Company

Divestment of Arif Habib Bank (now Bank Makramah) and Thatta Cement

2011

Acquisition of Sachal Energy (to set up Wind Power)

Merger of Arif Habib Investments and MCB Asset Management

Launch of Naya Nazimabad

2012

Establishment of Arif Habib Commodities

2021

Launch of Silk Islamic Development REIT, Pakistan's first developmental REIT

2022

First Developmental REIT Listed on PSX, Globe Residency REIT (GRR)

2023

Divestment of MCBAH Savings and Investments Limited

2005

Acquisition of
Pakarab Fertilizers

2005

Invested in Fatima
Fertilizer, which was
established as a JV
green field project

2006

Acquisition of
Javedan Cement

Invested in Power
Cement

2007

Became a joint
venture partner in
Aisha Steel Mills
Limited

2015

Launch of Dolmen
City REIT, South
Asia's first listed
REIT

Acquisition of
Fatimafert Ltd
(formerly DH
Fertilizers)

2017

Incorporation of Black Gold
Power Limited for 660MW
Coal Power Project

Achievement of Financial
Close for expansion of Aisha
Steel and Power Cement (USD
300m)

2019

Achieved COD of
Aisha Steel's
expansion

2020

Achieved COD of
Power Cement's
expansion

2024

Amalgamation of AHL's
investment portfolio into
AHCL

2025

Sub-division
of AHCL Shares

The AHCL-led
consortium was
declared the
successful bidder for
the privatisation of
PIA

12

Company Information

28

Directors' Report

43

Group Companies

61

Financial Highlights

Contents

Forward Looking Statements

Statements in this report that are not historical facts are futuristic plans based on the current beliefs, estimates and expectations of management and includes risks and uncertainties coupled with variations in economic or market conditions, amendments in laws, regulations and policies.

08	Values	94	Unconsolidated Financial Statements
12	Company Information	95	Audit Report on Unconsolidated Financial Statements
13	Review Report by the Chairman on the overall Performance of the Board	99	Unconsolidated Statement of Financial Position
15	Profiles of Directors and Key Management	101	Unconsolidated Statement of Profit or Loss
28	Directors' Report	102	Unconsolidated Statement of Comprehensive Income
36	Attendance of Directors in Meetings	103	Unconsolidated Statement of Changes in Equity
39	Statement Showing Transactions in Shares by Executives	104	Unconsolidated Statement of Cash Flows
40	Pattern of Shareholding	105	Notes to the Unconsolidated Financial Statements
43	Group Companies	164	Consolidated Financial Statements
61	Financial Highlights	165	Audit Report on Consolidated Financial Statements
63	AHCL 2026 at a Glance	169	Consolidated Statement of Financial Position
64	Key Figures & Highlights	171	Consolidated Statement of Profit or Loss
65	Financial & Business Highlights – Six Years at a Glance	172	Consolidated Statement of Comprehensive Income
67	Horizontal Analysis of Financial Statements	173	Consolidated Statement of Changes in Equity
69	Vertical Analysis of Financial Statement	174	Consolidated Statement of Cash Flows
71	Summary of Cash Flow Statements	175	Notes to the Consolidated Financial Statements
72	Share Price / Volume Analysis	264	Corporate Calendar of Major Events
73	Sustainability Report	265	Shareholders' Information
81	AHG's Commitment to ESG	267	Notice of Thirty Second Annual General Meeting
83	Governance & Management	272	Statement Under Section 134(3) of The Companies Act, 2017
85	Criteria to Evaluate Board's Performance	298	Directors' Report (Urdu)
87	Report of the Audit Committee on Adherence to the Best Practices of Code of Corporate Governance		Form of Proxy (English)
89	Independent Auditor's Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019		Form of Proxy (Urdu)
90	Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019		Ballot Paper



OUR VISION

To be Pakistan's leading Investment Company, which delivers both competitive financial returns, together with having a positive impact on the country's economy and its people through responsible investing.



Our mission is to excel in conceiving, developing and executing innovative projects across business sectors, with the aim of maximizing returns for stakeholders, while playing a significant role in developing Pakistan's economy and its integration into the world markets.

OUR MISSION



CORPORATE STRATEGY

Our Corporate Strategy aims at creating value for all stakeholders by maintaining and improving our competitive position in the market. This is achieved by continuously evaluating and acting in the best interests of our stakeholders in response to the changing market conditions, both domestically and internationally.

Towards this end, we optimize our financial and human capital while seeking partnerships with other business houses having strong management teams to create and expand viable business enterprises.

OBJECTIVES

- Maintain Industry Leadership
- Create new businesses to augment profitability for sustained economic growth
- Maintain operational efficiency and to achieve synergies within our resources



Values

AHCL is values-driven, and this principle continues to direct the business and the growth of the Arif Habib Group companies. The core values which reinforce the way we do business are:



Integrity

We conduct our business fairly, with honesty and with transparency. Everything we do stands the test of public scrutiny.



Excellence

We constantly strive to achieve the highest possible standards in our day-to-day work and in the quality of the goods and services we provide.



Unity

We work cohesively with our colleagues across the group and with our customers and partners around the world, building strong relationships based on tolerance, understanding and mutual cooperation.



Responsibility

We continue to be responsible, as well as sensitive to the geographies, communities and the environment in which we work, always ensuring that what comes from the people goes back to the people many times over.





Company Information

Board of Directors

Asadullah Khawaja
Chairman

Arif Habib
Chief Executive Officer

Khawaja Najam ud din Roomi
Independent Director

Zeba Bakhtiar
Independent Director

Nasim Beg
Non-Executive Director

Abdus Samad Habib
Non-Executive Director

Muhammad Ejaz
Non-Executive Director

Kashif Habib
Non-Executive Director

Audit Committee

Khawaja Najam ud din Roomi
Chairman

Kashif Habib
Member

Muhammad Ejaz
Member

Management

Arif Habib
Chief Executive Officer

Aamir Hafeez
Chief Financial Officer

Manzoor Raza
Company Secretary

Saher Mangi
Chief of Staff

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Bank Makramah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
National Bank Of Pakistan
Sindh Bank Limited
Soneri Bank Limited
Standard Chartered Bank
(Pakistan) Limited
The Bank Of Khyber
The Bank Of Punjab
United Bank Limited

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisors

Bawaney & Partners
Akhund Forbes

Registered & Corporate Office

Arif Habib Centre, 23,
M.T.Khan Road,
Karachi-74000
Phone: (021) 32460717-9
Fax: (021) 32429653
Email: info@arifhabibcorp.com
Company website:
www.arifhabibcorp.com
Group website:
www.arifhabib.com.pk

Registrar & Share Transfer Agent

CDC Share Registrar
Services Limited
CDC House, 99-B, Block-B,
S.M.C.H.S, Main
Shahrah-e-Faisal, Karachi
Phone: (021) 111-111-500
Fax: (021) 34326053
URL: www.cdcrsl.com
Email: info@cdcrsl.com

Review Report by the Chairman on the overall Performance of the Board

During the year under review, the Board of Directors (the Board) of AHCL has performed their duties diligently in upholding the best interest of the shareholders of the Company and has managed the affairs of the Company in an effective and efficient manner.

The Board has exercised its powers and has performed its duties as stated in the Companies Act, 2017, the Code of Corporate Governance ("the Code") and the Rule Book of the Pakistan Stock Exchange (the Rule Book) where the Company is listed.

The Board during the year ended 30th June 2026 played an effective role in managing the affairs of the Company and achieving its objectives in the following manner;

- The Board has ensured that there is adequate representation of non-executive and independent directors on the Board and its committees as required under the Code and that members of the Board and its respective committees has adequate skill, experience and knowledge to manage the affairs of the Company;
- The Board has formed an Audit and Human Resource and Remuneration Committee having approved respective terms of references, and has assigned adequate resources so that the committees perform their responsibilities diligently;
- The Board has developed and put in place the rigorous mechanism for an annual evaluation of its own performance and that of its committees and individual directors. The findings of the annual evaluation are assessed and re-evaluated by the Board periodically;
- The Board has ensured that the directors are provided with orientation courses to enable them to perform their duties in an effective manner;
- The Board has ensured that the meetings of the Board and that of its committees were held with the requisite quorum, all the decision making were taken through Board resolution and that the minutes of all the meetings (including committees) are appropriately recorded and maintained;
- The Board has developed a code of conduct setting forth the professional standards and corporate values adhered through the Company and has developed significant policies for smooth functioning;
- The Board has actively participated in strategic planning process, enterprise risk management system, policy development, and financial structure, monitoring and approval;
- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process and particularly all the related party transactions executed by the Company were approved by the Board on the recommendation of the Audit Committee;

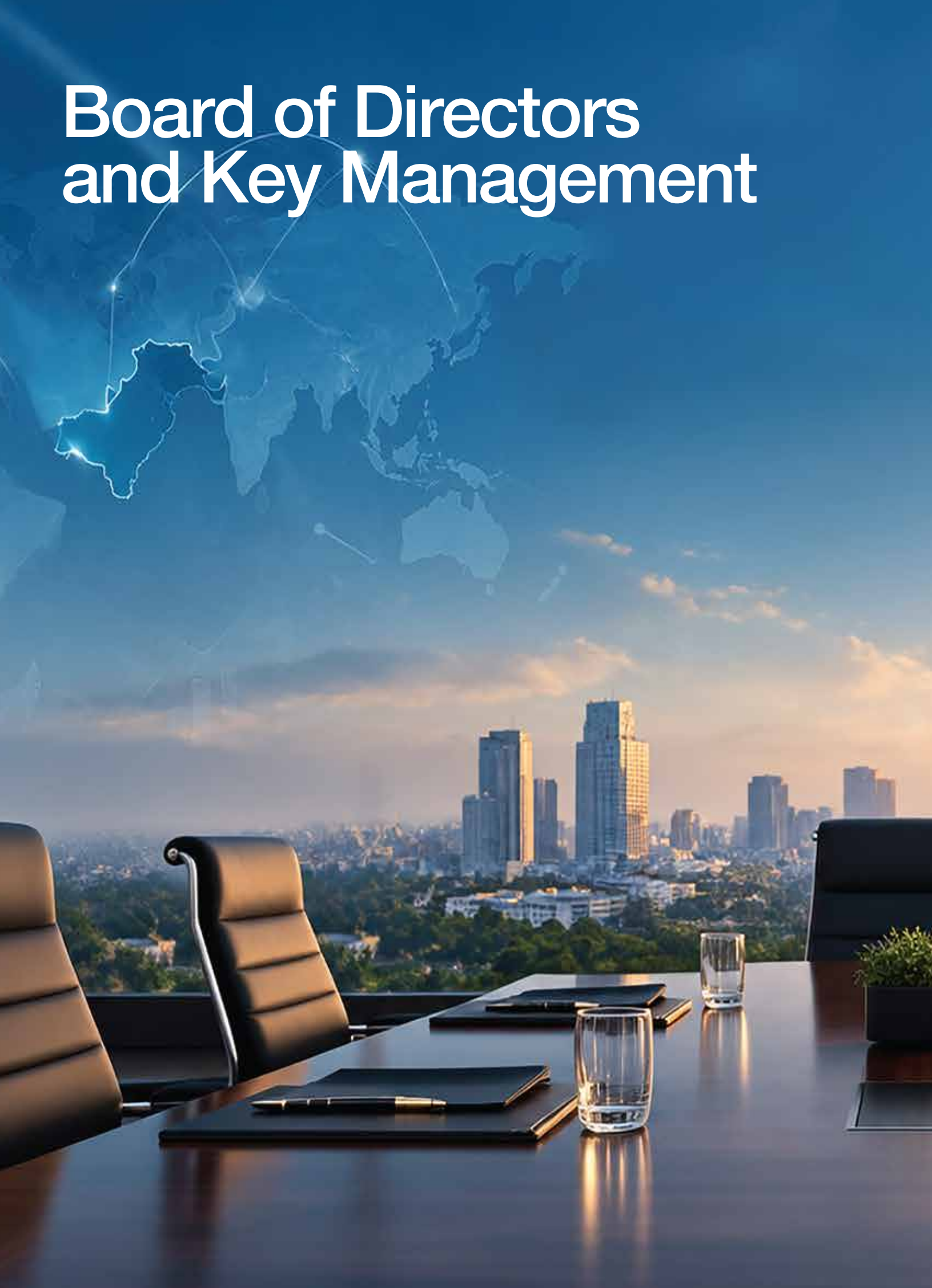
- The Board has ensured that the adequate system of internal control is in place and its regular assessment through self-assessment mechanism and /or internal audit activities;
- The Board has prepared and approved the director's report and has ensured that the directors report is published with the quarterly and annual financial statement of the Company and the content of the directors report are in accordance with the requirement of applicable laws and regulation;
- The Board has ensured the hiring, evaluation and compensation of the Chief Executive and other key executives including Chief Financial Officer, Company Secretary, and Head of Internal Audit;
- The Board has ensured that adequate information is shared among its members in a timely manner and the Board members are kept abreast of developments between meetings; and
- The Board has exercised its powers in light of the power assigned to the Board in accordance with the relevant laws and regulation applicable on the Company and the Board has always prioritized the Compliance with all the applicable laws and regulation in terms of their conduct as directors and exercising their powers and decision making.

The evaluation of the Board's performance is assessed based on those key areas where the Board requires clarity in order to provide high level oversight, including the strategic process; key business drivers and performing milestones, the global economic environment and competitive context in which the Company operates; the risk faced by the Company's business; Board dynamics; capability and information flows. Based on the aforementioned, it can reasonably be stated that the Board of AHCL has played a key role in ensuring that the Company objectives' are achieved through a joint effort with the management team and guidance and oversight by the Board and its members.

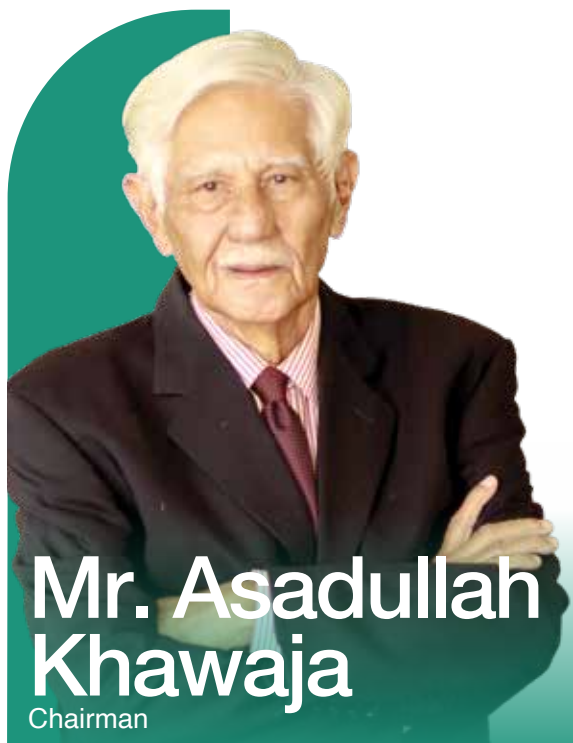


Asadullah Khawaja
Chairman
Karachi

Board of Directors and Key Management







Mr. Asadullah Khawaja is the Chairman of Arif Habib Corporation Limited. He started his professional career with United Bank Limited and soon switched to investment banking with Investment Corporation of Pakistan (ICP) where he served in various executive positions before taking charge as the Managing Director.

Mr. Khawaja also held the additional charge as Chief Executive of Bankers Equity Limited (BEL) and National Investment Trust Limited (NITL). His foreign assignments include five years at Pakistan Embassy in London as Investment Counsellor.

During his professional career he has served as Chairman Packages Limited, Chairman Pakistan Industrial Credit and Investment Corporation (PICIC) and also the Executive Director of Pakistan Credit Rating Agency. Mr. Khawaja has also served on the Board of Directors of prestigious institutions of domestic and international standings and the list of companies can be termed impressive. He has also served as the Chairman of the Board of PICIC Asset Management Company.

Mr. Khawaja completed his Bachelor of Arts in 1964 from Forman Christian College, Lahore.

Subsequently, he completed several local and foreign courses on banking, securities, industries management, investment analysis and portfolio management. Moreover, he has participated in various international seminars and workshops on investment-oriented issues.



Mr. Arif Habib

Chief Executive

Mr. Arif Habib is the Chief Executive of Arif Habib Corporation Limited, the holding company of Arif Habib Group. He is also the Chairman of the Group Companies namely Fatima Fertilizer Company Limited, Power Cement Limited, Aisha Steel Mills Limited, Javedan Corporation Limited (the owner of Naya Nazimabad), Sachal Energy Development (Pvt) Limited and Arif Habib Dolmen REIT Management Limited.

Mr. Arif Habib remained the elected President / Chairman of Pakistan Stock Exchange for six times in the past and was a Founding Member and Chairman of the Central Depository Company of Pakistan Limited. He has served as a Member of the Privatization Commission, Board of Investment, Tariff Reforms Commission and Securities & Exchange Ordinance Review Committee.

He has been a member of the Prime Minister's Economic Advisory Council (EAC) and the Think-Tank constituted by the Prime Minister on COVID-19 related economic issues. He has also remained a member of the Prime Minister's Task Force on attracting Foreign Direct Investment (FDI) and a member of Advisory Committee of Planning Commission.

Mr. Habib participates significantly in welfare activities. He remains one of the directors of Pakistan Centre for Philanthropy (PCP), Habib University Foundation, Karachi Education Initiative (KSBL), Arif Habib Foundation and Naya Nazimabad Foundation as well as trustee of Memon Health & Education Foundation (MMI).

Corporate Responsibilities

As Chairman

Aisha Steel Mills Limited
Arif Habib Development and Engineering Consultants (Pvt.) Limited
Arif Habib Dolmen REIT Management Limited
Arif Habib Foundation
Black Gold Power Limited
Essa Textile and Commodities (Pvt.) Limited
Fatima Fertilizer Company Limited
Fatimafert Limited
Javedan Corporation Limited
Naya Nazimabad Foundation
Power Cement Limited
Sachal Energy Development (Pvt.) Limited
Sapphire Bay Development Company Limited

As Director

Arif Habib Consultancy (Pvt.) Limited
Arif Habib Equity (Pvt.) Limited
Fatima Cement Limited
Habib Shipping Company Limited
International Builders and Developers (Pvt.) Limited
Naya Nazimabad IT Park Limited
NCEL Building Management Limited
Pakarab Energy Limited
Pakarab Fertilizers Limited
Pakistan Engineering Company Limited
Pakistan International Airlines Corporation Limited
Pakistan Opportunities Limited
PIA Equity Limited
The Pakistan Business Council

As Honorary Trustee/Director

Fatimid Foundation
Habib University Foundation
Karachi Education Initiative
Memon Education Board
Memon Education Monetary Fund
Memon Health and Education Foundation
Pakistan Centre for Philanthropy



Mr. Nasim Beg is the Chief Executive Officer of Arif Habib Consultancy (Pvt) Limited. He qualified as a Chartered Accountant in 1970 and over the decades has had experience in manufacturing, as well as in financial services, both within and outside the country.

He joined the Group in the year 2000 to conceive and set up an Asset Management Company, namely Arif Habib Investments, which became the market leader and was converted into a joint venture with MCB in 2011 to benefit from the bank's branch network. The Group's shareholding in this company was sold to MCB in 2023. He has also been associated at top-level positions with other asset management and investment advisory companies.

Mr. Beg has also held senior level responsibilities in the automobile industry. During his tenure as the Chief Executive of Allied Precision (a subsidiary of the Allied Engineering Group), he set up a green field project for the manufacture of sophisticated indigenous components for the automotive industry under transfer of technology licenses with Japanese and European manufacturers. His initiation into the financial services business was with the Abu Dhabi Investment Company, UAE, where he was a part of the team that set up the company in 1977. He was the founding Chairman of the Institute of Financial Markets of Pakistan, which was sponsored by the Securities & Exchange Commission of Pakistan (SECP). He has served on several committees set up by the SECP for developing the Capital Markets, including the one that authored the Voluntary Pension System. He has also held the Chairmanship of the Mutual Funds Association of Pakistan. In addition, he has also been a member of the Prime Minister's Economic Advisory Council (EAC).

Corporate Responsibilities

Arif Habib Consultancy (Pvt) Limited (Chief Executive)

As Director

Aisha Steel Mills Limited
Power Cement Limited



Ms. Zeba Bakhtiar

Independent Director

Ms. Zeba Bakhtiar is a renowned name all over Pakistan. She belongs to the province of Baluchistan, and is the daughter of Mr. Yahya Bakhtiar, a prominent barrister and political figure in the history of Pakistan who had played a key role in framing of the 1973 Constitution of Pakistan as the attorney general, when he served in Prime Minister's cabinet.

Ms. Zeba Bakhtiar studied at St. Josephs Convent Quetta, Karachi Grammar School, Kinnaird College Lahore and Baluchistan University. She began her acting career in 1988 from PTV. In 1999, she established a film production company Nirvana films and in 2004 Sagar Entertainment for television production. In 2012 she was selected in the Eisenhower Fellowship South Asia program to study possibilities of using media for social change and development. In 2017, she made a career shift to her paternal family's business of real estate development in Quetta and began her first real estate development project "Bakhtiar Mall" in the heart of Quetta city.

She is honorary President for Diya women's football club (Pioneers of women's football in Pakistan) and supports women's empowerment and career development at every opportunity. She served as President of Quetta Women's Chamber of Commerce 2020-21.

In 2021 Zeba partnered with "BETI" a social impact organization to increase outreach and service to women in the areas of empowerment and inclusion.



Khawaja Najam Ud Din Roomi currently serves as the CEO of Masood Roomi. Mr. Roomi is a distinguished alumnus of several prestigious institutions. He earned his MBA from the renowned Saïd Business School at the University of Oxford and a Bachelor of Arts degree in Economics with a minor in Global Studies from the University of California.

Since assuming the role of CEO at Masood Roomi, he has demonstrated exceptional acumen in managing the day-to-day operations, finances, marketing, and strategy of Roomi Fabrics Ltd, Masood Fabrics Ltd, Roomi Holdings, and Masood Holdings, within one of Pakistan's largest diversified textile groups.

In addition to his extensive experience in managing large-scale operations, Mr. Roomi has pioneered efforts in establishing a groundbreaking joint venture with Metro AG of Germany, navigating international business landscapes, and positioning the company for sustained growth and innovation. Furthermore, he has been pivotal in strategic investment decisions, demonstrating a keen eye for opportunities in both public and private markets across Pakistan, as well as in the rapidly expanding real estate

sector of the country. He is also responsible for the establishment of 17 MW solar power projects to partly fulfill Masood-Roomi's energy demands through renewable energy, making Masood-Roomi one of the largest producers of renewable energy for private use.

Mr. Roomi is a founding member of the Jalaluddin Roomi Foundation, a charitable organization committed to uplifting marginalized communities. His initiatives have ensured access to safe drinking water and education for those in need. Beyond his professional and philanthropic endeavors, Khawaja's diverse interests in philosophy and current affairs highlight his well-rounded perspective. His proficiency in multiple languages and IT skills further enhance his contributions.



Muhammad Ejaz is the founding Chief Executive of Arif Habib Dolmen REIT Management Limited, Pakistan's pioneering REIT Management company. He has been associated with Arif Habib Group since 2008 and sits on the board of several group companies. He has spearheaded several group projects when these were at a critical stage during their execution.

Prior to joining Arif Habib Group, Ejaz has served at senior positions with both local and international banks. He was the Treasurer of Emirates NBD bank in Pakistan and served Faysal Bank Pakistan as Regional Head of Corporate Banking group. He also served Saudi-Pak Bank as Head of Corporate and Investment Banking. He also had short stints at Engro Chemical and American Express bank.

Ejaz did his graduation in Computer Science from FAST, ICS and did MBA (Banking and Finance) from IBA, Karachi where he has also served as a visiting faculty member. He has also conducted programs at NIBAF-SBP and IBP. He is a Certified Director and also a Certified Financial Risk Manager.

He actively participates in the group's CSR initiatives especially those which render services in the fields of health and education with emphasis on female literacy.

Corporate Responsibilities

Arif Habib Dolmen REIT Management Limited (Chief Executive)

As Director

Javedan Corporation Limited
Arif Habib Development and Engineering Consultants (Pvt) Limited
Sachal Energy Development (Pvt) Limited
Sapphire Bay Development Company Limited



Mr. Abdus Samad Habib
Non-Executive Director

Starting his career at Arif Habib Corporation Limited, Mr. Abdus Samad Habib developed his experience in sales, marketing and corporate activities working his way up through various executive positions. In 2004, Mr. Abdus Samad Habib joined Arif Habib Limited leading the company as its Chairman and Chief Executive.

He played a key role in shaping the strategic direction of the company where he specialized in capital market operations and corporate finance. Several noteworthy Initial Public Offerings (IPOs) and successful private placements took place under his stewardship, showcasing his exceptional financial acumen and deep market insight.

Mr. Abdus Samad Habib transitioned to Javedan Corporation Limited, in 2011, as the driving force behind the transformation of a dilapidated cement plant to a vibrant living community, Naya Nazimabad. Mr. Abdus Samad Habib has been pivotal to advancing positive societal change, providing the city's middle class an elevated standard of living. His dedication, passion for social betterment and optimism are set to further transform the area with the largest commercial precinct development in the city presently under planning.

In 2019, Mr. Abdus Samad Habib took on the role of CEO at Safemix Concrete. Guided by his strategic acumen, Safemix Concrete has undergone a remarkable transformation from a lossmaking entity to a profitable enterprise.

Corporate Responsibilities

As Chief Executive

Javedan Corporation Limited
Safemix Concrete Limited

As Chairman

NN Maintenance Company (Pvt.) Limited

As Trustee

Memon Health and Education Foundation

As Director

Aisha Steel Mills Limited
Arif Habib Corporation Limited
Arif Habib Development and Engineering Consultants (Pvt.) Limited
Arif Habib Dolmen REIT Management Limited
Arif Habib Equity (Pvt.) Limited
Arif Habib Foundation
Black Gold Power Limited
Essa Textile and Commodities (Pvt.) Limited
Habib Shipping Company Limited
Naya Nazimabad Foundation
Naya Nazimabad IT Park Limited
Nooriabad Spinning Mills (Pvt.) Limited
Pakarab Fertilizers Limited
Pakistan Opportunities Limited
Parkview Corporation (Pvt.) Limited
Power Cement Limited
Rotocast Engineering Company (Pvt.) Limited
Sachal Energy Development (Pvt.) Limited
Sapphire Bay Development Company Limited
Sukh Chayn Gardens (Pvt.) Limited



Mr. Kashif Habib

Non-Executive Director

Mr. Kashif Habib is the Chief Executive of Power Cement Limited. As a member of the Institute of Chartered Accountants of Pakistan (ICAP) he completed his articleship from A.F. Ferguson & Co. (a member firm of Price Waterhouse Coopers) gaining invaluable insight across sectors, catering to clients across the Financial, Manufacturing, and Services Industries.

He began his career at Arif Habib Corporation Limited, gaining valuable experience, and has since served for over a decade as an Executive Director in the Group's cement and fertilizer companies.

This exposure not only enriched his understanding of diverse corporate dynamics but also enabled him to refine his strategic decision-making capabilities.

Kashif is deeply committed to enhancing the country's energy landscape. He remains engaged with experts to establish renewable energy as a viable and readily available solution, benefiting not only industries but also the public at large. His focus also extends to advancing sustainability across industrial operations, with particular emphasis on green energy and alternative fuels to reduce environmental impact, support responsible long-term growth and contribute to a more sustainable future.

Corporate Responsibilities

As Chief Executive

Power Cement Limited

As Chairman

All Pakistan Cement Manufacturers Association - South

As Director

Aisha Steel Mills Limited
All Pakistan Cement Manufacturers Association
Arif Habib Corporation Limited
Arif Habib Development and Engineering Consultants (Pvt.) Limited
Arif Habib Equity (Pvt.) Limited
Arif Habib Foundation
BioMasdar Pakistan Limited
Black Gold Power Limited
Essa Textile and Commodities (Pvt.) Limited
Fatima Capital Limited
Fatima Cement Limited
Fatima Fertilizer Company Limited
Fatima Mining Limited
Fatima Packaging Limited
Fatima Petroleum Company Limited

Fatimafert Limited
Habib Shipping Company Limited
Javedan Corporation Limited
Naya Nazimabad IT Park Limited
Nooriabad Spinning Mills (Pvt.) Limited
Pakarab Fertilizers Limited
Pakistan Opportunities Limited
Prime Agtech Solutions (Private) Limited
Rotocast Engineering Company (Pvt.) Limited
Sachal Energy Development (Pvt.) Limited
Safemix Concrete Limited
Siddiqsons Energy Limited



Mr. Aamir Hafeez
Chief Financial Officer

Mr. Aamir Hafeez is a Chartered Accountant (ACA) from the Institute of Chartered Accountants of Pakistan (ICAP) with extensive experience in finance, accounting, taxation, auditing, and regulatory compliance.

He began his professional career with A.F. Ferguson & Co. (a member firm of PwC), where he gained valuable exposure in assurance, business advisory, and taxation across multiple industries.

Before joining Arif Habib Corporation Limited as Chief Financial Officer in July 2025, Mr. Aamir Hafeez held senior finance leadership roles at Arif Habib Dolmen REIT Management Limited and Pace (Pakistan) Limited. At Arif Habib Dolmen REIT Management Limited, Pakistan's pioneering REIT Management Company, he was responsible for managing the finance and compliance

functions of multiple REIT schemes. His role included financial reporting, budgeting, treasury management, stakeholder engagement, and regulatory compliance, along with contributing to the launch of new REIT schemes and arranging financing.

Mr. Aamir Hafeez brings strong expertise in financial planning, corporate governance, and investment management, enabling him to contribute significantly towards the growth and value creation objectives of Arif Habib Corporation Limited.



Mr. Manzoor Raza has served as the Company Secretary of Arif Habib Corporation Limited since 2015. With nearly two decades of extensive experience in corporate law, compliance and secretarial functions, he plays a vital role in ensuring that the organization adheres to the highest standards of governance.

His responsibilities span corporate affairs, regulatory compliance, and the oversight of legal and secretarial matters for listed, public unlisted, and private entities within the group.

Mr. Raza is a member of the Institute of Chartered Secretaries and Managers and has been associated with the Arif Habib Group since 2003. Before assuming his current role, he was a Senior Manager of Corporate Compliance & Taxation at Arif Habib Corporation and worked at Arif Habib Investments Limited, where he rose to the position of Assistant Vice President in Finance. His well-rounded background also includes significant experience in finance, treasury, and taxation.

In addition to his role at Arif Habib Corporation, Mr. Raza also serves as Company Secretary for Aisha Steel Mills Limited and previously held the same position at Arif Habib Dolmen REIT Management Limited. He has previously served as a director of Arif Habib Limited.

He has been instrumental in driving various complex corporate initiatives, including mergers, demergers, capital reductions, and share buy-back processes. His leadership has been pivotal in shaping the legal and governance frameworks within the group, and he has made significant contributions to the development of policies and manuals in accordance with corporate laws.

With an impressive track record of managing regulatory relationships, conducting board meetings, and ensuring compliance with statutory requirements, Mr. Raza's expertise ensures that Arif Habib Corporation Limited continues to operate with transparency and efficiency. His commitment to good governance and collaboration with the board and executive management has fostered a culture of accountability and strong stakeholder engagement within the organization.



Ms. Saher Mangi
Chief of Staff

With over 15 years of extensive experience in the multi-sectoral conglomerate industry, Saher is a dynamic and results-driven professional. Demonstrating exceptional leadership skills and a collaborative approach, she currently serves as the Chief of Staff and oversees Corporate Communication.

As a strategic advisor to C-suite executives, Saher plays a pivotal role in guiding high-level decision-making processes, leveraging deep industry insights to offer strategic counsel on business development, market positioning, and organizational growth.

Her expertise extends to cultivating robust PR and Media Relations strategies, fostering positive relationships with stakeholders, and enhancing the conglomerate's visibility in the market. Saher excels in crisis communications and proactive efforts to maintain a positive public image.

Moreover, she is actively involved in leading marketing activities, developing comprehensive strategies, and overseeing creative executions. In addition to marketing and communication responsibilities, Saher leads partner affiliations.

Corporate Responsibilities

As Director

Pakistan Engineering Company Limited

Directors' Report

Dear Fellow Shareholders,

The Board of Directors is pleased to present the Annual Report of Arif Habib Corporation Limited (AHCL) along with the audited financial statements and the auditors' report for the financial year ended 30th June 2026.



PRINCIPAL ACTIVITIES

Arif Habib Corporation Limited (AHCL) is the holding company of the Arif Habib Group, with investments in a diversified portfolio spanning fertilizers, financial services, energy, cement, steel, real estate, listed securities, and aviation.

THE ECONOMY

Pakistan's economic performance during FY26 remained broadly encouraging, supported by steady external inflows, currency stability and strengthening industrial activity. Real GDP grew by 3.7%, extending the recovery witnessed in FY25, while remittances increased by 9% to USD 41.6 billion, continuing to support the external account. The rupee closed on June 30, 2026, at PKR 278.16 per USD, strengthening compared to the same period last year when it stood at PKR 283.76.

Inflation averaged 7.1% during the year, compared to 4.5% in FY25, reflecting geopolitical developments and higher oil prices that intensified pressures towards year-end. In response, the State Bank maintained a calibrated policy stance, reducing the policy rate in December 2025 before raising it in April 2026, closing the year at 11.5%. Pakistan's engagement with the IMF also remained on track, with the completion of the third review under the Extended Fund Facility and the second review under the Resilience and Sustainability Facility, unlocking disbursements of approximately USD 1.1 billion and USD 220 million, respectively. Reflecting the broader improvement in macroeconomic stability, Fitch Ratings affirmed Pakistan's Long-Term Foreign-Currency Issuer Default Rating at 'B-' with a Stable Outlook.

FINANCIAL RESULTS

For the financial year 2025-26, AHCL reported a consolidated profit-after-tax attributable to equity holders of the Parent Company of PKR 15,528.61 million, compared to PKR 10,389.30 million in the previous year. This translates into earnings per share of PKR 3.68, compared with PKR 2.46 per share last year, reflecting the significantly improved performance of our investee companies. On an unconsolidated basis, AHCL posted a profit-after-tax of PKR 44,480.63 million, equating to earnings of PKR 10.55 per share against a face value of Re. 1 per share representing 10.55 times of the face value, a notable improvement compared to the profit-after-tax of PKR 23,672.43 million (restated) equating to earnings of PKR 5.61 per share (restated) recorded last year. The enhanced profitability is primarily driven by dividends and realized and unrealized gains on investments. The Company's equity has surpassed PKR 100 billion.

The Board has recommended declaration of a final Cash Dividend for the year ended 30th June 2026 at 125% of the face value of Re.1/- per share i.e. Rs.1.25. This entitlement shall be available to those shareholders whose names appear on the shareholders' register at the close of business on 20th October 2026.

PRIVATISATION OF PAKISTAN INTERNATIONAL AIRLINES

The Company, as part of a consortium led by Arif Habib Corporation Limited (AHCL), participated in the Government of Pakistan's privatisation process for Pakistan International Airlines Corporation Limited (PIACL) and achieved a significant milestone in the acquisition process during the year under review.

The Consortium was declared the successful bidder for the acquisition of a 75% controlling equity stake in PIACL for a consideration of PKR 135 billion. Pursuant to the successful bid, the Consortium incorporated PIA Equity Limited (PIAEL) as a special purpose vehicle for undertaking the acquisition, and the relevant transaction agreements were executed with the Privatisation Commission and other stakeholders.

Following fulfilment of the agreed conditions precedent under the Share Purchase and Subscription Agreement (SPSA), the First Completion of the transaction was achieved and management control of PIACL was transferred to PIAEL on 29th June 2026.

In accordance with the terms of the transaction documents, the Consortium exercised its option, within the stipulated timeline, to acquire the remaining 25% equity stake in PIACL held by the Government of Pakistan. PIAEL is progressing towards completion of the remaining steps required for acquisition of the additional stake, which will further consolidate the Consortium's ownership and control of PIACL.

The transaction represents a strategic investment opportunity for the Company and is aligned with its objective of participating in initiatives that have the potential to generate long-term value for shareholders.

The Consortium remains focused on supporting PIACL's transformation through strengthened governance, operational improvements, financial discipline and strategic initiatives aimed at enhancing the airline's performance and competitiveness.

PERFORMANCE OF INVESTEE COMPANIES

A brief review of our investee companies is as follows:

FERTILISER

Fatima Fertilizer Company Limited (FATIMA), maintained strong operational and financial performance during the year. Fertilizer offtake increased by 12% to 2,927 kMT for the twelve months ended June 2026, compared to 2,611 kMT in the corresponding period last year. This supported a 10% increase in sales revenue to PKR 290,887.50 million, from PKR 264,443.19 million in the previous year. Profit after tax rose by 15% to PKR 45,562.44 million, compared to PKR 39,746.35 million last year.

The plants met their production targets, except the Sheikhpura plant, which remained shut for nearly two and a half months due to gas supply disruptions arising from the US-Iran conflict. Management utilised the outage to undertake in-house improvements, modifications and machinery overhauls to enhance operating efficiency.

AHCL received dividends of PKR 1,914 million from FATIMA during the year.

FINANCIAL SERVICES

Supported by continued economic reforms, macroeconomic stability and growing investor participation, FY26 marked another strong year for Pakistan's capital markets, with the KSE-100 Index rising 43.5% to close at a record 180,302 points. Arif Habib Limited (AHL), AHCL's corporate brokerage house, delivered robust results, recording its highest-ever revenue from core operations. Unconsolidated profit after tax increased 20% year-on-year to PKR 1,177.03 million, while operating revenue from brokerage, investment banking and advisory services rose 46% to PKR 2,084.99 million.

Brokerage revenue reached PKR 1,634.65 million and investment banking revenue stood at approximately PKR 450.34 million, supported by the continued expansion of AHL's digital and retail client base, significant block transactions and a growing portfolio

of advisory mandates across IPOs, mergers and acquisitions, and debt capital markets. Earnings per share increased to PKR 18.01, while the Company continued to receive recognition from leading local and international institutions for excellence in brokerage, investment banking and research. The Board proposed a final cash dividend of PKR 12.50 per share i.e, 125% amounting to PKR 816.75.million.

AHCL earned a dividend of PKR 485.59 million from AHL during the year.

WIND POWER

Sachal Energy Development (Private) Limited (SEDPL), AHCL's wind power project, maintained strong operational reliability during FY26, with a plant availability factor exceeding 99%. Despite wind speeds remaining below benchmark levels, the project generated cumulative energy of 122.06 GWh, compared to the benchmark of 136.50 GWh. SEDPL continued to meet its financial obligations and debt-servicing requirements in a timely manner, having successfully repaid eighteen loan instalments, together with the applicable mark-up, since COD. SEDPL posted an after-tax profit of PKR 3,281.25 million compared to PKR 3,526.87 million in the previous year.

AHCL earned a dividend of PKR 1,373.23 million from SEDPL during the year.

REAL ESTATE

Javedan Corporation Limited (JCL) sustained strong momentum at Naya Nazimabad during the year. Upholding the Arif Habib Group's commitment to transparency and documentation, projects continued to progress through REIT structures with construction on schedule. Key milestones included the launch of the Business Enclave, handover of commercial shops in Rahat Residency Phase II, and steady advancement of apartment developments, reinforcing Naya Nazimabad's position as Karachi's leading master-planned community. JCL posted a consolidated profit after tax of PKR 3,910.73 million, translating into earnings per share of PKR 10.27.

AHCL has earned PKR 752.67 million in dividends from its real estate investments.

STEEL

Aisha Steel Mills Limited (ASML) closed FY26 with sales of 257,144 tonnes, including exports of 61,583 tonnes, representing an increase of 73% over the previous year. Production rose by 64% to 266,476 tonnes, while revenue increased by 61% to PKR 54,235.22 million.

Higher sales volumes supported an improvement in gross profit margin to 10.89%, from 4.94% last year. Consequently, ASML recorded a profit before tax of PKR 1,755.66 million, compared to a loss before tax of PKR 1,666.30 million in the previous year, reflecting a significant turnaround in operational and financial performance.

CEMENT AND CONSTRUCTION ALLIED

Power Cement Limited delivered strong growth in FY26, with profit after tax rising to PKR 3,784.47 million from PKR 815 million last year. Net sales increased by 15% to PKR 33,978.97 million, while gross profit rose by 44% to PKR 12,085.96 million, supported by higher dispatches, improved price realisation, operational efficiencies and an optimised fuel and power mix. Finance costs declined by 40% due to lower policy rates, sponsor support and partial repayment of borrowings. During the year, the Company also commenced operations of its 7.5 MW wind power project, further strengthening its energy efficiency and cost-management initiatives. These measures have strengthened margins and positioned Power Cement for sustainable growth. Safe Mix Concrete Limited performed steadily, reporting a reasonable profit for the year.

FUTURE OUTLOOK

Policy support is expected to remain broadly intact in FY27, supporting prospects for stronger economic growth. The SBP projects real GDP growth of 3.5% to 4.5%, while the current account deficit is expected to remain within 0% to 1% of GDP, supported by remittances projected to exceed USD 44 billion. The FY27 budget has introduced some tax relief for the export and construction sectors. While this is a welcome step, further measures will be needed to encourage investment, support growth and strengthen these sectors' contribution to the economy. External debt-servicing requirements are also expected to ease from USD 26.5 billion in FY26 to USD 21.5 billion in FY27. A broadly supportive fiscal stance, together with continued engagement under the IMF programme, should further reinforce this trajectory. However, the outlook remains sensitive to geopolitical developments and global energy prices, with the SBP's projections based on an oil-price assumption of USD 80 per barrel.

The Company's investee businesses enter the year on a steady footing, supported by continued strength in fertilizer and brokerage, stable performance in real estate and power, and improving prospects for cement and steel.

The Group continues to explore strategic opportunities across sectors that complement its existing portfolio and offer long-term growth

potential. With its continued focus on growth and value creation, the Company remains confident in delivering steady and sustainable improvement in performance.

RISK MANAGEMENT

A comprehensive risk management system, devised by the Board, is in place to integrate organizational and procedural controls that identify, assess, and manage risks that could impact the Company's going-concern status. This framework promotes a balanced approach to risk-taking across all levels, ensuring that opportunities and risks are recognized at an early stage, measured effectively, and addressed through suitable instruments and controls.

As an investment-focused company, AHCL has evolved its risk management practices in line with its investment strategy. An annual review of business risks is conducted to ensure robust systems of risk identification, monitoring, and internal control are in place to safeguard the Company's assets, resources, reputation, and shareholder interests. Since inception, the Company has followed a disciplined policy of diversification across sectors and companies, underpinned by fundamental analysis and value investing principles. Risks are managed by applying prudence in security selection, avoiding concentration risk, ensuring adequate collateral and cash flow potential, and evaluating counterparty capacity. The Company has also contributed to strengthening capital market infrastructure through the active role of its representatives.

For strategic investments, risk management processes are tailored to the nature of each project. Decisions are taken after comprehensive analysis of risks and opportunities, with focus areas including strong governance, clear policies and procedures, continuous monitoring, robust management information systems, and effective internal controls. Management undertakes systematic reviews of risk and compliance, covering financial reporting, CSR, integrity, code of conduct, and regulatory requirements. Operational risks are mitigated through detailed pre-investment assessments, active representation on investee boards by experienced professionals, application of budgetary and internal controls, and continuous performance reviews, with divestment pursued where necessary. Oversight is further strengthened through the Board's Investment Committee, which vets and monitors all strategic investments with support from timely management reporting. Detailed qualitative and quantitative disclosures on risk management are presented in Note # 40 to the financial statements.

As an investment holding company, AHCL also promotes responsible business practices across its investee companies. While not directly engaged in manufacturing, we actively encourage our portfolio companies to integrate environmental, social, and governance (ESG) principles into their operations, including climate risk mitigation, community engagement, and sustainable practices. We further advocate for diversity, equity, and inclusion (DE&I), promoting policies that enhance gender equality and foster greater female participation in leadership roles.

CAPITAL MANAGEMENT AND LIQUIDITY

The Company follows a policy of maintaining a strong capital base to ensure investor, creditor, and market confidence, support future business growth, and sustain its ability to continue as a going concern. The objective is to provide returns to shareholders and benefits to other stakeholders while maintaining an optimal capital structure to reduce the cost of capital.

The Board of Directors monitors return on capital, defined as net profit after tax divided by total shareholders’ equity. While the Company undertook certain capital restructuring initiatives in recent years, including the allotment of shares pursuant to a Scheme of Arrangement and a share subdivision, there has been no change in its overall approach to capital management. The Company is not subject to any externally imposed capital requirements.

OUR PEOPLE AND CULTURE

At AHCL, our people remain the foundation of sustained growth and long-term value creation. We take pride in their commitment and competence and continue to invest in their development through training, recognition and transparent performance management. We firmly believe that the strength of our business rests on an adaptable, accountable and continuously evolving workforce.

We are committed to fostering a diverse, equitable and inclusive workplace where every individual has the opportunity to thrive. Our recruitment practices continue to evolve to attract talent from diverse

backgrounds, with particular emphasis on increasing female participation, while career development is assessed against transparent benchmarks. During the year, plans were developed for Diversity, Equity and Inclusion (DEI) workshops to promote inclusive thinking, while existing whistleblowing and grievance mechanisms were reviewed and found to be adequate.

Employee well-being remains central to our people philosophy. Employees across the Group participated in a range of development programmes during the year, while enhanced health insurance, mental wellness initiatives and awareness campaigns further reinforced our people-first approach. Succession planning and leadership development efforts remain focused on identifying high-potential talent and preparing them for future executive responsibilities.

Gender equality and pay transparency remain important priorities. Women currently represent 12.5% of our Board, and we continue to work towards building a strong leadership pipeline for women and establishing a formal pay equity framework. The Company is also taking proactive steps to comply with the SECP’s circular on gender pay gap reporting.

The gender pay gap is a global challenge arising from a range of factors, including occupational segregation, differences in experience and systemic biases. Addressing these disparities is essential to ensuring fair compensation, strengthening inclusion and supporting sustainable growth. By aligning with regulatory requirements and international best practices, AHCL seeks to enhance transparency, advance pay equity and reinforce its broader commitment to diversity and inclusion.

Through these efforts, AHCL continues to strengthen its most valuable asset, its people, and remains determined to become an employer of choice and a benchmark for human capital development in Pakistan.

A snapshot of the Company’s gender pay gap is provided below:

Mean gender pay gap	-6.71%
Median gender pay gap	-38.19%

MATERIALITY APPROACH ADOPTED

The Board of Directors closely monitors all material matters of the Company. In general, matters are considered to be material if, individually or in aggregate, they are expected to significantly affect the performance and profitability of the Company in accordance with the policy.

CORPORATE SOCIAL RESPONSIBILITY (CSR) & ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

Since inception, the Arif Habib Group has believed that business must serve a purpose beyond profit. Responsible and sustainable development has remained central to our philosophy, guiding us to act with care, responsibility, and sensitivity towards the communities and environments we touch.

Our CSR programs extend meaningful support across education, healthcare, environment, community welfare, sports, and relief work—areas where we can create real, lasting impact. We also place the well-being of our employees and stakeholders at the core, ensuring their safety, growth, and prosperity.

Aligned with our values, we have embedded ESG principles across our businesses to ensure that sustainability and governance go hand in hand with growth. Energy efficiency, conservation, and responsible power use are integral to our daily operations, while we actively pursue opportunities in renewable energy and research that reduce resource consumption and climate impact.

Transparency and accountability remain the foundation of our governance practices, as we consistently fulfill our obligations to the national economy and uphold the highest standards of corporate conduct.

Looking forward, we remain committed to strengthening Pakistan's growth story by reinvesting in its people, economy, and environment - anchored in the belief that true progress balances profitability with sustainability. Contributions by Group companies are detailed on Page # 73.

CORPORATE GOVERNANCE

AHCL, a listed company on the Pakistan Stock Exchange, remains committed to the highest standards of corporate governance. The Board and management diligently observe the Code of Corporate Governance prescribed for listed companies, ensuring their responsibilities are discharged with transparency, accountability, and fairness.

The Board affirms that proper books of accounts have been maintained, with appropriate accounting policies consistently applied, except where new or amended standards require otherwise (as disclosed in Note # 2.5 of the audited financial statements). The financial statements have been prepared in line with International Financial Reporting Standards (as applicable in Pakistan), using prudent judgment and reasonable estimates, and present a true and fair view of the Company's financial position, performance, cash flows, and changes in equity. Internal controls, including financial controls, are well-designed, effectively implemented, and regularly monitored. The Company has no outstanding liabilities in respect of taxes, duties, levies, or employee retirement benefits.

AHCL nominates directors to the boards of its strategic investments based on its stake. Where applicable, nominees and representatives actively engage with the management of investee companies on business plans and budgets, with performance measured against agreed targets. Progress is periodically reviewed to ensure alignment with the Group's strategic objectives.

The Board reaffirms its full confidence in the Company's ability to continue as a going concern. No material departure has occurred from the best practices of corporate governance. AHCL has consistently sought to set benchmarks of excellence in governance, many of which were adopted voluntarily even before they became regulatory requirements.

COMPOSITION OF BOARD / COMMITTEES

Out of the total eight Directors, seven Directors are male, whereas one Director is female. The composition of the existing Board of Directors and its Committees is as follows:

Board of Directors	Category	Audit Committee	Human Resource & Remuneration Committee	Investments & Risk Management Committee	Nomination Committee
Khawaja Najam ud din Roomi	Independent	Chairman	-	-	-
Ms. Zeba Bakhtiar		-	Chairperson	-	-
Mr. Asadullah Khawaja (Chairman)	Non-Executive	-	-	-	-
Mr. Nasim Beg		-	Member	Member	-
Mr. Abdus Samad Habib		-	-	Member	Member
Mr. Kashif Habib		Member	Member	Member	-
Mr. Muhammad Ejaz		Member	-	-	-
Mr. Arif Habib (Chief Executive)	Executive	-	Member	Chairman	Chairman

The Board has assigned the functions of the Sustainability Committee to the existing Human Resource & Remuneration Committee.

CHANGES IN BOARD COMPOSITION AND ELECTION OF DIRECTORS

In accordance with Section 161 of the Companies Act, 2017, the three-year term of the eight directors elected at the Extra Ordinary General Meeting held on 22nd September 2025 will complete in September 2028. No casual vacancy occurred during the financial year ended 30th June 2026.

DIRECTORS REMUNERATION POLICY

The Non-Executive and independent directors of Arif Habib Corporation Limited may claim a meeting fee for attending Board of Directors meetings or any of the Board's sub-committee meetings at the rate approved by Board of Directors from time to time. Payment of remuneration against assignment of extra services by any director shall be determined by the Board of Directors on the basis of standards in the market and scope of the work and shall be in line as allowed by the Articles of Association of the Company. Levels of remuneration shall also be appropriate and commensurate with the level of responsibility and expertise. However, for an Independent Director, it shall not be at a level that could be perceived to compromise the independence.

The Chief Executive Officer is the only executive director on the Board. Disclosure with respect to the remuneration package of the chief executive, directors and executives is presented in Note # 36 to the annexed audited unconsolidated financial statements. Disclosure relating to meeting fee paid to Non-Executive Directors is included in Note # 36.2 to the annexed audited financial statements.

ATTENDANCE AT BOARD MEETINGS

A statement showing the names of the persons who were directors of the Company during the financial year, along with their attendance at Board and Committee(s) meetings, is annexed as Annexure-I.

TRADING IN THE COMPANY'S SHARE BY DIRECTORS AND EXECUTIVES

All Directors including the Chief Executive, Chief Financial Officer and Executives of the Company were informed by the Company Secretary to immediately inform in writing, any trading in the Company's shares by themselves or by their spouses and to deliver a written record of the price, number and form of shares and nature of transaction within 7 days of such transaction to the Company Secretary.

A statement showing the Company's shares transacted by its Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary and their spouses and minor family members is annexed as Annexure-II. Except as disclosed in Annexure-II, there has been no transaction in Company's shares by any other employee whose basic salary exceeds the threshold of PKR 3,600,000 in the year, being the threshold set by the directors for disclosure in annual reports.

PATTERN OF SHAREHOLDING

The shares of the Company are listed on the Pakistan Stock Exchange. There were 16,976 shareholders of the Company as of 30th June 2026. The detailed pattern of shareholding and categories of shareholding of the Company including shares held by directors and executives, if any, are annexed as Annexure-III.

FINANCIAL AND BUSINESS HIGHLIGHTS

The key operating and financial data has been given in summarized form under the caption “Financial & Business Highlights – Six years at a glance” on Page # 65.

INVESTMENT IN RETIREMENT BENEFITS

The value of investment made by the staff Provident Fund operated by the Company as per their respective financial statements as of 30th June 2026 amounts to PKR 80.69 million.

AUDIT COMMITTEE

As required under the Code of Corporate Governance, the Audit Committee continued to perform as per its terms of reference duly approved by the Board. The Committee composition and salient features of its terms of reference are also attached with this report.

AUDITORS

The present external auditors M/s. A. F. Ferguson & Co., Chartered Accountants, shall retire at the conclusion of Annual General Meeting on 28th October 2026 and being eligible, have offered themselves for reappointment for the year ending on 30th June 2027. The external auditors hold satisfactory rating by the Institute of Chartered Accountants of Pakistan (ICAP) as required under their Quality Control Review Program. As suggested by the Audit Committee, the Board recommends reappointment of M/s. A. F. Ferguson & Co., Chartered Accountants, as auditors of the Company

for the financial year ending on 30th June 2027 at a fee to be mutually agreed. Approval to this effect will be sought from the shareholders at the forthcoming Annual General Meeting scheduled on 28th October 2026.

COMPLIANCE WITH SECRETARIAL PRACTICES

During the financial year under review, the secretarial and corporate requirements of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 have been duly complied with.

RELATED PARTY TRANSACTIONS

In order to comply with the requirements of listing regulations, the Company presented all related party transactions before the Audit Committee and Board for their review and approval. These transactions have been approved by the Audit Committee and Board of Directors in their respective meetings. The details of related party transactions have been provided in Note # 43 of the annexed audited financial statements.

ACKNOWLEDGEMENT

The Directors are grateful to the Company's stakeholders for their continuing confidence and patronage. We wish to place on record our appreciation and thanks for the faith and trust reposed by our Business Partners, Bankers & Financial Institutions. We thank the Ministry of Finance, the Securities & Exchange Commission of Pakistan, the State Bank of Pakistan, the Competition Commission of Pakistan, Central Depository Company of Pakistan and the management of Pakistan Stock Exchange for their continued support and guidance which has gone a long way in giving present shape to the Company. We acknowledge the hard work put in by employees of the Company during the year. We also appreciate the valuable contribution and active role of the members of the audit and other committees in supporting and guiding the management on matters of great importance.

For and on behalf of the Board



Mr. Arif Habib
Chief Executive

Karachi: 30th September 2026



Mr. Kashif Habib
Director

Annexure I

Statement showing attendance at Board Meetings

From 1st July 2025 to 30th June 2026

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Asadullah Khawaja	Chairman	4	4	4	-	-
Mr. Arif Habib	Chief Executive	4	4	4	-	-
Khawaja Najamuddin Roomi	Director	4	4	4	-	-
Mr. Nasim Beg	Director	4	4	4	-	-
Mr. Abdus Samad Habib	Director	4	4	4	-	-
Mr. Kashif Habib	Director	4	4	4	-	-
Mr. Muhammad Ejaz	Director	4	4	1	3	-
Ms. Zeba Bakhtiar	Director	4	4	4	-	-

The Board of Directors of the Company has constituted committees both at the Board and Management levels. Most of the Board Committees' members are non-executive directors.

Board Audit Committee (BAC)

The committee is responsible for assisting the Board of Directors in discharging its responsibilities primarily in terms of:

- evaluating and reporting financial and non-financial information to shareholders;
- reviewing the system of internal controls and risk management; and
- reviewing the business plan and determining that it reconciles with the Company's vision, mission, corporate strategy & objectives.

Additionally, the committee has the authority to obtain any information it requires from the management and to meet directly with external auditors.

The Board of Directors has determined the terms of reference of the Audit Committee and provides adequate resources and authority to enable the Audit Committee to carry out its responsibilities effectively.

The Board gives due consideration to the recommendations of the Audit Committee. Among other responsibilities, the terms of reference of the Audit Committee include the following:

- determination of appropriate measures to safeguard the company's assets
- review of quarterly, half-yearly and annual financial statements of the company
- ensuring coordination between the internal and external auditors of the company
- reviewing the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the company
- consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto
- ascertaining that the internal control systems are adequate and effective
- determination of compliance with relevant statutory requirements
- monitoring compliance with the best practices of corporate governance and identification of significant violations thereof

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Khawaja Najamuddin Roomi	Chairman	4	4	4	-	-
Mr. Kashif Habib	Director	4	4	4	-	-
Mr. Muhammad Ejaz	Director	4	4	4	-	-

The Internal Audit Department is headed by Mr. Razi Haider, ACA, who has the requisite qualification and the relevant experience to execute the duties of the department in line with the Internal Audit Charter.

Human Resource and Remuneration Committee (HR&RC)

The responsibilities of the Committee include recommendation of human resource management policies to the Board, along with the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO, CFO, Company Secretary, and Head of Internal Audit to the Board. It also considers and approves recommendations of the CEO on matters of key management positions that report directly to the CEO.

THE HR&RC is committed to developing and making decisions on Human Resource strategy and policy. The Committee meets at least once every six months. During the financial year under review, the Committee met two times.

The terms of reference of HR & RC provide an overview of the Committee and outline the Committee's composition and responsibilities. The document also includes recommendations on human resource management, organizational development, training and development matters, management succession, and continuous review of compensation and benefit policies and assessment of corporate culture.

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Ms. Zeba Bakhtiar	Chairperson	2	2	2	-	-
Mr. Arif Habib	Member	2	2	2	-	-
Mr. Nasim Beg	Member	2	2	2	-	-
Mr. Kashif A. Habib	Member	2	2	2	-	-

Investments & Risk Management Committee

The committee is responsible for assisting the Board of Directors in discharging its responsibilities primarily with regard to:

- Reviewing new investment opportunities, keeping in view various factors including risk, return, diversification, and growth;
- Continuous monitoring of the investments already made and recommending corrective strategies, if required; and
- Reviewing the Key assumptions used by the management of investee companies to determine Fair values of strategic investments.

The committee meets on a required/ directed basis to discharge its responsibilities and regularly reports to the Board. During the year under review, two meetings were held.

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Arif Habib	Chairman	2	2	2	-	-
Mr. Nasim Beg	Member	2	2	2	-	-
Mr. Abdus Samad Habib	Member	2	2	2	-	-
Mr. Kashif Habib	Member	2	2	2	-	-

Nomination Committees

The Nomination Committee assists the Board of Directors in reviewing its composition and identifying and recommending suitable candidates for appointment or re-election as directors. The Committee considers the balance of skills, knowledge, experience, independence and diversity required for effective Board oversight, taking into account the Company's strategic objectives. Its responsibilities include reviewing Board succession planning and making recommendations to ensure that the Board continues to possess the expertise and capabilities necessary to discharge its responsibilities effectively. The Committee meets as required and submits its recommendations to the Board for consideration and approval.

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Arif Habib	Chairman	1	1	1	-	-
Mr. Abdus Samad Habib	Director	1	1	1	-	-

Management Committees

Executive Committee on Risk Management (ECRM)

The Chief Executive of the Company heads ECRM and includes Group executives. The purpose of the committee is to assist the Board of Directors in developing and continuously monitoring risk management policies and other business-related matters.

The terms of reference of the ECRM are to assist the Board of Directors in developing, reviewing, and approving risk management policies, instituting special projects and reviewing the adequacy of operational, administration, and financial controls. ECRM meets on a required/directed basis.

Executive Committee on Human Resource (ECHR)

The objective of ECHR is to review, monitor, and make recommendations to the HR & RC to oversee the Company's compensation and benefits policies generally, evaluate executive officer performance, and review the Company's management succession plan and set compensation for the Company's executive officers. The ECHR is committed to developing and making decisions on Human Resource strategy and policy. The ECHR meets on the advice of the Chairman and/or on the request of the members.

Name	Designation	Total	Eligible to attend	Attended	Leaves granted	Remarks
Mr. Arif Habib	Chairman	1	1	1	-	-
Mr. Abdus Samad Habib	Director	1	1	1	-	-

Annexure II

Statement showing shares bought and sold by Directors, CEO, CFO and Company Secretary and their spouses and minor children

From- 1st July 2025 to 30th June 2026

Name	Designation	Shares bought	Shares sold	Remarks
Mr. Asadullah Khawaja	Chairman	-	-	-
Mr. Arif Habib	Chief Executive	38,216,354	-	-
Khawaja Najamuddin Roomi	Director	120,000	-	-
Mr. Nasim Beg	Director	-	-	-
Mr. Abdus Samad Habib	Director	-	-	-
Mr. Kashif Habib	Director	-	-	-
Mr. Muhammad Ejaz	Director	-	-	-
Ms. Zeba Bakhtiar	Director	-	-	-
Mr. Aamir Hafeez	CFO	-	-	-
Syed Muhamad Manzoor Raza	Company Secretary	-	-	-
Mr. Razi Haider	Head of Internal Audit	20,000	-	-
Minor children	-	-	-	-

Annexure III

Pattern of Shareholding (Symbol : AHCL)

As at 30th June 2026

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors, Chief Executive Officer and their spouse(s) and minor children	11	3,364,365,744	79.78
Associated Companies, undertakings and related parties	7	203,081,070	4.82
NIT & ICP	1	7,242,920	0.17
Banks Development Financial Institutions, Non Banking Financial Institutions.	3	3,076,570	0.07
Insurance Companies	1	25,887,220	0.61
Modarabas and Mutual Funds	4	2,327,000	0.06
General Public - Local	16,569	501,918,473	11.90
General Public - Foreign	280	19,321,454	0.46
Others	100	89,747,019	2.13
Total	16,976	4,216,967,470	100

Annexure III

Pattern of Shareholding (Symbol : AHCL)

As at 30th June 2026

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors, Chief Executive Officer and their spouse(s) and minor children			
Arif Habib	2	3,360,069,734	79.68
Khawaja Najamuddin Roomi	1	2,850,000	0.07
Asadullah Khawaja	2	1,060,060	0.03
Kashif Habib	1	352,900	0.01
Nasim Beg	2	20,780	0.00
Abdus Samad Habib	1	10,060	0.00
Muhammad Ejaz	1	1,210	0.00
Zeba Bakhtiar	1	1,000	0.00
Associated Companies, undertakings and related parties			
Sharmin Shahid	3	162,010,470	3.84
Nida Ahsan	1	40,000,000	0.95
Tasnim Beg	1	1,050,000	0.02
Razi Haider	1	20,000	0.00
Muhammad Shahzad	1	600	0.00
NIT & ICP	1	7,242,920	0.17
Banks Development Financial Institutions, Non Banking Financial Institutions.	3	3,076,570	0.07
Insurance Companies	1	25,887,220	0.61
Modarabas and Mutual Funds	4	2,327,000	0.06
General Public			
a. Local	16,569	501,918,473	11.90
b. Foreign	280	19,321,454	0.46
Others	100	89,747,019	2.13
Total	16,976	4,216,967,470	100.00
Shareholders holding 10% or more		Shares Held	Percentage
Arif Habib		3,360,069,734	79.68

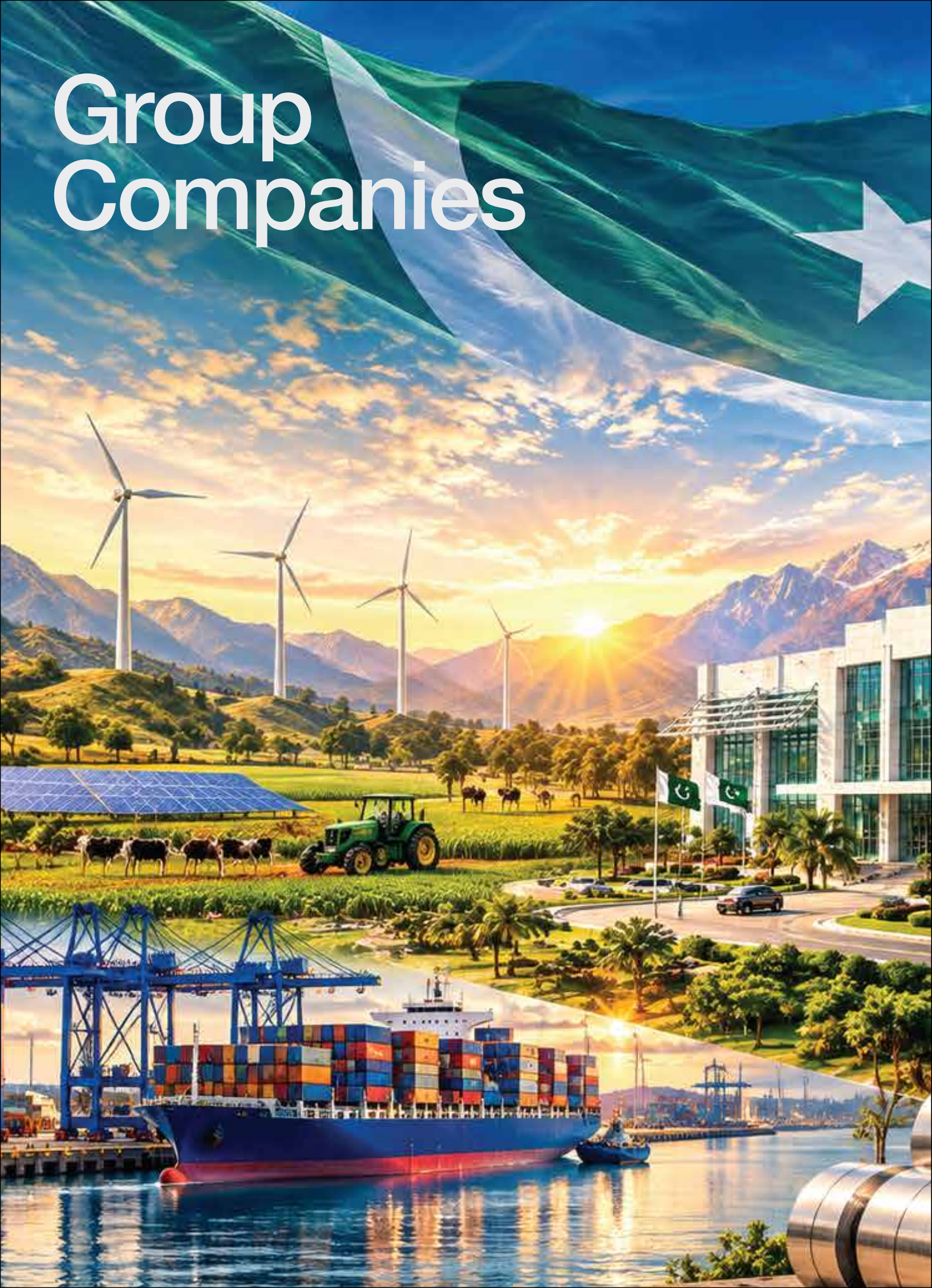
Annexure III

Pattern of Shareholding (Symbol : AHCL)

As at 30th June 2026

No. of Shareholders	Shareholdings' Slab			Total Shares Held
3,008	1	to	100	105,868
2,370	101	to	500	721,405
1,649	501	to	1,000	1,378,566
3,999	1,001	to	5,000	11,118,751
1,749	5,001	to	10,000	13,702,408
889	10,001	to	15,000	11,454,309
3,171	15,001	to	500,000	225,284,418
93	500,001	to	2,500,000	92,656,966
33	2,500,001	to	10,000,000	140,715,471
13	10,000,001	to	50,000,000	265,275,928
2	50,000,001	to	150,000,000	142,700,000
1	150,000,001	to	3,350,000,000	3,311,853,380
16,976				4,216,967,470

Group Companies





Fatima Fertilizer Company Limited

Fatima Fertilizer Company Limited (FFCL), a joint venture between the Fatima Group and Arif Habib Group, was established to address Pakistan's growing agricultural demands. The company set up a state of the art greenfield complex with a production capacity of 1.4 million tonnes at its fully integrated facility in Sadiqabad, Rahim Yar Khan, strategically located near the Mari Gas Field, which provides its feedstock. Today, FFCL boasts an impressive total annual production capacity of 2.57 million tonnes, with plants spread across Sadiqabad, Sheikhpura, and Multan.

The company is publicly listed on the Pakistan Stock Exchange, reflecting its significant role in the nation's agricultural development.





Arif Habib Limited

Arif Habib Limited (AHL) took over the Group's securities brokerage business in 2005 and has since then raised the flag even higher.

AHL is one of the largest listed securities brokerage and investment banking firms in Pakistan that has won accolades both in Pakistan and abroad from reputed ranking firms such as AsiaMoney, Euromoney, The Asset, Finance Asia, CFA Society, SAFE, Financial Market Association of Pakistan and others over the years. Central Depository Company of Pakistan (CDC) has bestowed the "Top Brokerage House for Opening Roshan Digital Accounts" to the Company and AHL is also eight times recipient of Pakistan Stock Exchange's (PSX) "Top 25 Companies Award". The firm offers financial services in the domains of equity, fixed income, money market & forex brokerage, investment banking corporate advisory services. AHL holds significant market share in brokerage and investment banking segments enjoys a strong relationship with top international financial institutions.





06% ▲	74,982.18 +702.14 +0.95% ▲	KSE 30 36,421.03 +413.27 +1.15% ▲	KMI 30 178,904.21 -231.08 -0.13% ▼																																												
732.56 -1.06%	Top Active <table><thead><tr><th>Symbol</th><th>Last</th><th>Chg</th><th>%Chg</th></tr></thead><tbody><tr><td>OGOC</td><td>178.80</td><td>2.40</td><td>1.36</td></tr><tr><td>HBL</td><td>145.20</td><td>1.25</td><td>1.22</td></tr><tr><td>HBL</td><td>328.30</td><td>3.10</td><td>2.00</td></tr><tr><td>MEBL</td><td>214.40</td><td>4.20</td><td>2.00</td></tr><tr><td>LUCK</td><td>396.10</td><td>-5.40</td><td>-0.60</td></tr><tr><td>MCB</td><td>302.30</td><td>2.00</td><td>0.95</td></tr><tr><td>SYS</td><td>302.20</td><td>1.95</td><td>1.17</td></tr><tr><td>SYS</td><td>530.20</td><td>-3.10</td><td>-0.58</td></tr><tr><td>ENGRO</td><td>279.40</td><td>2.60</td><td>0.94</td></tr><tr><td>POL</td><td>512.30</td><td>4.80</td><td>0.95</td></tr></tbody></table>			Symbol	Last	Chg	%Chg	OGOC	178.80	2.40	1.36	HBL	145.20	1.25	1.22	HBL	328.30	3.10	2.00	MEBL	214.40	4.20	2.00	LUCK	396.10	-5.40	-0.60	MCB	302.30	2.00	0.95	SYS	302.20	1.95	1.17	SYS	530.20	-3.10	-0.58	ENGRO	279.40	2.60	0.94	POL	512.30	4.80	0.95
Symbol	Last	Chg	%Chg																																												
OGOC	178.80	2.40	1.36																																												
HBL	145.20	1.25	1.22																																												
HBL	328.30	3.10	2.00																																												
MEBL	214.40	4.20	2.00																																												
LUCK	396.10	-5.40	-0.60																																												
MCB	302.30	2.00	0.95																																												
SYS	302.20	1.95	1.17																																												
SYS	530.20	-3.10	-0.58																																												
ENGRO	279.40	2.60	0.94																																												
POL	512.30	4.80	0.95																																												
Chg 2.40 1.25 2.00 2.00 -5.40 1.95 1.55 -3.10 2.60 4.60	%Chg 1.36 1.35 0.85 2.00 -0.60 0.93 1.17 -0.58 0.84 0.85	Vol 12.AM 8.1M 4.8M 1.3M 1.2M 2.1M 5.1M 1.8M 4.3M 2.6M	OGDC 178.80 +2.40 (1.30%) HBL 145.20 +1.75 (1.22%)																																												

Aisha Steel Mills Limited

Aisha Steel Mills Limited (ASML) is a publicly listed company and one of the key players in Pakistan's flat-rolled steel industry.

Since beginning operations in 2012, ASML has been producing Cold Rolled and Hot Dipped Galvanized coils, with a nameplate capacity of 850,000 metric tons. The facility is outfitted with cutting-edge technology sourced from leading manufacturers in Germany, Japan, Austria, and China. ASML has established itself as a key supplier of Cold Rolled Annealed and Galvanized Coils in the local market and exports to the United States, Europe, Canada, South Africa, and the Middle East, expanding its footprint on the global stage.





Power Cement Limited

Power Cement Limited is strategically located at Motorway M9, Nooriabad, Sindh, providing an advantageous location for its cement manufacturing operations. Formerly known as Al-Abbas Cement Limited, the Company was acquired in 2010 by the Arif Habib Group, a prominent financial and industrial conglomerate.

The Company is engaged in the manufacturing, sale and marketing of high-quality cement and has established a strong market presence in the southern region of Pakistan. In addition to catering to the domestic market, Power Cement has developed a growing international footprint, exporting clinker and cement to various destinations across the Middle East, South Asia, East and West Africa, the United Kingdom and the United States.

Power Cement operates manufacturing facilities with a nameplate clinker production capacity of 10,700 tons per day (TPD), equivalent to an annual capacity of 3.21 million tons, and a cement production capacity of 11,235 TPD, equivalent to an annual capacity of 3.37 million tons. These capacities provide a strong platform to serve both domestic and international markets.

As part of its strategic growth and commitment to technological advancement, the Company has invested in a state-of-the-art production plant supplied by FLSmidth, a renowned European cement equipment manufacturer. The advanced facility incorporates modern technology and reflects Power Cement's commitment to operational excellence, efficiency and globally recognized manufacturing standards.



Energy efficiency and sustainability remain integral to the Company's long-term strategy. Power Cement operates an 11.5 MW Waste Heat Recovery System and a 7 MW Solar Power Plant (on a rental basis). During FY 2026, the Company further strengthened its energy portfolio with the addition of a 7.5 MW Wind Power Project, also on a rental basis. These initiatives have enhanced energy security, reduced reliance on conventional grid electricity and supported energy cost optimization and operational efficiency. With the addition of the Wind Power Project, the Company's solar and wind capacity stands at 14.5 MW, while its overall energy initiatives, including WHRS, represent a combined capacity of 26 MW. The Company also continues to utilize alternative fuels in its kiln operations, reducing dependence on imported coal and supporting resource efficiency and a lower environmental footprint. These measures reflect the Company's continued commitment to energy optimization, carbon footprint reduction and responsible environmental stewardship.

As one of Pakistan's prominent cement producers in the southern region, Power Cement Limited continues to pursue operational excellence, technological innovation, energy efficiency and sustainable growth. The Company remains focused on strengthening its market position, enhancing competitiveness and creating sustainable long-term value for its customers, shareholders, employees and the communities it serves.



Sachal Energy Development (Pvt) Limited

Sachal Energy Development (Pvt) Limited (SEDPL) has commissioned and operates a 50 MW wind farm at Jhimpir, Sindh.

The Group believes that clean energy is the future, and SEDPL is committed to reducing Pakistan's dependence on fossil fuels and contributing to a more sustainable energy landscape. Our wind farm generates 136.5 GWh of clean energy annually, helping to meet the country's growing energy demands. SEDPL was a key project under the China-Pakistan Economic Corridor (CPEC), with its groundbreaking ceremony performed by the Chinese President. We are proud to be the first Pakistani-owned wind project under CPEC to achieve commercial operations and the first such project to secure financing from leading Chinese institutions like SINOSURE and ICBC. SEDPL will continue to supply clean energy to the national grid through the National Transmission and Despatch Company, playing a vital role in Pakistan's energy transition.





Arif Habib Dolmen REIT Management Limited

Arif Habib Dolmen REIT Management Limited (AHDRML) is Pakistan's first and leading REIT Management Company, created through the powerful partnership of the Arif Habib Group, the country's most trusted names in financial services and capital markets, and the Dolmen Group, a pioneer in commercial real estate development and operations. Fully regulated by the SECP and backed by documented, income-producing real estate,

AHDRML has redefined property investment in Pakistan by introducing transparent, high return investment vehicles accessible to all investors. With pioneering products such as South Asia's first REIT, Pakistan's first Rental REIT, Developmental REIT and Public-Private Partnership (PPP) REIT, AHDRML continues to set industry benchmarks, offering investors steady dividends, capital appreciation, and unmatched transparency. Since listing, selected AHDRML REITs have delivered exceptional returns as high as 390% with annualized yields as high as 35%. For both developers and investors seeking to participate in Pakistan's real estate growth, AHDRML stands as the trusted partner of choice.





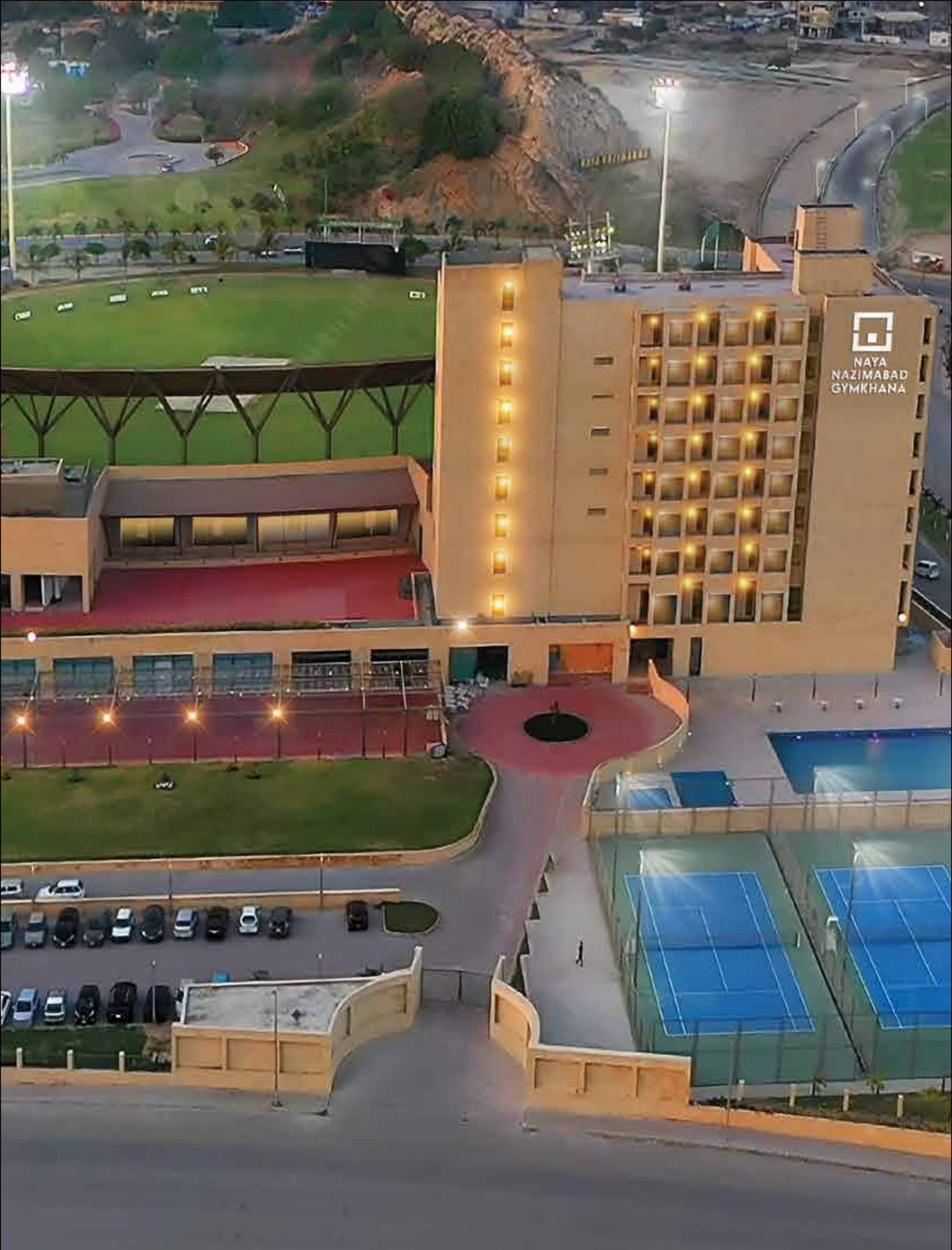
Javedan Corporation Limited

The Arif Habib Group holds a substantial stake in Javedan Corporation Limited (JCL), which originally began as a cement manufacturing plant in 1960. As the city expanded and residential areas grew around the facility, environmental concerns led to the plant's closure. In its place, the visionary Naya Nazimabad housing society was developed, transforming the heart of Karachi.

Spanning 1,366 acres and located in Central Karachi, this project not only revitalized the area but also set the stage for positive developments in the surrounding neighborhoods. Naya Nazimabad stands out as a pioneering, fully self-owned real estate development of its era. It offers an impressive range of amenities, including an international standard cricket stadium, football and basketball facilities complete with academies, and lush green spaces featuring award-winning trees. The community also includes a grand mosque with a spacious, column-free prayer hall, top-tier educational institutions, a medical center, a hospital, and a bustling commercial precinct. Naya Nazimabad continues to experience strong momentum, with new families moving in every week and the community steadily evolving into a vibrant, sought-after neighborhood that offers an unmatched lifestyle in one of Karachi's most densely populated regions. The development has also attracted growing corporate interest, with a number of businesses choosing to establish their presence within Naya Nazimabad, further strengthening its bustling commercial precinct. The completion of a 1.6-kilometer-long flyover connecting Sakhi Hasan to Naya Nazimabad's entrance has further enhanced access for residents.

A pioneer in setting trends, the Arif Habib Group introduced a series of apartment projects under the innovative REIT model, which received an enthusiastic response, and more of Naya Nazimabad's offerings are slated to be listed as REITs going forward. Looking ahead, even more apartment and commercial projects are in the pipeline. Additionally, the Naya Nazimabad Gymkhana has opened its doors, with memberships rapidly filling up. This collective progress cements Naya Nazimabad's status as a beacon of urban transformation, leaving a lasting impact on Karachi's landscape.






NAYA
NAZIMABAD
GYMKHANA

Pakistan International Airlines Corporation Limited

Pakistan's national flag carrier and one of the country's most recognised brands. Established in 1955, it provides domestic and international passenger and cargo services, connecting Pakistan with key destinations across the Middle East, Europe and other international markets.



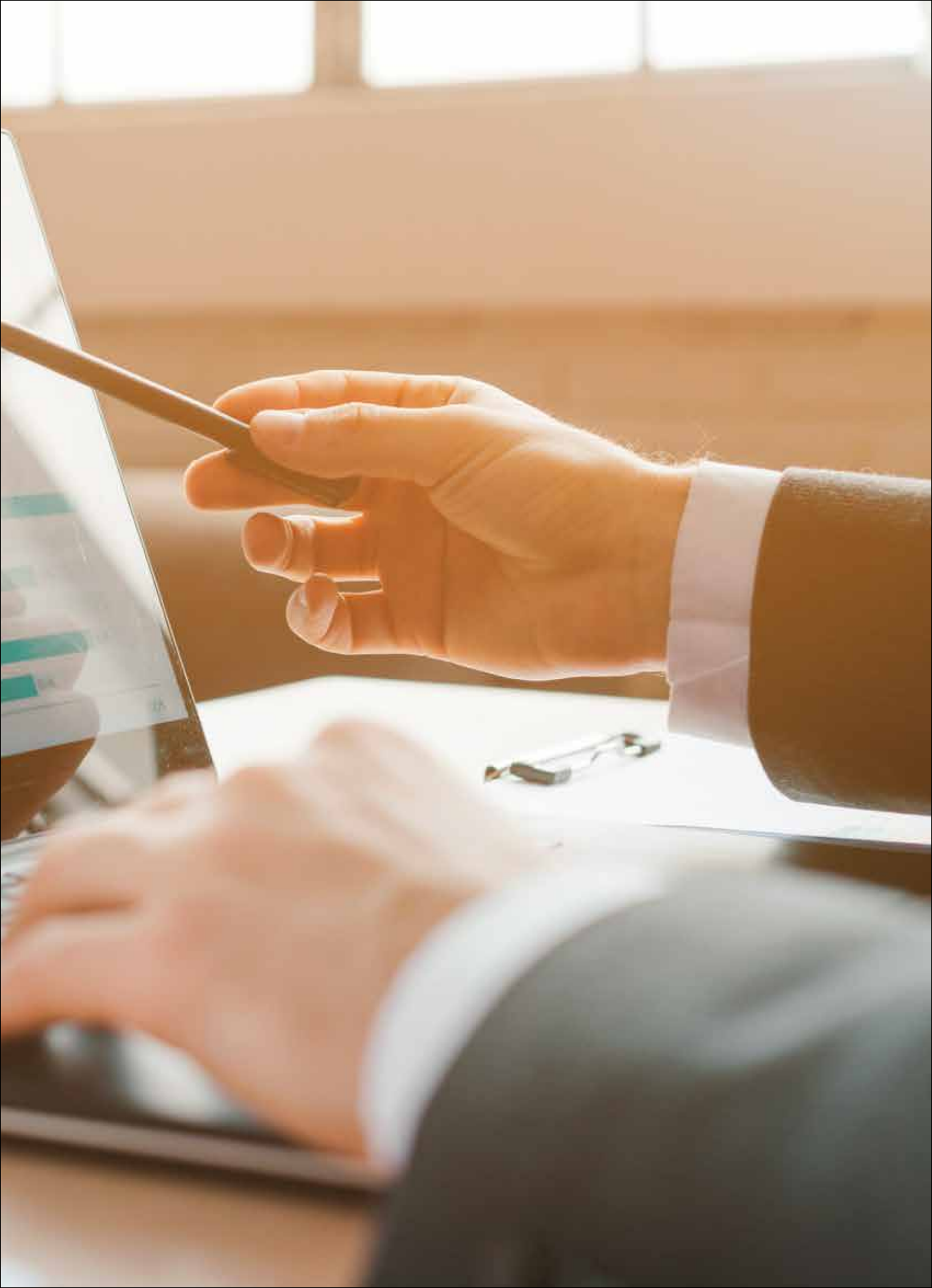
In 2026, a consortium led by Arif Habib Corporation Limited acquired a controlling interest in Pakistan International Airlines Corporation Limited (PIACL) under the Government of Pakistan's privatisation programme, marking Arif Habib Group's entry into aviation.

Under new ownership, PIACL is focused on operational efficiency, passenger experience, fleet and systems modernisation, expanded connectivity and sustainable long-term growth.

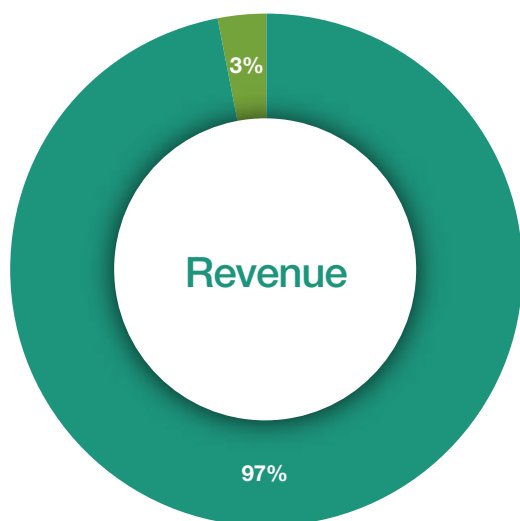


Financial Highlights





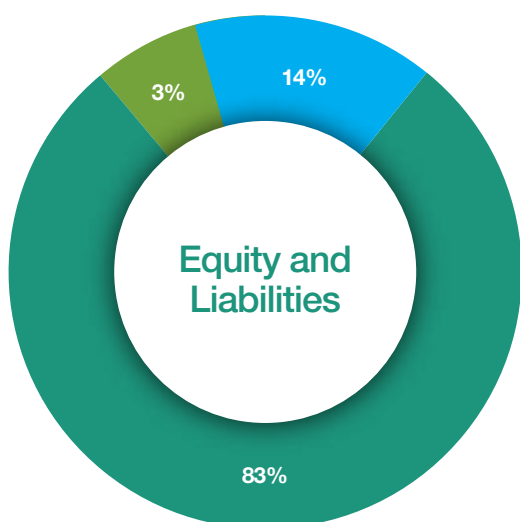
AHCL 2026 At A Glance



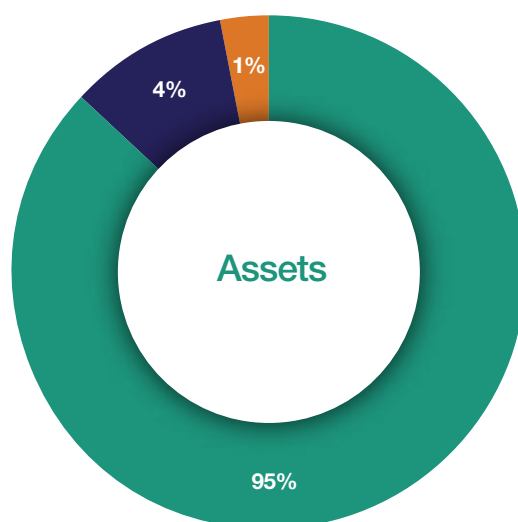
■ Dividend, 97% ■ Others, 3%



■ Consultancy charges, 33%
 ■ Salaries and benefits, 28% ■ Depreciation, 12%
 ■ Others, 11% ■ Utilities, repairs & maintenances, 7%
 ■ Travelling and conveyance, 5%
 ■ Advertisement and business promotions, 4%
 ■ Legal and professional charges, 1%



■ Reserves, 83% ■ Liabilities, 14%
 ■ Paid-up capital, 3%

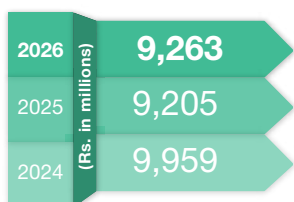


■ Long term investments, 95% ■ Short term investments, 4%
 ■ Other assets, 1%

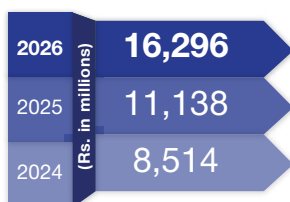
Key Figures & Highlights

On Consolidated Basis

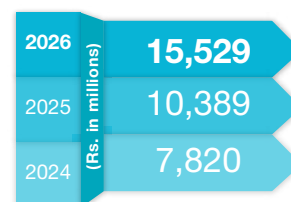
Revenue



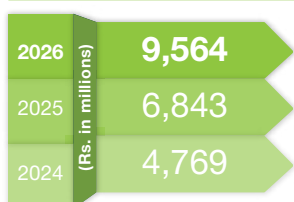
Profit after tax



Profit Attributable to Parent



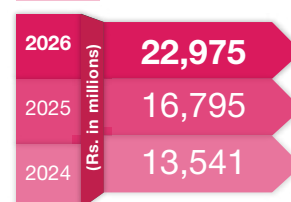
Share of profit of associates



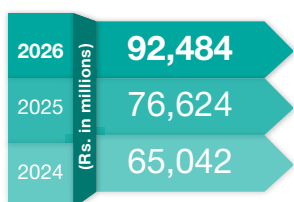
Earnings per share



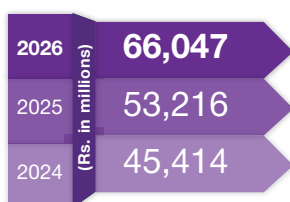
EBITDA



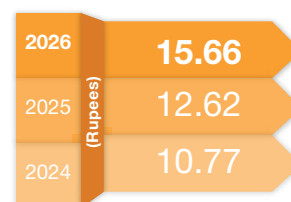
Total Assets



Total Equity

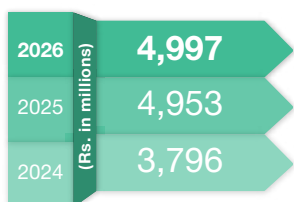


Break-up value per share

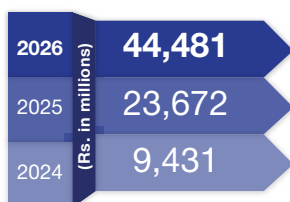


On Unconsolidated Basis

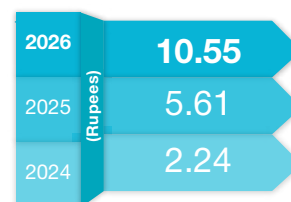
Revenue



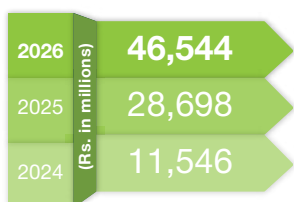
Profit after tax



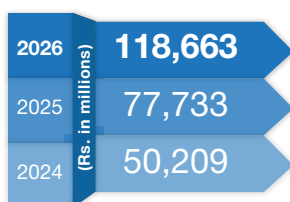
Earnings per share



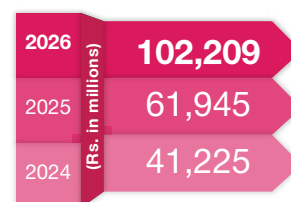
EBITDA



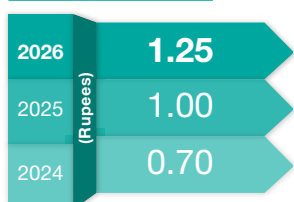
Total Assets



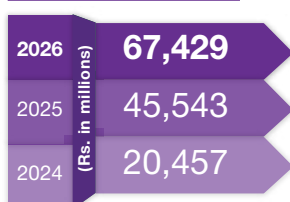
Total Equity



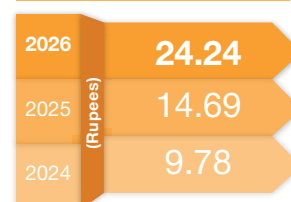
Dividend per share



Market Capitalization



Break-up value per share



Financial & Business Highlights

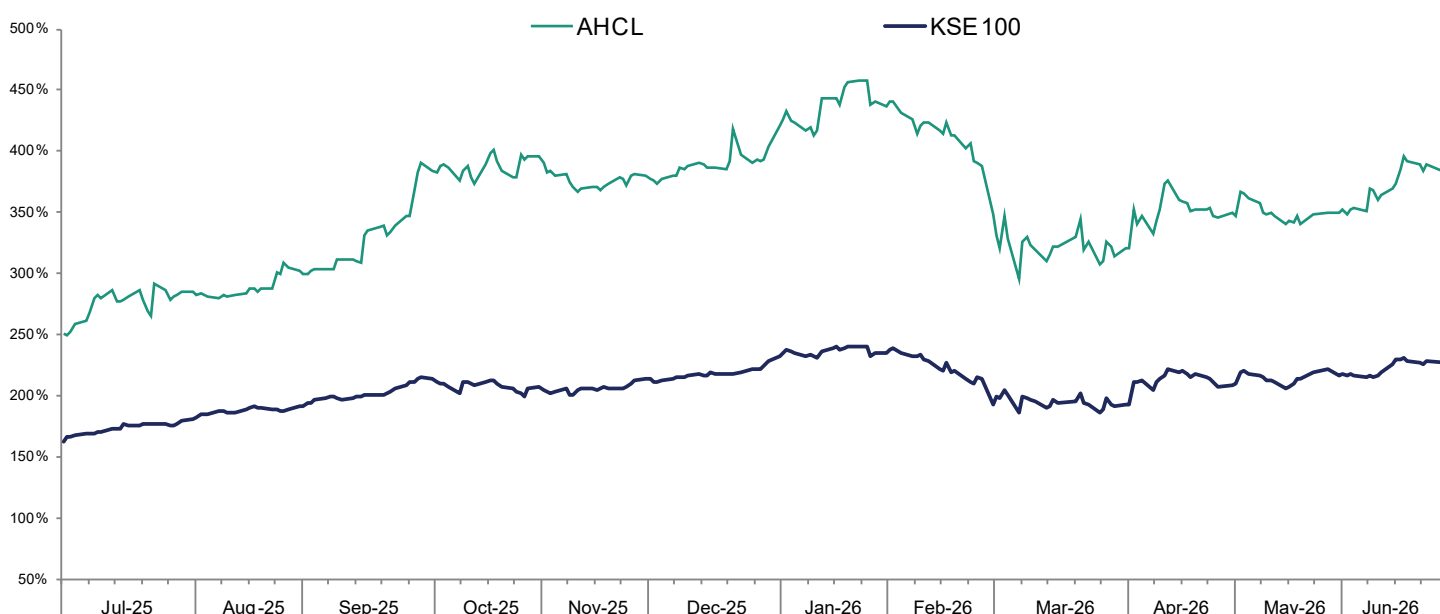
Six years at a glance

Year ended	2026	2025	2024	2023	2022	2021
-----Rupees in million-----						
Profit and Loss Account						
Revenue	4,996.83	4,952.99	3,795.84	2,902.36	1,733.78	1,058.89
Gain on sale of securities - net	4,142.45	671.65	387.99	0.43	637.45	204.62
Operating & administrative expenses	(335.56)	(452.30)	(170.02)	(166.14)	(120.44)	(120.14)
Net finance (cost) / income	(60.37)	(529.73)	(302.83)	(138.08)	7.38	13.70
Gain / (Loss) on remeasurement of investments	36,938.54	23,413.71	7,158.56	(2,563.88)	1,730.21	3,188.97
Other income / (charges)	152.87	(38.11)	(3.62)	3.22	2.53	(49.50)
Profit before tax	46,379.69	28,013.03	10,879.40	37.91	3,990.90	4,296.54
Profit after tax	44,480.63	23,672.43	9,430.60	(972.36)	3,757.72	3,874.06
EBITDA	46,544.37	28,697.70	11,545.99	574.55	4,087.52	4,336.87
Balance Sheet						
Share capital	4,216.97	4,216.97	4,216.97	4,083.75	4,083.75	4,083.75
Reserves	97,991.91	57,728.24	37,007.69	16,385.42	19,749.97	17,280.79
Property and equipment	91.03	33.51	49.53	25.91	37.43	61.04
Long term investments	112,184.18	70,940.11	38,200.19	17,881.95	19,184.75	16,321.39
Current assets	6,102.47	4,861.81	11,635.06	5,821.92	6,729.57	6,243.04
Current liabilities	7,083.67	2,648.03	2,967.39	2,813.73	2,097.37	1,140.57
Non current liabilities	9,370.19	13,140.09	6,017.43	531.16	132.73	258.90
Total assets	118,662.74	77,733.33	50,209.47	23,814.06	26,063.82	22,764.01
Total liabilities	16,453.86	15,788.12	8,984.82	3,344.88	2,230.10	1,399.47
Year ended	2026	2025	2024	2023	2022	2021
Performance						
Return on equity (%)	54.19%	45.89%	30.57%	-4.39%	16.63%	19.63%
Return on Assets (%)	45.30%	37.00%	25.48%	-3.90%	15.39%	18.56%
Return on capital employed (%)	41.68%	38.20%	24.40%	2.66%	16.97%	19.97%
Income / expense ratio (PKR)	101.69	26.05	14.29	1.06	21.20	31.52
Earning Asset / Total Asset Ratio (%)	99.12%	96.72%	98.00%	99.07%	99.61%	99.59%
Break-up value (PKR)	24.24	14.69	9.78	5.01	5.84	5.23
Leverage						
Total liabilities to equity ratio (%)	16.10%	25.49%	21.79%	16.34%	9.36%	6.55%
Cost of debt (%)	12.74%	16.13%	23.17%	17.73%	10.07%	9.00%
Long term liabilities to equity ratio (%)	9.17%	21.21%	14.60%	2.59%	0.56%	1.21%
Interest cover ratio (PKR)	369.82	41.05	15.77	1.27	-	-
Liquidity						
Current ratio (PKR)	0.86	1.84	3.92	2.07	3.21	5.47
Cash to current liabilities (%)	0.92%	3.89%	1.55%	1.43%	1.96%	25.96%
Valuation						
Price earning ratio (PKR)	1.52	1.92	2.17	(10.44)	4.02	4.22
Break-up value per share (PKR)	24.24	14.69	9.78	5.01	5.84	5.23
Cash dividend per share (PKR)	*1.25	1.00	0.70	-	0.40	0.30
Dividend Declared (%)	125.00%	100.00%	70.00%	-	40.00%	30.00%
Dividend yield (%)	7.82%	9.26%	14.43%	-	10.81%	7.49%
Dividend payout ratio (%)	11.85%	17.81%	31.30%	-	43.47%	31.62%
Dividend cover ratio (PKR)	8.44	5.61	3.19	-	2.30	3.16
Market value per share (end of year) (PKR)	15.99	10.80	4.85	2.49	3.70	4.00
High (during the year) (PKR)	19.33	11.39	4.90	3.74	4.12	4.66
Low (during the year) (PKR)	10.83	9.21	2.43	2.28	3.18	2.91
Earnings Per Share (PKR)	10.55	5.61	2.24	(0.24)	0.92	0.95

*Dividend for FY2026 is proposed for the approval of the shareholders at the Annual General Meeting to be held on 28th October 2026.

Year ended	2026	2025	2024	2023	2022	2021
Shareholders' Return						
Arif Habib Corporation Limited (AHCL) - share price annual total return (%)	48.06%	122.63%	95.05%	-32.78%	-0.07%	83.43%
Karachi Stock Exchange 100 Index - annual total return (%)	43.52%	60.15%	89.24%	-0.20%	-12.30%	37.60%
Shareholders' return differential: - AHCL-KSE-100 Index (%)	4.53%	62.48%	5.81%	-32.58%	12.23%	45.83%

Graph for the year ended on 30th June 2026



Horizontal Analysis of Financial Statements

	2026	2026-25	2025	2025-24	2024	2024-23
	Rupees in million	% YoY	Rupees in million	% YoY	Rupees in million	% YoY
Balance Sheet						
Total equity	102,208.87	65.00	61,945.21	50.26	41,224.65	101.40
Total non-current liabilities	9,370.19	(28.69)	13,140.09	118.37	6,017.43	1,032.89
Total current liabilities	7,083.67	167.51	2,648.03	(10.76)	2,967.39	5.46
Total equity and liabilities	118,662.74	52.65	77,733.33	54.82	50,209.47	110.84
Total non-current assets	112,560.26	54.46	72,871.52	88.91	38,574.41	114.40
Total current assets	6,102.47	25.52	4,861.81	(58.21)	11,635.06	99.85
Total assets	118,662.74	52.65	77,733.33	54.82	50,209.47	110.84
Profit and Loss Account						
Revenue	4,996.83	0.88	4,952.99	30.48	3,795.84	30.78
Gain on sale of securities - net	4,142.45	516.75	671.65	73.11	387.99	91,041.78
Administrative expenses	(335.56)	(25.81)	(452.30)	166.02	(170.02)	2.34
Net finance cost	(60.37)	(88.60)	(529.73)	74.92	(302.83)	119.33
Gain on remeasurement of investments - net	36,938.54	57.76	23,413.71	227.07	7,158.56	379.21
Gain / (loss) on real estate portfolio - net	544.94	10,600.87	(5.19)	(138.44)	13.50	100.00
Other incomes / (charges) - net	152.87	501.10	(38.11)	(952.10)	(3.62)	(212.61)
Profit before tax	46,379.69	65.56	28,013.03	157.49	10,879.40	28,598.05
Taxation	(1,899.06)	(56.25)	(4,340.60)	199.60	(1,448.80)	43.41
Profit after tax	44,480.63	87.90	23,672.43	151.02	9,430.60	1,069.87

	2023	2023-22	2022	2022-21	2021	2021-20
	Rupees in million	% YoY	Rupees in million	% YoY	Rupees in million	% YoY
Balance Sheet						
Total equity	20,469.17	(14.12)	23,833.72	11.56	21,364.54	18.02
Total non-current liabilities	531.16	300.18	132.73	(48.73)	258.90	123.45
Total current liabilities	2,813.73	34.15	2,097.37	83.89	1,140.57	50.25
Total equity and liabilities	23,814.06	(8.63)	26,063.82	14.50	22,764.01	19.95
Total non-current assets	17,992.14	(6.94)	19,334.25	17.03	16,520.97	6.42
Total current assets	5,821.92	(13.49)	6,729.57	7.79	6,243.04	80.79
Total assets	23,814.06	(8.63)	26,063.82	14.50	22,764.01	19.95
Profit and Loss Account						
Revenue	2,902.36	67.40	1,733.78	63.74	1,058.89	35.32
Gain on sale of securities - net	0.43	(99.93)	637.45	211.53	204.62	(68.34)
Administrative expenses	(166.14)	37.95	(120.44)	0.25	(120.14)	4.25
Net finance (cost) / income	(138.08)	(1,972.15)	7.38	(46.18)	13.70	112.70
(Loss) / Gain on remeasurement of investments - net	(2,563.88)	(248.18)	1,730.21	(45.74)	3,188.97	293.57
Gain / (loss) on real estate portfolio - net	-	-	-	-	-	-
Other incomes / (charges) - net	3.22	27.29	2.53	105.11	(49.50)	74,318.28
Profit before tax	37.91	(99.05)	3,990.90	(7.11)	4,296.54	1,072.48
Taxation	(1,010.27)	333.26	(233.18)	(44.81)	(422.48)	229.90
(Loss) / Profit after tax	(972.36)	(125.88)	3,757.72	(3.00)	3,874.06	779.81

Vertical Analysis of Financial Statements

	2026	2026-25	2025	2025-24	2024	2024-23
	Rupees in million	% YoY	Rupees in million	% YoY	Rupees in million	% YoY
Balance Sheet						
Total equity	102,208.87	86.13	61,945.21	79.69	41,224.65	82.11
Total non-current liabilities	9,370.19	7.90	13,140.09	16.90	6,017.43	11.98
Total current liabilities	7,083.67	5.97	2,648.03	3.41	2,967.39	5.91
Total equity and liabilities	118,662.74	100.00	77,733.33	100.00	50,209.47	100.00
Total non-current assets	112,560.26	94.86	72,871.52	93.75	38,574.41	76.83
Total current assets	6,102.47	5.14	4,861.81	6.25	11,635.06	23.17
Total assets	118,662.74	100.00	77,733.33	100.00	50,209.47	100.00
Profit and Loss Account						
Revenue	4,996.83	100.00	4,952.99	100.00	3,795.84	100.00
Gain on sale of securities - net	4,142.45	82.90	671.65	13.56	387.99	10.22
Operating and administrative expenses	(335.56)	(6.72)	(452.30)	(9.13)	(170.02)	(4.48)
Net finance (cost) / income	(60.37)	(1.21)	(529.73)	(10.70)	(302.83)	(7.98)
Gain on remeasurement of investments - net	36,938.54	739.24	23,413.71	472.72	7,158.56	188.59
Gain / (loss) on real estate portfolio - net	544.94	10.91	(5.19)	(0.10)	13.50	0.36
Other incomes / (charges) - net	152.87	3.06	(38.11)	(0.77)	(3.62)	(0.10)
Profit before tax	46,379.69	928.18	28,013.03	565.58	10,879.40	286.61
Taxation	(1,899.06)	(38.01)	(4,340.60)	(87.64)	(1,448.80)	(38.17)
Profit after tax	44,480.63	890.18	23,672.43	477.94	9,430.60	248.45

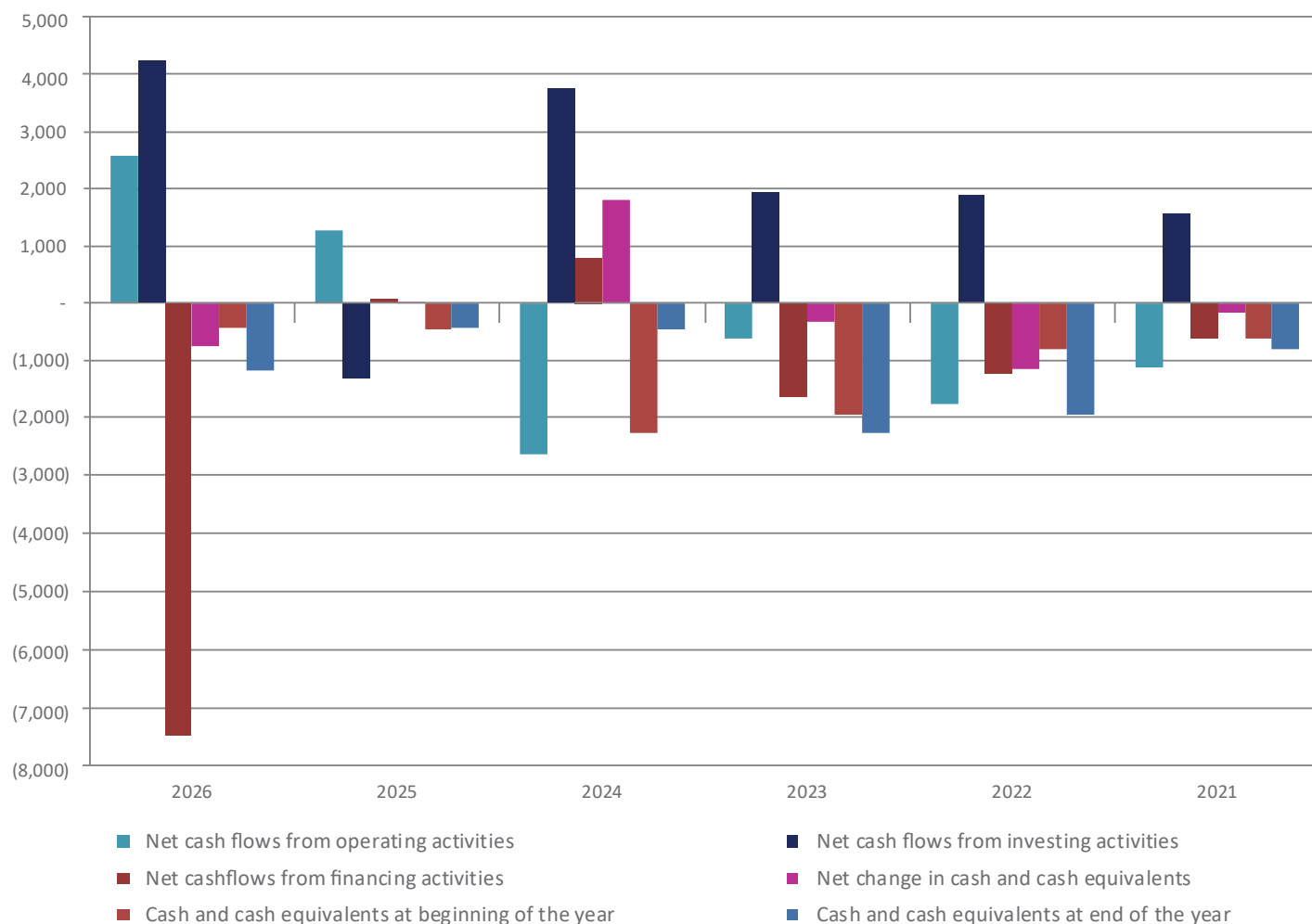
	2023	2023-22	2022	2022-21	2021	2021-20
	Rupees in million	% YoY	Rupees in million	% YoY	Rupees in million	% YoY
Balance Sheet						
Total equity	20,469.17	85.95	23,833.72	91.44	21,364.54	93.85
Total non-current liabilities	531.16	2.23	132.73	0.51	258.90	1.14
Total current liabilities	2,813.73	11.82	2,097.37	8.05	1,140.57	5.01
Total equity and liabilities	23,814.06	100.00	26,063.82	100.00	22,764.01	100.00
Total non-current assets	17,992.14	75.55	19,334.25	74.18	16,520.97	72.57
Total current assets	5,821.92	24.45	6,729.57	25.82	6,243.04	27.43
Total assets	23,814.06	100.00	26,063.82	100.00	22,764.01	100.00
Profit and Loss Account						
Revenue	2,902.36	100.00	1,733.78	100.00	1,058.89	100.00
Gain on sale of securities - net	0.43	0.01	637.45	36.77	204.62	19.32
Operating and administrative expenses	(166.14)	(5.72)	(120.44)	(6.95)	(120.14)	(11.35)
Net finance (cost) / income	(138.08)	(4.76)	7.38	0.43	13.70	1.29
(Loss) / Gain on remeasurement of investments - net	(2,563.88)	(88.34)	1,730.21	99.79	3,188.97	301.16
Gain / (loss) on real estate portfolio - net	-	-	-	-	-	-
Other incomes / (charges) - net	3.22	0.11	2.53	0.15	(49.50)	(4.67)
Profit before tax	37.91	1.31	3,990.90	230.19	4,296.54	405.76
Taxation	(1,010.27)	(34.81)	(233.18)	(13.45)	(422.48)	(39.90)
(Loss) / Profit after tax	(972.36)	(33.50)	3,757.72	216.74	3,874.06	365.86

Note 1: During the year, with reference to note 3.3.1 to the unconsolidated financial statements forming part of this annual report, the Company changed its accounting policy for the measurement of investments in subsidiaries in its unconsolidated financial statements from cost to fair value through profit or loss. The change has been applied retrospectively and, accordingly, the comparative financial information has been restated. Consequently, the balance sheet amounts for FY 2025 and FY 2024 and the profit or loss amounts for FY 2025 presented in these Financial Highlights have been restated to conform with the audited unconsolidated financial statements forming part of this annual report.

Note 2: The per-share figures for prior periods have been restated, where applicable, to reflect the subdivision of the Company's share capital during the financial year 2025, whereby the face value of each share was revised from Rs. 10 to Re. 1, for the purpose of comparability.

Summary of Cash flows Statement

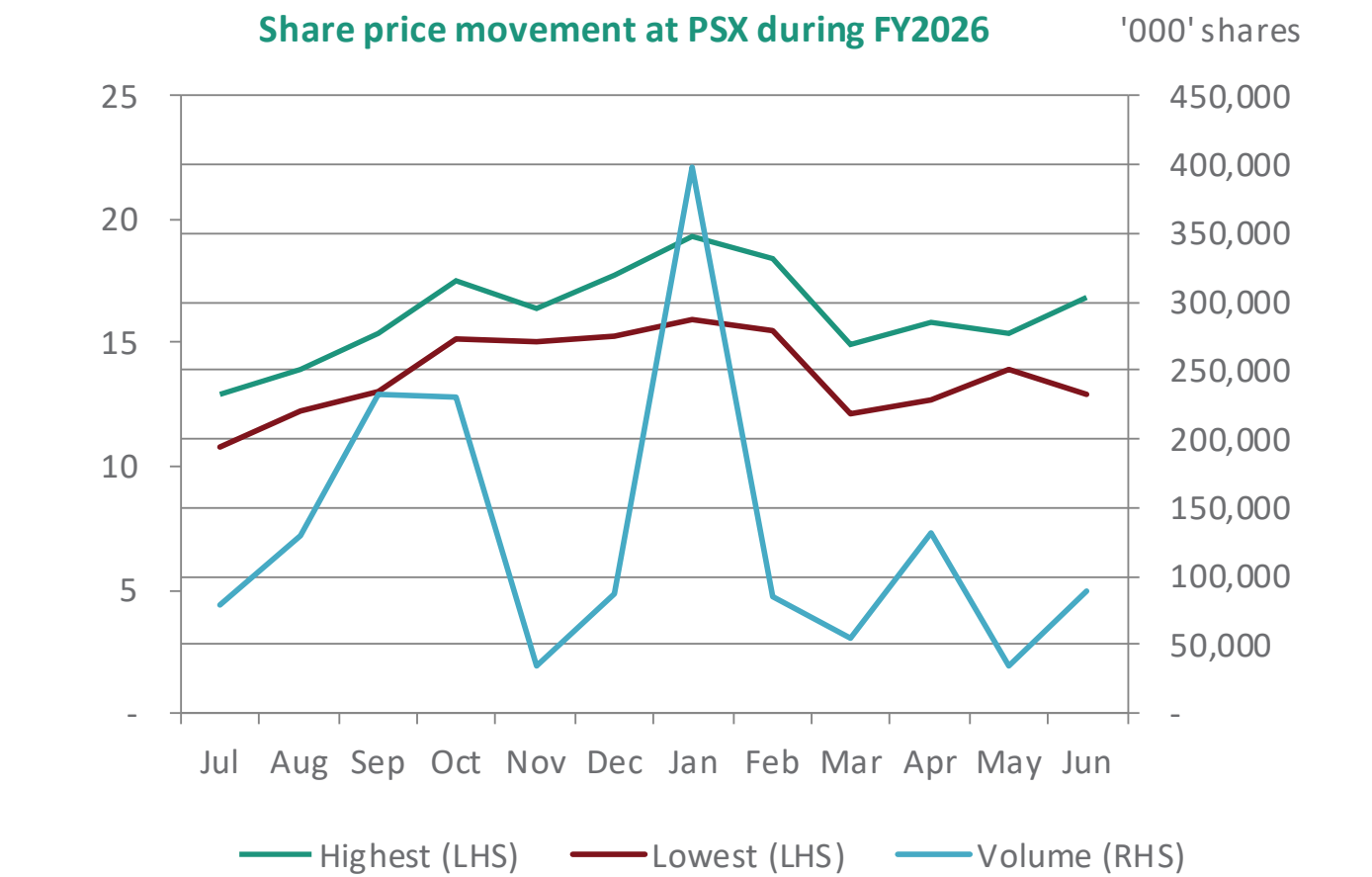
Year ended 30th June 2026



	2026	2025	2024	2023	2022	2021
-----Rupees in million-----						
Net cash flows from operating activities	2,571.20	1,269.13	(2,649.84)	(628.63)	(1,774.27)	(1,119.56)
Net cash flows from investing activities	4,264.95	(1,307.31)	3,683.88	1,940.97	1,874.81	1,576.92
Net cashflows from financing activities	(7,581.46)	61.45	784.86	(1,639.81)	(1,245.60)	(627.89)
Net change in cash and cash equivalents	(745.31)	23.27	1,818.90	(327.46)	(1,145.06)	(170.53)
Cash and cash equivalents at beginning of the year	(431.86)	(455.35)	(2,273.93)	(1,949.76)	(806.55)	(635.59)
Cash and cash equivalents at end of the year	(1,177.41)	(431.86)	(455.35)	(2,273.93)	(1,949.76)	(806.55)

Share Price / Volume Analysis

Month	Highest (LHS)	Lowest (LHS)	Volume (RHS)
Share Price movement at PSX during FY 2025-26			
July-25	12.90	10.83	78,544,532
August-25	13.88	12.20	129,462,626
September-25	15.42	13.00	233,196,712
October-25	17.51	15.11	231,327,873
November-25	16.45	15.01	33,958,950
December-25	17.69	15.29	87,682,389
January-26	19.33	16.00	398,185,434
February-26	18.36	15.50	85,319,661
March-26	14.90	12.16	54,872,886
April-26	15.79	12.70	131,308,753
May-26	15.40	13.95	34,643,375
June-26	16.79	12.92	88,316,632
	19.33	10.83	1,586,819,823





Sustainable Impact Report



Introduction: Commitment to Sustainability

At the Arif Habib Group, sustainability is central to our identity. We understand that our success is intrinsically linked to the health of our society and environment. Our mission extends beyond simply minimizing harm; we actively work to foster social well-being, environmental preservation, and inclusive economic progress. This commitment drives every decision we make, from leadership directives to our daily operations and partnerships. We are dedicated to building a thriving society that values education, healthcare, environmental stewardship, and economic resilience.

This year brought a number of milestones we're proud to share. Our investee company, Fatima Fertilizer, published its first-ever Sustainability Report, externally assured and aligned with international standards — building further on its earlier achievement as the first private company in Pakistan to adopt the United Nations Development Programme's SDG Impact Framework. That framework was also extended this year through a new development partnership with The King Charles's Trust International, focused on entrepreneurship and youth skills. Across the wider Group, our companies continued to deepen their own commitments — strengthening community programmes, extending renewable energy investments, and formalising the ethics and governance practices that sit quietly behind all of this work. At the Arif Habib Group, we view sustainability not as an obligation but as a shared responsibility to our nation and its people, and this year's progress reflects that shared effort across every part of our family of companies.

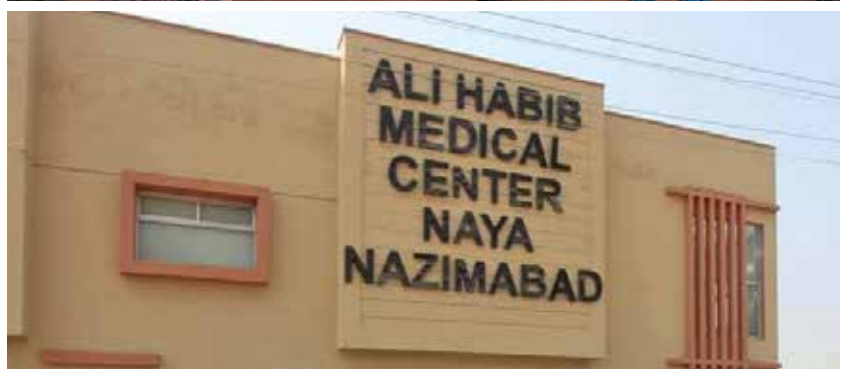
This report groups our activity into four themes — Health & Education, Communities, Livelihoods & Sport, Environment & Climate, and Infrastructure, Governance & Partnerships — reflecting how our work actually connects on the ground, rather than moving through the Sustainable Development Goals one at a time.

HEALTH & EDUCATION



Health

Health remains one of the areas we care about most as a Group. Our long-standing support for leading institutions — Shaukat Khanum Memorial Cancer Hospital, SIUT, The Patients' Behbud Society for AKUH, Kharadar General Hospital, Usman Memorial Hospital, The Kidney Centre, Memon Medical Institute and Indus Hospital & Health Network — continued this year alongside Fatima's own healthcare initiatives, including its continued support for the Mian Mukhtar A. Sheikh Trust hospital in Southern Punjab and its work reducing hepatitis prevalence in the communities around its Sadiqabad site.



At Naya Nazimabad, Ali Habib Medical Centre ran free medical camps and CPR training throughout the year, and our plans for a full tertiary hospital within the community continue to take shape. Power Cement kept its free ambulance and first-aid service running for the villages around its Nooriabad site, and Sachal Energy Development continued its support for the Pakistan Kidney Association, extending our reach into specialised care as well as general access.

Education

Education continues to be a cornerstone of how we think about long-term impact, and it's an area we keep deepening. Our support spans some of the country's leading institutions — Habib University Foundation, the Institute of Business Administration, Karachi Education Initiative, LUMS, GIKI and NAMAL Education Foundation — alongside grassroots organisations doing the harder, less visible work of reaching underserved students: The Citizens Foundation, CARE Foundation, Punjab Education Network, the Memon Educational Board, Bait-us-Salam Welfare Trust and the Hunar Foundation. Through the Memon Education Monetary Fund, we continue to help ensure that every deserving child, regardless of financial circumstance, has a path to quality education. We also remain proud supporters of Durbeen, whose teacher-training work quietly improves the quality of public-school education from the inside. Sachal Energy Development continued its own contribution to this picture, supporting the Thinker Forum Pakistan, a local madrasa, and a Junior Staff School Education Grant that helps the children of its own workforce stay in school.

This year added some genuinely meaningful new chapters to that story. Scholarships for deserving students at Jinnah University for Women opened doors that wouldn't otherwise have been open. Furniture delivered to schools across rural Balochistan turned bare classrooms into places children actually want to learn in. And Fatima's entrepreneurship training programme with The King Charles's Trust International brought something different again — building the confidence and problem-solving skills of rural students rather than only funding their access. Taken together, these initiatives reflect our belief that education isn't one thing we fund; it's infrastructure, teachers, confidence and opportunity, all needing investment in their own way.

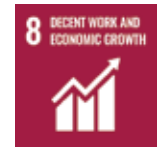


Gender Equality

We are committed to fostering inclusive workplaces and communities where women can thrive. Across the Group, our companies continued working this year to widen women's representation, strengthen anti-harassment protections, and build clearer pathways into leadership — a commitment that runs from our boardrooms to the communities we work in. Fatima's Sarsabz Tabeer programme continued to grow this year, giving rural women vocational training, financial support and pathways into small business ownership.

Naya Nazimabad's design carries that same commitment into the built environment: as a gated community, it gives women the freedom to move through parks and public spaces on their own, at their own pace, in a way that isn't always possible elsewhere in the city — and it gives little girls room to grow up playing sport and dreaming without limits. This year, the Naya Nazimabad Foundation extended that same spirit through 200 scholarships for women at Jinnah University, opening doors for 200 young women who might not otherwise have had the chance to walk through them.

COMMUNITIES, LIVELIHOODS & SPORT



Livelihoods & Community Support

As a major employer across financial services, fertilizer, cement, real estate and energy, our most direct contribution to poverty reduction is the stable employment and income we provide. Beyond this, our companies upheld their long-standing commitment to direct community support this year, including financial assistance to families, students and workers; ration support for those affected by rising costs; and continued partnerships with welfare organisations focused on poverty alleviation, food security and disaster relief. Fatima's partnerships with JazzCash and Zarai Taraqati Bank Limited to widen financial access for unbanked farmers reflect the same instinct that runs through the rest of the Group — moving resources to where they close a gap fastest. Power Cement extends that same instinct to the communities around its Nooriabad site, providing free electricity to local shops, hotels and villages, including a mosque and a medical dispensary, while Sachal Energy Development continues a quieter tradition of community and religious giving — supporting mosque construction, Eid, Ashura and Milad-un-Nabi observances, and standing by the families of Shaheeds.



Food Security

Through Fatima Fertilizer, we continue to empower farmers with quality products, expert advice and digital tools, reaching farming communities across the country with agronomic guidance and support. When flooding affected communities this year, Fatima's response — ration packages and livestock feed support for affected families — reflected the same responsiveness the Group tries to bring to moments of national need. We continue to honour our farmers annually on Kissan Day, a platform that has grown into a meaningful part of the national conversation on agricultural livelihoods.



Sport & Character

Sport has always been more than recreation for us — it's one of the clearest, most tangible ways we invest in character, discipline and community at Naya Nazimabad. Over the course of the year, our sporting calendar ran the full breadth of what sport can teach: cricket tournaments during Ramadan that brought neighbourhoods together under floodlights; tennis programmes, run with the Karachi Tennis Association and the Pakistan Tennis Federation, that gave young players structured coaching and a genuine pathway to national competition; and wheelchair basketball and wheelchair tennis tournaments that made a point of celebrating the resilience and skill of special athletes. We supported young talent chasing much bigger stages too — a promising chess player competing at the Commonwealth Chess Championship, a young archer representing Pakistan at the President's Cup in Dhaka, and athletes trialling for national teams in baseball and cricket. Naya Nazimabad also hosted trials and events tied to the 35th National Games, and continued its long association as a home ground for national sporting talent.

We believe sport builds the same things we try to build everywhere else in the Group — discipline, resilience, humility in loss and grace in victory, and the simple, powerful experience of working toward something as part of a team. Watching a young cricketer or tennis player grow in confidence over a season is, in its own way, exactly the kind of long-term investment in people that sits at the heart of everything else in this report.

Togetherness & Growth — Our Teams

The same spirit we invest in through community sport lives inside our own teams too. Across the Group, we encourage collaboration and professional development through team-building exercises, workshops and sporting events of our own, ensuring our people grow together rather than simply alongside one another. We've long believed that a company is only as strong as the trust between the people inside it, and we continue to invest in the kind of shared experiences — on the field as much as in the office — that turn colleagues into genuine teams. That sense of togetherness, we think, is part of what allows a Group as diverse as ours, spanning financial services, fertilizer, cement, energy and real estate, to still feel like one family working toward shared goals.



Decent Work & Reduced Inequality

Our companies continued to create local employment opportunities this year, from skilled and unskilled roles at our industrial sites to the wider workforce across our financial services and real estate businesses. We remain committed to safe, supportive workplaces, with HSE protocols, training and wellness initiatives woven into how we operate day to day. On inequality, Naya Nazimabad continues to be one of the things we're proudest of as a Group — bringing safe, well-planned, affordable housing to Karachi's growing middle class — complemented by our continued support for institutions like the Memon Medical Institute and Ali Habib Medical Centre, which extend quality healthcare to underserved communities.

ENVIRONMENT & CLIMATE

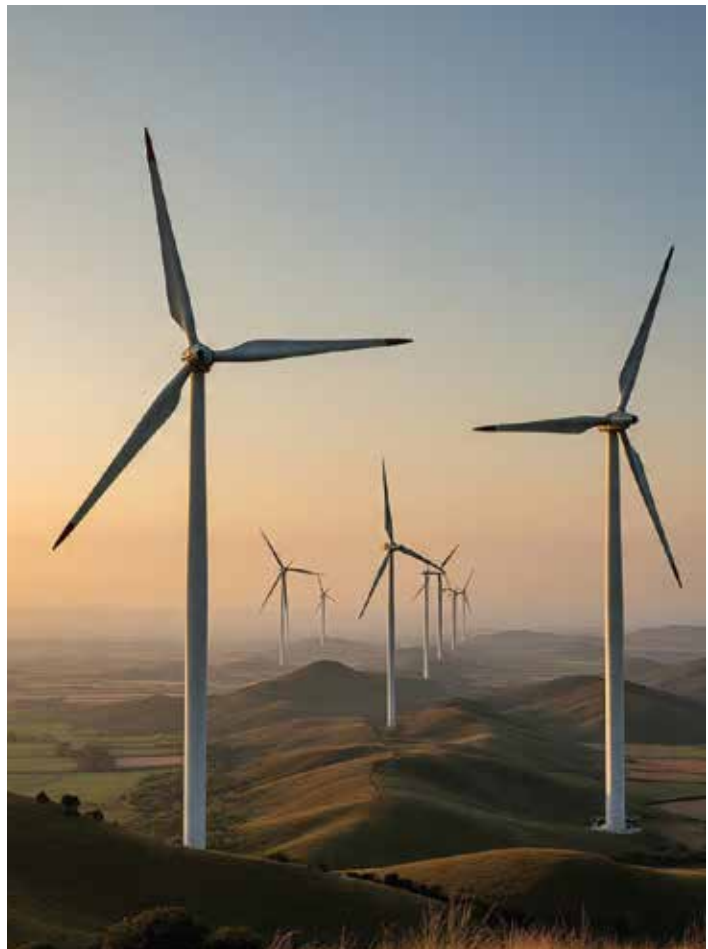


Water Stewardship

Sachal Energy Development continued supplying free drinking water to local communities at its site, Power Cement kept up its free water-tanker deliveries to surrounding villages, and Naya Nazimabad's water recycling plant and rainwater reservoir — soon to be joined by a Reverse Osmosis filtration plant — remain central to how the community manages its water. At Silk Gardens in Surjani, water stewardship is built into the project itself, through a grey-water recycling system that keeps landscaping and common areas thriving without straining the wider water supply. Fatima's Sadiqabad plant achieved Alliance for Water Stewardship Core Certification this year, reflecting the same values around responsible water use that we try to bring across all our operations.

Renewable Energy & Emissions

We continue to invest in clean energy across the Group. Power Cement's waste heat recovery system and solar power plant are both fully operational, with a wind power project underway that will meaningfully expand the Company's renewable capacity, alongside its continued use of alternative fuels to reduce reliance on coal. Fatima commissioned new solar capacity at each of its three plants this year, and its nitrous-oxide abatement facility at Sadiqabad continues to be one of the more significant emissions-reduction measures anywhere in the Group. SEDPL's wind farm in Jhimpir continues to provide clean energy and generate Certified Emission Reductions. Together, these initiatives reflect a genuine, Group-wide shift toward cleaner, more efficient operations.



Plantation & Land Stewardship

This has genuinely been a year of planting for us, and it's worth telling that story properly. At Silk Gardens, we carried out a large-scale plantation drive along the development's approach corridors, adding close to 30,000 plants and shrubs — part of a broader design that dedicates open corridors to natural ventilation and five acres to landscaped green belts, all aimed at improving air quality, reducing heat, and giving residents a genuinely healthier microclimate to live in. At Naya Nazimabad, our tree plantation programme ran throughout the year — in partnership with the National Forum for Environment and Health, at our Flower Show, and again around World Environment Day — steadily building the tree cover and green spaces that make the community what it is. Fatima's own plantation programme at its plant sites added further to this picture. Individually these are site-level efforts; together, they represent one of the more visible ways this Group is trying to leave the ground greener than we found it, and it's an area we intend to keep growing.

INFRASTRUCTURE, GOVERNANCE & PARTNERSHIPS



Infrastructure & Sustainable Communities

Naya Nazimabad continues to be one of the clearest expressions of what sustainable community design can look like in Pakistan — parks, schools, sports facilities and healthcare built around genuine affordability for Karachi's growing middle class. This year's Flower Show and tree plantation events kept that spirit visibly alive within the community. Across the Group, our continued investment in digital tools and platforms — from Fatima's farmer-facing apps to the systems supporting our own operations — reflects a shared belief in using technology to modernise the sectors we work in.

Governance & Ethics

Strong institutions matter to us as much as clean energy or clean water does. Across the Group, our companies maintain formal codes of conduct, confidential whistleblowing channels, and clear policies on conflicts of interest — the quiet infrastructure that keeps trust intact between us and everyone we work with. This year, oversight of sustainability and ethics matters was strengthened at board level across parts of the Group, reflecting our belief that good governance is the foundation everything else is built on.

Partnerships

We understand that we cannot achieve these goals alone. Our partnership with the UNDP on the SDG Impact Framework continues to set a meaningful precedent for private-sector engagement in Pakistan, and this year's extension through The King Charles's Trust International added a new dimension focused on youth and entrepreneurship. Beyond formal partnerships, our leadership's personal involvement with institutions like the Pakistan Centre for Philanthropy, Habib University Foundation, Karachi Education Initiative and the Memon Health & Education Foundation reflects a deeper, more personal form of commitment that runs through the Group. By forging strong partnerships across sectors and with both local and international organisations, we continue to leverage our collective strengths to find lasting solutions to some of Pakistan's most pressing challenges.

Looking ahead, we remain committed to deepening this work across every company in our family — strengthening the programmes that are working, extending our reach into new areas like biodiversity and land stewardship, and continuing to build the kind of transparent, values-led Group we want the next generation to inherit. Sustainability is not a destination for us; it's a continuing commitment, and one we're glad to keep building together.



AHG's Commitment to ESG

Our Commitment to Environmental, Social and Governance Principles

Arif Habib Corporation Limited (AHCL) recognises that responsible environmental, social and governance practices are essential to protecting long-term investment value, strengthening business resilience and maintaining stakeholder confidence. As the holding company of Arif Habib Group, our commitment reflects both the responsibilities of the Company and the diverse sustainability considerations associated with the businesses in which we invest.



The Group's approach to ESG recognises that priorities, operational impacts and reporting obligations differ across sectors. Group companies are progressively developing and implementing practices relevant to their businesses and undertaking disclosures in accordance with applicable requirements. Implementation is therefore undertaken at the respective company level, with priorities and the pace of adoption reflecting each business's circumstances and regulatory obligations.

Environmental considerations relevant to the portfolio include energy and resource efficiency, emissions, water use, waste management and exposure to climate-related risks. Social considerations encompass employee welfare, workplace health and safety, skills development, equal opportunity and responsible engagement with communities. Governance remains fundamental across these areas, with an emphasis on ethical business conduct, accountability, regulatory compliance and transparent reporting.

At the holding company level, AHCL's commitment centres on responsible investment stewardship and sound corporate governance. We recognise that sustainability-related risks and opportunities within investee companies can influence their operating performance, capital requirements and long-term prospects, with implications for the value and resilience of our investment portfolio.

Operational initiatives, performance indicators and related disclosures are addressed by the relevant Group companies through their own reporting, where applicable.

Looking ahead, AHCL remains committed to encouraging the progressive integration of relevant ESG considerations into business planning, risk management and reporting. Our priorities are to support responsible business practices, encourage reliable and decision-useful disclosures, and respond to evolving SECP requirements and stakeholder expectations. Through this approach, we seek to preserve long-term shareholder value while supporting sustainable economic and social development.

Governance & Management

Corporate Governance: A Cornerstone of AHCL

At AHCL, corporate governance is not treated as a compliance requirement but as a guiding philosophy for how we do business. Our commitment to long-term stakeholder value is reflected in the standards of transparency, accountability, and ethical conduct we apply across every level of the organization, even as the business landscape continues to evolve.

A Culture of Integrity and Transparency

Transparency, accountability, and ethical practice are embedded in AHCL's operating processes, not layered on top of them. To safeguard the integrity of our governance framework, the Board of Directors has adopted a comprehensive set of guiding principles and policies. Comprising eight directors, the Board represents and protects the interests of all shareholders, with particular attention to minority shareholder rights.

Board Oversight and Engagement

The Board takes an active role in shaping and overseeing the company's strategic direction, providing the guidance and scrutiny needed to protect stakeholder interests and position AHCL for sustainable growth. Its responsibilities span:

- **Financial Stewardship** — approving annual budgets, evaluating investment and capital expenditure decisions, and monitoring performance against agreed targets to ensure disciplined capital allocation.
- **Operational Oversight** — reviewing financial statements and dividend declarations prior to disclosure, and examining both internal and external audit reports to ensure control weaknesses are identified and addressed promptly.
- **Policy Framework** — establishing sound business policies, ensuring their effective implementation across the organization, and keeping them aligned with evolving regulatory requirements.

The Board is supported in this work by dedicated committees, including Audit, Human Resource & Remuneration, and Risk Management, which provide focused review of matters within their remit ahead of Board-level decision-making.

Whistleblower Protection

An open, transparent work environment is fundamental to ethical conduct. AHCL maintains a robust whistleblower protection policy that enables employees to raise concerns or report suspected wrongdoing without fear of retaliation. The policy sets out clear reporting procedures, confidentiality safeguards, and protective measures for whistleblowers at every stage.

Employee Engagement and Development

AHCL is committed to building a positive, inclusive, and diverse workplace where every employee feels valued and empowered to grow. We regard our people as our greatest asset, and we invest accordingly — embedding equality and inclusivity into every stage of the employee lifecycle, from recruitment through career progression. Our development programs are designed around individual career goals, supported by a culture of open communication that gives every employee a voice. These investments strengthen employee well-being while driving innovation, productivity, and sustained business performance.

Succession Planning: Investing in Our Future

We recognize that AHCL's long-term success is inseparable from the strength of its human capital, which is why succession planning remains a strategic priority. We invest deliberately in our talent pipeline to ensure leadership continuity and uninterrupted operations.

- **Talent Acquisition and Development** — a rigorous selection process paired with ongoing training to attract and retain top talent.
- **Leadership Development** — identifying and nurturing future leaders through mentoring, coaching, and exposure to senior management responsibilities.
- **Succession Planning Framework** — a structured plan that maps critical roles, identifies potential successors, and addresses development gaps.

Stakeholder Engagement: Building Strong Relationships

Strong stakeholder relationships underpin AHCL's continued success. We engage actively with all our stakeholders, listen closely to their feedback, and respond to their concerns without delay, recognizing that their trust is one of our most valuable assets. We maintain open, transparent communication channels built on dialogue and collaboration, tailoring our engagement to the specific needs of each group:

- Shareholders and Investors — regular updates on financial performance, strategic initiatives, and future outlook.
- Customers and Suppliers — strong, mutually beneficial partnerships built on trust and collaboration.
- Banks and Lenders — open communication to secure funding and financial support.
- Government Functionaries and Elected Representatives — engagement to understand regulatory developments and contribute to industry growth.
- Media — proactive engagement to share AHCL's story, respond to inquiries, and protect our public image.

Through these sustained relationships, AHCL continues to build a resilient and mutually beneficial business environment for all its stakeholders.

STRATEGY
GROWTH
GOVERNANCE
SUSTAINABILITY
VALUE CREATION



Criteria to Evaluate Board's Performance

In an era where accountability and performance evaluation have risen to paramount importance, the task of self-assessment can prove to be a formidable challenge. However, the triumphant trajectory of a high-performing company is intrinsically linked to the ability of its directors to devise and guide a strategy that seamlessly aligns with the overarching vision, thus propelling expansion and prosperity. With this perspective, our company diligently nurtures the prowess of its Board of Directors, empowering them to enhance both their individual contributions and collective impact on the company and society at large.

A truly exceptional Board transcends being a mere assembly of accomplished individuals; it transforms into a harmonious ensemble that connects diverse skills within a culture fostering unity. This synergy enables sound decisions that steer the company toward progress, while also nurturing the environment it operates within. While the chair provides crucial guidance, the participatory involvement of each Board member remains paramount for the Board's effectiveness.

As the spotlight on performance evaluation intensifies within boardrooms, regulatory bodies and institutional investors increasingly advocate its practice as an essential component of robust corporate governance. The Board of Directors stands as the guardian of shareholders' investments and aspirations, channelling these into the company's mission and objectives. Upholding stakeholder trust necessitates periodic assessment of the Board's performance.

At AHCL, the Board has meticulously instituted a self-evaluation mechanism, a practice upheld for several years to uphold good governance principles. This evaluation centres on pivotal aspects like strategic expansion, identification of business prospects, adept risk management, composition of the Board, and vigilant oversight of management.

The main focus of the evaluation remains on strategic growth, business opportunities, risk management, Board composition and providing oversight to the management, the global economic environment and competitive context, amongst other areas.

In continuance of adhering to the Code, the Board undertook an evaluation on the following criteria to assess its performance:

- Compliance with the legislative system in which Company operates, including Companies Act, 2017, Listing Regulations of the Stock Exchange, the Memorandum and Articles of Association of the Company.

- Active participation in strategic planning process, enterprise risk management system, policy development, financial structure, monitoring and approval.
- Hiring, evaluating, compensating and supporting the Executive Directors and other key positions including Chief Executive.
- Appropriate constitution of Board Committees with members possessing adequate technical knowledge and experience.
- Establishing adequate system of internal controls in the Company and its regular assessment through self-assessment mechanism or/and internal audit activities.
- Ensuring presence of required quorum in Board and Committees' meeting.
- Ensuring orientation and training of Board of Directors to enable them to perform their duties in an effective manner.
- Ensuring adequate information is shared with the Board timely and the Board is kept abreast of developments between meetings.

The overall performance of the Board measured on the basis of above-mentioned parameters for the year was satisfactory.

Report of the Audit Committee on Adherence to the Best Practices of Code of Corporate Governance

The audit committee has concluded its annual review of the conduct and operations of the Company during financial year ended on 30th June 2026, and reports that:

- The Company has adhered in full, without any material departure, with both mandatory and voluntary provisions of the listing regulation of Pakistan Stock Exchange, Company's statement of ethics and values and the international best practices of Governance throughout the year.
- Compliance has been confirmed from the members of the Board, the Management and employees of the Company individually. Equitable treatment of shareholders has also been ensured.
- The Company has issued a "Statement of Compliance with the Best Practices of Code of Corporate Governance" as stipulated in Listed Companies (Code of Corporate Governance) Regulations 2019, and the auditors have provided their review report there on.
- Appropriate accounting policies have been applied consistently, except for the change in accounting policy relating to the measurement of investments in subsidiaries in the unconsolidated financial statements, as disclosed in Note 3.3.1, which has been accounted for in accordance with IAS 8. Applicable accounting standards were followed in the preparation of the Company's separate and consolidated financial statements, which present fairly the state of affairs, results of operations, profits, cash flows and changes in equity of the Company and its subsidiaries for the year under review.
- The Chief Executive Officer and the Chief Financial Officer have duly endorsed the unconsolidated financial statements and consolidated financial statements of the Company under their respective signatures before presenting the financial statements, for consideration and approval of the Board of Directors. They acknowledge their responsibility for true and fair presentation of the financial statements, compliance with regulations and applicable accounting standards and establishment and maintenance of internal controls framework and procedures necessary for the purpose.
- Accounting estimates are based on reasonable and prudent judgment. Proper and adequate accounting records have been maintained by the Company in accordance with Companies Act, 2017.
- The financial statements comply with the requirements of the Fourth Schedule to the Companies Act, 2017 and applicable "International Accounting Standards / International Financial Reporting Standards (IFRS)" notified by SECP.
- All direct and indirect trading and holdings of the Company's shares by Directors & Executives or their spouse were notified in writing to the Company Secretary along with the price, number of shares, form of share certificate and nature of transaction which were notified by the Company Secretary to the Board within the stipulated time. All such holdings have been disclosed in the pattern of Shareholdings.

INTERNAL AUDIT

The internal control framework has been effectively implemented through an independent in-house Internal Audit function established by the Board.

- The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy.
- The Audit Committee has ensured the achievements of operational, compliance and financial reporting objectives, safeguarding of the assets of the Company and the shareholders wealth through effective financial operational and compliance controls and risk management at all levels within the Company.
- The Head of Internal Audit has direct access to the Chairman of the Audit Committee and the Committee has ensured staffing of personnel with sufficient internal audit acumen.
- Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

EXTERNAL AUDITORS

- The statutory Auditors of the Company, M/s. A. F. Ferguson & Co., Chartered Accountants, have completed their audit assignments of the "Company's Separate Financial Statements", the "Consolidated Financial Statements" and the "Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations 2019 for the financial year ended 30th June 2026 and shall retire on the conclusion of the 32nd Annual General Meeting.
- The Audit Committee has reviewed and discussed Audit observation with the External Auditors.
- The Audit Firm has been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and the firm is fully compliant with the International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by the ICAP. The Auditors attended the general meetings of the Company during the year and have confirmed attendance of the Annual General Meeting scheduled on 28th October 2026.
- Being eligible for re-appointment as Auditors of the Company, the Audit Committee recommends reappointment of M/s. A. F. Ferguson & Co., Chartered Accountants, for the financial year 30th June 2027.

Karachi: 30th September 2026
Chairman - Audit Committee



A.F. FERGUSON & CO.

Independent Auditor's Review Report

To the members of Arif Habib Corporation 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 Arif Habib Corporation Limited (the Company) for the year ended June 30, 2026 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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

A.F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: 7th October 2026
UDIN: CR202610059aPRmNBtdW

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

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

For the year ended 30th June 2026

The company has complied with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019 [the Regulations] in the following manner:

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

- a. Male Directors: 7
- b. Female Director: 1

2. The composition of board is as follows:

Category	Names
Independent Directors	Khawaja Najam ud din Roomi Ms. Zeba Bakhtiar
Other Non-executive Directors	Mr. Asadullah Khawaja Mr. Nasim Beg Mr. Abdus Samad Habib Mr. Kashif Habib Mr. Muhammad Ejaz
Executive Director	Mr. Arif Habib
Female Director	Ms. Zeba Bakhtiar (Also mentioned above in the list of Independent Directors)

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
- 4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- 5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
- 6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations.
- 7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of 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. Five directors had already completed the directors' training / education program earlier whereas remaining three directors are exempt from attending the directors training program as per criteria mentioned under Code of Corporate Governance.
- 10. No new appointments of Chief Financial Officer, Company Secretary or Head of Internal Audit were made during the year under review.

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

12. The Board has formed committees comprising of members given below:

a) Audit Committee:

Khawaja Najam ud din Roomi	Chairman
Mr. Kashif Habib	Member
Mr. Muhammad Ejaz	Member

b) HR and Remuneration Committee:

Ms. Zeba Bakhtiar	Chairperson
Mr. Arif Habib	Member
Mr. Nasim Beg	Member
Mr. Kashif Habib	Member

The Board has assigned the functions of the Sustainability Committee to the existing Human Resource & Remuneration Committee.

c) Investments & Risk Management Committee:

Mr. Arif Habib	Chairman
Mr. Nasim Beg	Member
Mr. Kashif Habib	Member
Mr. Abdus Samad Habib	Member

d) Nomination Committee:

Mr. Arif Habib	Chairman
Mr. Abdus Samad Habib	Member

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

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

- Audit Committee – 4 (four) meetings of the committee were held during the financial year.
- HR and Remuneration Committee - 2 (Two) meetings of the committee were held during the financial year.
- Investments & Risk Management Committee - 2 (Two) meetings of the committee were held during the financial year.
- Nomination Committee - 1 (One) meeting of the committee was held during the financial year.

15. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review 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 regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

Explanation as required under the regulations 6(1) is mentioned below:

Currently, Company has two eminent and seasoned independent directors out of total eight directors on the Board. Both the independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently as per laws and regulations; therefore, the appointment of a third independent director is not considered.

For and on behalf of the Board



Arif Habib
Chief Executive



Kashif Habib
Director

Karachi: 30th September 2026



Unconsolidated Financial Statements

for the year ended 30th June 2026

95	Independent Auditor's Report
99	Statement of Financial Position
101	Statement of Profit or Loss
102	Statement of Comprehensive Income
103	Statement of Changes In Equity
104	Statement of Cash Flow
105	Notes to the Financial Statement



Independent Auditor's Report

To the members of Arif Habib Corporation Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

Following is the Key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
(i)	Valuation of Investments at Fair Value <i>(Refer note 3.3, 7 and 13 to the unconsolidated financial statements)</i> The Company measures its investments in subsidiaries, associates, debt instruments and other equity securities at fair value through profit or loss. At the reporting date, these investments aggregated Rs. 116.10 billion and represented 97.84% of the Company's total assets. During the year, the Company changed its accounting policy for investments in subsidiaries in its unconsolidated financial statements from cost less accumulated impairment losses, if any, to fair value through profit or loss in accordance with IFRS 9, 'Financial Instruments'. The change was applied retrospectively in accordance with IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors'. Given the magnitude of the investment balances, the impact of the accounting policy change, and the judgement and estimation uncertainty involved in determining fair values, we considered the valuation of investments to be a key audit matter.	Our audit procedures, among others, included the following: - for quoted investments, agreed the quoted prices used in the valuations to external market sources; - for unquoted investments, evaluated the appropriateness of the valuation methodologies and assessed the reasonableness of the key forecasts and assumptions and performed sensitivity analyses; - evaluated the appropriateness and retrospective application of the change in accounting policy, including the restatement of comparative information; and - evaluated the adequacy and appropriateness of the disclosures relating to investments, the change in accounting policy, fair-value measurement and the significant judgements and estimates in the unconsolidated financial statements.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Farrukh Rehman.



A.F. Ferguson & Co.
Chartered Accountants
Karachi

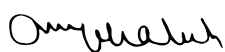
Date: 7th October 2026
UDIN: AR2026100599FnhfS8b7

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30th, 2026

	Note	2026	(Restated) 2025 Rupees	(Restated) 2024
ASSETS				
NON-CURRENT ASSETS				
Property and equipment	4	91,029,844	33,512,000	49,532,593
Intangible assets	5	-	-	141,875
Investment property	6	-	1,753,000,000	169,000,000
Long term investments	7	112,184,178,188	70,940,112,746	38,200,189,709
Long term loan to related party	8	280,000,000	140,000,000	149,670,165
Long term deposits and other receivable	9	5,053,180	4,893,280	5,880,378
		112,560,261,212	72,871,518,026	38,574,414,720
CURRENT ASSETS				
Loans and advances	10	146,512,466	1,526,727,252	4,056,863,482
Mark-up receivable	11	70,759,112	48,282,736	77,280,288
Prepayments and other receivables	12	821,467,297	661,394,716	660,748,917
Short term investments	13	4,998,355,366	2,522,429,927	6,794,188,359
Cash and bank balances	14	65,379,956	102,976,469	45,975,441
		6,102,474,197	4,861,811,100	11,635,056,487
TOTAL ASSETS		118,662,735,409	77,733,329,126	50,209,471,207

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



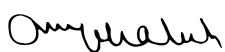
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30th, 2026

	Note	2026	(Restated) 2025 Rupees	(Restated) 2024
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Share capital				
Issued, subscribed and paid up share capital	15	4,216,967,470	4,216,967,470	4,083,750,000
Capital reserves				
Shares to be issued under scheme of arrangement		-	-	133,217,470
Revenue reserves				
General reserve		4,000,000,000	4,000,000,000	4,000,000,000
Unappropriated profit		93,991,907,166	53,728,243,908	33,007,686,203
		97,991,907,166	57,728,243,908	37,007,686,203
TOTAL EQUITY		102,208,874,636	61,945,211,378	41,224,653,673
LIABILITIES				
NON-CURRENT LIABILITIES				
Deferred taxation - net	16	9,370,192,394	9,308,611,072	5,999,527,865
Contributions from musharaka participants	17	-	529,770,710	-
Loan from sponsor	18	-	3,301,707,946	-
Lease liability against right of use assets		-	-	17,904,171
		9,370,192,394	13,140,089,728	6,017,432,036
CURRENT LIABILITIES				
Running finance under mark-up arrangement	19	1,242,785,728	534,837,635	501,329,430
Loan from sponsor		-	-	800,000,000
Other payables	20	4,954,724,330	973,925,751	1,039,208,977
Current portion of lease liability	21	51,903,336	17,904,174	12,823,623
Taxation - provision less payments	22	798,530,975	1,092,903,050	591,841,742
Unclaimed dividend		35,724,010	28,457,410	22,181,726
		7,083,668,379	2,648,028,020	2,967,385,498
TOTAL LIABILITIES		16,453,860,773	15,788,117,748	8,984,817,534
Contingencies and commitments	23			
TOTAL EQUITY AND LIABILITIES		118,662,735,409	77,733,329,126	50,209,471,207

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



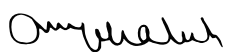
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30th, 2026

	Note	2026	(Restated) 2025
			Rupees
Dividend income	24	4,836,864,242	4,811,614,378
Other revenue	25	159,963,085	141,379,559
Gross revenue		4,996,827,327	4,952,993,937
Gain on sale of securities - net	26	4,142,445,373	671,654,035
Administrative expenses	27	(335,562,835)	(452,296,357)
Net finance cost	28	(60,368,349)	(529,728,159)
Gain / (loss) on real estate portfolio - net	29	544,936,426	(5,189,439)
Gain on remeasurement of investments - net	30	36,938,544,980	23,413,711,869
Operating profit		46,226,822,922	28,051,145,886
Other income	31	200,020,000	225,493
Other charges	32	(47,150,632)	(38,337,707)
Profit before levy and income tax		46,379,692,290	28,013,033,672
Levy	33	(3,917,006)	(19,230,152)
Profit before income tax		46,375,775,284	27,993,803,520
Income tax expense	34	(1,895,144,556)	(4,321,368,586)
Profit for the year		44,480,630,728	23,672,434,934
Earnings per share - basic and diluted	35	10.55	5.61

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



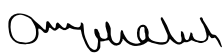
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30th, 2026

	2026	(Restated) 2025
	Rupees	
Profit for the year	44,480,630,728	23,672,434,934
Other comprehensive income	-	-
Total comprehensive income for the year	44,480,630,728	23,672,434,934

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30th, 2026

		Reserves				Total
		Capital Reserves	Revenue Reserves		Sub total	
	Issued, subscribed and paid up share capital	Shares to be issued under scheme of arrangement	General reserve	Unappropriated profit		
------(Rupees)-----						
Balance as at July 1, 2024 as previously reported	4,083,750,000	133,217,470	4,000,000,000	25,852,471,316	29,985,688,786	34,069,438,786
Effect of change in accounting policy - note 3.3.1	-	-	-	7,155,214,887	7,155,214,887	7,155,214,887
Balance as on July 01, 2024 - restated	4,083,750,000	133,217,470	4,000,000,000	33,007,686,203	37,140,903,673	41,224,653,673
Transactions with owners of the Company recorded directly in equity - distributions						
Final cash dividend at the rate of Rs. 7 per share for the year ended June 30, 2024	-	-	-	(2,951,877,229)	(2,951,877,229)	(2,951,877,229)
Effect of scheme of arrangement / merger	133,217,470	(133,217,470)	-	-	(133,217,470)	-
Total comprehensive income for the year ended June 30, 2025 - restated						
Profit for the year - restated	-	-	-	23,672,434,934	23,672,434,934	23,672,434,934
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	-	23,672,434,934	23,672,434,934	23,672,434,934
Balance as at June 30, 2025 - restated	4,216,967,470	-	4,000,000,000	53,728,243,908	57,728,243,908	61,945,211,378
Transactions with owners of the Company recorded directly in equity - distributions						
Final cash dividend at the rate of Rs. 1 per share for the year ended June 30, 2025	-	-	-	(4,216,967,470)	(4,216,967,470)	(4,216,967,470)
Total comprehensive income for the year ended June 30, 2026						
Profit for the year	-	-	-	44,480,630,728	44,480,630,728	44,480,630,728
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	-	44,480,630,728	44,480,630,728	44,480,630,728
Balance as at June 30, 2026	4,216,967,470	-	4,000,000,000	93,991,907,166	97,991,907,166	102,208,874,636

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



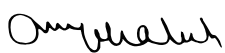
Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30th, 2026

	Note	2026	(Restated) 2025
			Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash generated from operations	37	4,880,308,088	2,389,555,408
Long term loan to related party - net		(140,000,000)	9,670,165
Income tax paid	22	(2,127,935,309)	(511,224,071)
Levies paid	22 & 33	(3,917,006)	(19,230,152)
Interest received		27,571,831	165,382,722
Finance cost paid		(64,828,743)	(765,025,601)
Net cash generated from operating activities		2,571,198,861	1,269,128,471
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	4.1	(5,075,848)	(2,536,746)
Dividend received		4,836,864,242	4,811,614,378
Proceeds from disposal of property and equipment		247,811	110,145
Acquisition of long term investments		(8,922,867,376)	(4,939,243,437)
Proceeds from disposal of long term investments		5,723,488,171	403,711,063
Acquisition of investment property	6.1	-	(1,710,020,000)
Proceeds from disposal of investment property		1,337,491,312	128,063,321
Realisation of loans and advances	10.3 & 10.4	1,294,961,844	-
Long term deposits and other receivable - net		(159,900)	987,098
Net cash generated from / (used in) investing activities		4,264,950,256	(1,307,314,178)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(4,209,700,870)	(2,945,601,545)
Loan (repaid to) / received from sponsor - net	18	(3,301,707,946)	2,501,707,946
Contributions received from musharaka participants		-	522,537,950
Payment of lease liability	21	(70,048,775)	(17,191,314)
Net cash (used in) / generated from financing activities		(7,581,457,591)	61,453,037
Net (decrease) / increase in cash and cash equivalents		(745,308,474)	23,267,330
Cash and cash equivalents at beginning of the year		(431,861,166)	(455,353,989)
Effect of exchange rate fluctuations on cash held		(236,132)	225,493
Cash and cash equivalents at end of the year	38	(1,177,405,772)	(431,861,166)

The annexed notes from 1 to 48 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

1. STATUS AND NATURE OF BUSINESS

1.1 Arif Habib Corporation Limited (the "Company") was incorporated in Pakistan on November 14, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) (the "Act"). The Company is listed on the Pakistan Stock Exchange Limited. The principal activity of the Company is to make strategic investments in subsidiary companies and associates engaged in diversified sectors and investment in other businesses. The Company also extends loans, advances and guarantees to its associated company / undertaking as allowed under the Companies Act, 2017. The registered office of the Company is situated at 2nd Floor, 23, M. T. Khan Road, Karachi, Pakistan. The Company is domiciled in the province of Sindh.

These unconsolidated financial statements are the separate financial statements of the Company. Investments in subsidiaries and associates are accounted for at fair value through profit or loss. The consolidated financial statements of the Company and its subsidiaries have been prepared separately.

As further explained in note 3.3.1 to these financial statements, investments in subsidiaries were previously accounted for at cost less accumulated impairment losses, if any. During the year, the Company changed its accounting policy to measure investments in subsidiaries at fair value through profit or loss.

1.2 The Company has following long term investments in subsidiaries and associates and its underlying shareholding in respective subsidiaries and associate:

Name of Companies	Shareholding	
	2026	2025
<i>Subsidiaries</i>		
- Arif Habib Limited, a brokerage house	74.32%	74.32%
- Sachal Energy Development (Private) Limited, a wind power generation company	85.83%	85.83%
- Black Gold Power Limited, a coal power generation company	100.00%	100.00%
<i>Associates</i>		
- Fatima Fertilizer Company Limited, a fertilizer company	15.19%	15.19%
- Safe Mix Concrete Limited, a cement company	27.63%	27.63%
- Power Cement Limited, a cement manufacturing company	26.70%	24.48%
- Javedan Corporation Limited, a real estate company	34.13%	39.52%
- PIA Equity Limited, a holding company of Pakistan International Airlines Corporations Limited (PIACL)	8.91%	-
- Aisha Steel Mills Limited, a steel coils manufacturing company	22.04%	-

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

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 as modified by remeasurement of certain financial assets at fair value.

2.3 Functional and presentation currency

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

2.4 Critical accounting estimates and judgments

The preparation of unconsolidated financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about judgments made in applying accounting policies that have the most significant effect on the amounts recognised in these unconsolidated financial statements, and about assumptions and estimation uncertainties that have a significant risk of material adjustment to carrying amounts of assets and liabilities in the future period are included in the following notes:

- Provision for taxation (note 3.11 and 34); and
- Fair value and classification of investments (note 3.4 and 7)

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

2.5 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to accounting and reporting standards that became effective during the year

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 material impact on the Company's financial reporting and, therefore, have not been disclosed in these unconsolidated financial statements.

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

There are certain amendments and interpretations 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:

i) 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 cash flows (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).

ii) IFRS 18 – Presentation and Disclosure in Financial Statements (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 state ments and notes in general.

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 in the Company's financial reporting and, therefore, have not been presented in these unconsolidated financial statements.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these unconsolidated financial statements are set out below. They are consistently applied for all periods presented except for investments in subsidiaries to be carried at fair value through profit or loss which were previously carried at cost less accumulated impairment losses, if any as disclosed in note 3.3.1

3.1 Property and equipment

3.1.1 Operating fixed assets

Operating fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset including borrowing cost incurred on qualifying assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Cost incurred to replace a component of an item of operating fixed assets is capitalised and the asset so replaced is retired from use and its carrying amount is derecognised, while normal repairs and maintenance are charged to the statement of profit or loss in the period in which they are incurred.

3.1.2 Right-of-use assets

The Company recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, if any, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

3.2 Investment property

Investment properties are held for capital appreciation and is measured initially at their cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value at each reporting date. The changes in fair value is recognised in the statement of profit or loss.

3.3 Investments in subsidiaries and associates

3.3.1 Change in accounting policy - investment in subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it has the power over the investee, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In accordance with IAS 27 Separate Financial Statements, investments in subsidiaries may be accounted for at cost, in accordance with IFRS 9 Financial Instruments, or using the equity method as described in IAS 28 Investments in Associates and Joint Ventures.

During the year, the Company has changed its accounting policy for the measurement of investments in subsidiaries in its separate financial statements. Under the previous accounting policy, investments in subsidiaries were accounted for at cost less accumulated impairment losses, if any. Under the revised accounting policy, investments in subsidiaries are measured at fair value through profit or loss in accordance with IFRS 9 Financial Instruments.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

The Company's principal activity, as disclosed in note 1.1, is to make strategic investments in subsidiary companies engaged in diversified sectors. Measurement of these investments at fair value through profit or loss provides information on their fair value at each reporting date and aligns the measurement basis with the Company's other equity investments, which are also measured at fair value through profit or loss. Accordingly, changes in the fair value of investments in subsidiaries are recognised in profit or loss, providing users of the separate financial statements with information on the current economic value of such investments and the Company's exposure to changes in their fair value enabling users to better evaluate the returns and risks associated with the Company's core investing activities. The revised policy therefore provides users of the separate financial statements with more relevant and reliable information.

Investment in the shares of subsidiary companies carried at fair values listed on the stock exchange are valued at quoted market prices as at reporting date, whereas investments in the shares of unlisted subsidiary companies carried at fair values are valued at the values ascertained under the discounted cashflow model or on the basis of other relevant valuation methodology according to the sector / business fundamentals.

The change in accounting policy has been applied retrospectively and the comparative information has been restated in accordance with the requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The effects of the change in accounting policy on the Company's financial statements are disclosed below:

Effect of Restatement on prior periods			
	As previously reported	Effect of change in accounting policy	As restated
----- Rupees -----			
As of July 01, 2024:			
Effect on unconsolidated statement of financial position			
Assets			
Long term investments	26,363,022,014	11,837,167,695	38,200,189,709
Liabilities			
Deferred taxation - net	1,317,575,057	4,681,952,808	5,999,527,865
Revenue reserves			
Unappropriated profit	25,852,471,316	7,155,214,887	33,007,686,203
As of June 30, 2025:			
Effect on unconsolidated statement of financial position			
Assets			
Long term investments	59,498,580,635	11,441,532,111	70,940,112,746
Liabilities			
Deferred taxation - net	4,919,384,423	4,389,226,649	9,308,611,072
Revenue reserves			
Unappropriated profit	46,675,938,446	7,052,305,462	53,728,243,908
For the year ended June 30, 2025:			
Effect on unconsolidated statement of profit or loss			
Gain on remeasurement of investments - net	23,809,347,453	(395,635,584)	23,413,711,869
Income tax expense	4,614,094,745	(292,726,159)	4,321,368,586
Profit for the year	23,775,344,359	(102,909,425)	23,672,434,934
Earnings per share - basic and diluted	5.64	(0.02)	5.61
For the year ended June 30, 2025:			
Effect on unconsolidated statement of other comprehensive income			
Total comprehensive income for the year	23,775,344,359	(102,909,425)	23,672,434,934

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

As of June 30, 2026:

Effect on unconsolidated statement of financial position

Assets

Long term investments

Liabilities

Deferred taxation - net

Revenue reserves

Unappropriated profit

For the year ended June 30, 2026:

Effect on unconsolidated statement of profit or loss

Gain on remeasurement of investments - net

Income tax expense

Profit for the year

Earnings per share - basic and diluted

For the year ended June 30, 2026:

Effect on unconsolidated statement of other comprehensive income

Total comprehensive income for the year

Effect of change in current year		
Had there been no change in policy	Effect of change in accounting policy	After change in policy

Rupees

100,386,153,566	11,798,024,622	112,184,178,188
5,727,626,089	3,642,566,305	9,370,192,394
85,836,448,849	8,155,458,317	93,991,907,166
36,582,052,469	356,492,511	36,938,544,980
2,641,804,900	(746,660,344)	1,895,144,556
43,377,477,873	1,103,152,855	44,480,630,728
10.29	0.26	10.55
43,377,477,873	1,103,152,855	44,480,630,728

The impact on the statements of cash flows for the current and prior years is limited to changes in profit before tax and certain non-cash adjustments to reconcile profit before tax to net cash flows from operating activities. However, there was no impact on net cash flows from operating activities. Cash flows from investing and financing activities were not affected.

3.3.2 Investment in associates

The Company considers its associates to be such entities in which the Company has significant influence as defined in IAS 28 'Investments in Associates and Joint Ventures', but not control or joint control, over the financial and operating policies.

The Company manages its investment in associates classified at fair value upon initial recognition, with an intention to sell them in the future upon receiving its fair value in accordance with the Company's documented investment strategy.

Associates classified as at fair value through profit or loss are measured at fair value, and changes therein are recognised in the unconsolidated statement of profit or loss.

Investment in the shares of associated companies carried at fair values listed on the stock exchange are valued at quoted market prices as at the reporting date, whereas investments in the shares of unlisted associated companies carried at fair values are valued at the values ascertained under the discounted cashflow model or on the basis of some other relevant valuation methodology according to the sector / business fundamentals.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

3.4 Financial instruments

3.4.1 Financial assets

3.4.1.1 Initial recognition

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognized on trade-date – the date on which the Company commits to purchase or sell the asset.

3.4.1.2 Classification

The Company classifies its financial instruments in the following measurement categories:

- at fair value through profit or loss (FVTPL).
- at fair value through other comprehensive income (FVOCI)
- 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 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
- 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.

Factors considered by the Company in determining the business model for a Company of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

For equity instruments, the Company may elect to classify irrevocably some of its equity investments as equity instruments at FVOCI when they are not held for trading. Such classification is determined on an instrument-by-instrument basis. The rest of the equity investment are carried at fair value through profit or loss.

3.4.1.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

a) Financial assets held at fair value through profit or loss and other comprehensive income

Financial assets 'at fair value through profit or loss' are marked to market using the closing market rates and are carried on the balance sheet at fair value. Net gains and losses arising on changes in fair values of these financial assets are taken to the statement of profit or loss in the period in which these arise.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

Financial assets at fair value through 'Other Comprehensive Income' are marked to market using the closing market rates and are carried on the balance sheet at fair value. Net gains and losses arising on changes in fair values of these financial assets are recognised in statement of comprehensive income.

Fair value of the investments in listed shares is determined on the basis of the trade rates quoted at the reporting date.

Fair value of unquoted investments is determined under the discounted cashflow model or on the basis of some other relevant valuation methodology according to the sector / business fundamentals.

b) Financial assets measured 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.

3.4.1.4 Impairment

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVOCI. The Company recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company applies the IFRS 9 simplified approach to measure expected credit losses for all of its financial assets (receivables, advances, deposits, etc.). For all other financial assets, a life time ECL is recorded in which there has been Significant Increase in Credit Risk (SICR) from the date of initial recognition and for financial assets which are credit impaired as on reporting date. A 12 months ECL is recorded for all other financial assets which do not meet the criteria for SICR or "credit impaired" as at reporting date.

3.4.1.5 Significant increase in credit risk

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward looking information.

The following indicators are considered while assessing credit risk:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increase in credit risk on other financial instruments of the same debtor; and
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees, if applicable.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

3.4.1.6 Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company).

3.4.1.7 Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either:

- (i) the Company transfers substantially all the risks and rewards of ownership; or
- (ii) the Company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control.

3.4.1.8 Reclassifications

The Company reclassifies financial assets when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

3.4.1.9 Write-offs

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. Against each outstanding exposure which stands as impaired, the Company makes an assessment with respect to the timing and amount of write-off based on the expectation of recovery. However, financial assets that are written off remain subject to legal enforcement activities for recovery of amounts due.

3.4.2 Financial liabilities

Financial liabilities are recognised at the time the Company becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value less any directly attributable transaction cost.

Financial liabilities are subsequently measured at amortised cost except for:

- Financial liabilities at fair value through profit or loss; and
- Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer.

3.4.2.1 Derecognition

Financial liabilities are derecognised at the time when these are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires. Any gain or loss on derecognition of financial assets and financial liabilities is taken to the profit or loss account.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

3.4.3 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the unconsolidated financial statements only when the Company has currently legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Company or the counter parties.

3.5 Cash and cash equivalents

Cash and cash equivalents are carried in the unconsolidated statement of financial position at amortised cost. For the purposes of the cash flow statement, 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 borrowings repayable on demand, which form an integral part of the Company's cash management.

3.6 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.

3.7 Off balance sheet obligations

The Company issues financial guarantee contracts in return for fees (i.e. commission on guarantee) to associated concerns. Under a financial guarantee contract, the Company undertakes to meet counter party's obligations under the terms of a debt instrument, if the counter party fails to do so.

3.8 Lease liability

The Company assesses at contract inception whether a contract is, or contains a lease, i.e, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company acts as a lessee and applies a single recognition and measurement approach for all the leases except for short-term leases and leases of low value assets. The Company recognises lease liability to make lease payments and right-of-use assets representing the right to use the underlying assets. At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) for real estate. It also applies the lease of low-value assets recognition exemption to leases that are considered of low value.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods affected by an option to extend or terminate the lease. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew the lease. Any change is accounted for as a change in estimate and applied prospectively with corresponding change in right-of-use assets and lease liabilities.

3.9 Running finance under markup arrangement

Mark-up bearing borrowings are recognised initially at fair value, less any directly attributable transaction cost. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the unconsolidated statement of profit or loss over the period of the borrowings on an effective interest basis.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

3.10 Provisions

Provision is recognised when, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Subsequently, provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.11 Taxation

Income tax expense comprises of current, prior year and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or equity respectively.

Current

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of prior years.

Levy

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 unconsolidated statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21 / IAS 37.

Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences at the reporting date between the tax base and carrying amount of assets and liabilities for financial reporting purposes.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and carried forward unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carried forward unused tax losses can be utilised. Carrying amount of all deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

3.12 Staff retirement benefits

The Company operates a recognised provident fund for all its eligible permanent employees. Equal monthly contributions are made by the Company and employees to the fund at the rate of 12.50% of basic salary.

3.13 Foreign currency transactions and translation

Transactions in foreign currencies are translated into Pakistan Rupees at the rates of exchange approximating those prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies are translated into Pakistan Rupees at the rates of exchange ruling on the reporting date. Exchange differences are included in the unconsolidated statement of profit or loss.

3.14 Revenue recognition

- Gain / loss on sale of investments are recognised in the unconsolidated statement of profit or loss on the date of transaction. All purchases and sales of securities that require delivery within the timeframe established by regulation or market conventions such as 'T+1' purchases and sales are recognised at the trade date. Trade date is the date on which the Company commits to purchase or sell the financial assets.
- Dividend income is recognised when the Company's right to receive such dividend is established.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

- Interest income on bank deposits and loans are recognised on time proportion basis that takes into account the effective yield.
- Unrealised gains / (losses) arising on remeasurement of investments classified as at fair value through profit or loss are included in the unconsolidated statement of profit or loss in the period in which they arise.
- Guarantee commission is recognised in income over the period of the guarantee.

3.15 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Parent Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined 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.

4. PROPERTY AND EQUIPMENT	Note	2026	2025
		Rupees	
Operating fixed assets	4.1	19,865,572	20,055,926
Right-of-use assets	4.2	71,164,272	13,456,074
		91,029,844	33,512,000

4.1 Operating fixed assets

	Leasehold improvements	Furniture and office equipment	Computer and allied equipment	Vehicles	Total
	(Rupees)				
Net carrying value basis					
Year ended June 30, 2026					
Opening net book value	8,518,681	1,159,461	2,640,015	7,737,769	20,055,926
Additions	-	328,530	4,747,318	-	5,075,848
Disposals	-	-	-	-	-
Cost	-	(28,342)	(517,984)	-	(546,326)
Accumulated depreciation	-	28,342	290,173	-	318,515
	-	-	(227,811)	-	(227,811)
Depreciation charge - note 4.4	(1,277,798)	(225,155)	(1,987,881)	(1,547,557)	(5,038,391)
Closing net book value	7,240,883	1,262,836	5,171,641	6,190,212	19,865,572
Gross carrying value basis					
As at June 30, 2026					
Cost	72,157,317	2,542,265	15,376,181	46,071,343	136,147,106
Accumulated depreciation	(64,916,434)	(1,279,429)	(10,204,540)	(39,881,131)	(116,281,534)
Net book value	7,240,883	1,262,836	5,171,641	6,190,212	19,865,572
Net carrying value basis					
Year ended June 30, 2025					
Opening net book value	10,021,981	559,023	2,529,465	9,509,979	22,620,448
Additions	-	843,575	1,473,169	220,002	2,536,746
Disposals	-	-	-	-	-
Cost	-	(210,875)	(40,000)	(50,500)	(301,375)
Accumulated depreciation	-	100,668	14,806	38,549	154,023
	-	(110,207)	(25,194)	(11,951)	(147,352)
Depreciation charge - note 4.4	(1,503,300)	(132,930)	(1,337,425)	(1,980,261)	(4,953,916)
Closing net book value	8,518,681	1,159,461	2,640,015	7,737,769	20,055,926
Gross carrying value basis					
As at June 30, 2025					
Cost	72,157,317	2,242,077	11,146,847	46,071,343	131,617,584
Accumulated depreciation	(63,638,636)	(1,082,616)	(8,506,832)	(38,333,574)	(111,561,658)
Net book value	8,518,681	1,159,461	2,640,015	7,737,769	20,055,926
Depreciation rates (% per annum)	15	15	33	20	

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

4.2	Right-of-use assets	Note	2026	2025
			Rupees	
	Cost			
	Balance at begininng of the year		39,519,995	39,519,995
	Additions for the year		86,497,778	-
	Effect of lease modification		5,777,964	-
	Balance at end of the year		131,795,737	39,519,995
	Accumulated depreciation			
	Balance at begininng of the year		(26,063,921)	(12,607,850)
	Charge for the year	4.4	(34,567,544)	(13,456,071)
	Balance at end of the year		(60,631,465)	(26,063,921)
	Written down value at the end of the year		71,164,272	13,456,074
4.3	The right-of-use asset represents the Hospitality / Corporate Box bearing No. 03, situated on the Second Floor, New Pavilion, National Bank Stadium, Karachi, which has a useful life of 6 years.			
4.4	Depreciation has been allocated to administrative expenses (note 27) amounting to Rs. 39.61 million (2025: Rs.18.41 million).			

5.	INTANGIBLE ASSETS	Note	2026	2025
			Rupees	
	Computer softwares acquired			
	Net carrying value basis			
	Net book value at beginning of the year		-	141,875
	Amortisation charge	5.2	-	(141,875)
	Net book value at end of the year		-	-
	Gross carrying value basis			
	Cost		618,990	618,990
	Accumulated amortisation		(618,990)	(618,990)
	Net book value		-	-
	Annual amortisation rate		25%	25%
5.1	Intangible assets comprise of windows license and computer software.			
5.2	Amortisation has been allocated to administrative expenses (note 27) amounting to Rs. nil (2025: Rs. 0.14 million).			

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

6.	INVESTMENT PROPERTY	Note	2026	2025
				Rupees
	Open plots of land - fair value	6.1	-	1,753,000,000

6.1 Movement

Carrying amount at beginning of the year		1,753,000,000	169,000,000
Additions during the year		-	1,710,020,000
Disposals during the year	6.1.1	(1,753,000,000)	(147,000,000)
Unrealised gain from fair value adjustment	6.1.2	-	20,980,000
Carrying amount at end of the year	6.1.3	-	1,753,000,000

- 6.1.1** This includes the disposal of two commercial plots, FL-06 and COM-11, located at Naya Nazimabad, Karachi, having carrying values of Rs. 900 million and Rs. 830 million respectively. These plots were acquired during the year ended June 30, 2025 from Javedan Corporation Limited (JCL), a related party, under a Musharaka arrangement dated December 27, 2024. The disposal was carried out in accordance with the amendment to the Musharaka Agreement (refer note 17). A cumulative gain of Rs. 218.20 million has been recognised on this disposal, of which Rs. 205.45 million pertains to the current year.

As of year end, an instalment of Rs. nil (2025: Rs 266.55 million) relating to this purchase is payable to JCL.

- 6.1.2** This pertains to unrealized gain on investment property which is not considered for the declaration or payment of dividend in accordance with Section 240 of the Companies Act 2017.

- 6.1.3** Forced sale value of the investment property is assessed at Rs. nil (2025: Rs. 1,402.4 million).

7.	LONG TERM INVESTMENTS	Note	2026	(Restated) 2025
				Rupees
	Subsidiaries - designated at fair value through profit or loss	7.1	16,812,304,447	16,455,811,936
	Associates - designated at fair value through profit or loss	7.2	91,843,424,947	46,178,105,271
	Debt instrument - at amortised cost	7.3	1,077,363,794	927,313,472
	Debt instruments - at fair value through profit or loss	7.4	2,451,085,000	7,378,882,067
	Other equity securities - designated at fair value through other comprehensive income	7.5	-	-
			112,184,178,188	70,940,112,746

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

7.1 Subsidiaries - designated at fair value through profit or loss

	Note	Cost	Appreciation / (impairment) on remeasurement of investments	Carrying amount (at fair value)	
				2026	2025 (Restated)
Quoted entities		----- (Rupees) -----			
Arif Habib Limited (AHL) 48,558,633 (2025: 48,558,633) fully paid ordinary shares of Rs. 10 each	7.1.1	2,267,814,765	3,245,532,426	5,513,347,191	3,662,777,687
Unquoted entity					
Sachal Energy Development (Private) Limited (SEDPL) 274,646,506 (2025: 274,646,506) fully paid ordinary shares of Rs. 10 each	7.1.2	2,746,465,060	8,552,492,196	11,298,957,256	12,793,034,249
Black Gold Power Limited (BGPL) 5,000,000 (2025: 5,000,000) fully paid ordinary shares of Rs. 10 each	7.1.3	50,000,000	(50,000,000)	-	-
		5,064,279,825	11,748,024,622	16,812,304,447	16,455,811,936

7.1.1 Investment in AHL represents 74.32% (2025: 74.32%) of AHL's paid up share capital as at June 30, 2026. These includes 30,335,000 shares (2025: 46,305,000 shares) having market value of Rs. 3,444.24 million (2025: Rs. 3,492.79 million), which have been pledged with commercial banks as a security against the Company's borrowings. Market value per share as at June 30, 2026 is Rs. 113.54 (2025: Rs. 75.43). AHL was incorporated in Pakistan. AHL is a holder of Trading Right Entitlement Certificate (TREC) of PSX. The principal activities of AHL are investments, share brokerage, inter-bank brokerage, Initial Public Offer (IPO) underwriting, advisory and consultancy services.

7.1.2 Investment in SEDPL represents 85.83% (2025: 85.83%) of SEDPL's paid up share capital as at June 30, 2026. The entire shareholding in SEDPL has been pledged in favor of Industrial and Commercial Bank of China (ICBC) to secure project financing of SEDPL. SEDPL was incorporated in Pakistan. SEDPL is engaged in the business of electricity generation and its sale.

7.1.3 Investment in BGPL represents 100% (2025: 100%) of BGPL's paid up share capital as at June 30, 2026. BGPL was incorporated in Pakistan. BGPL has been allocated with supply of coal for its 660 MW Thar Coal based power project to be constructed, commissioned and operated at Thar Block II. The Company has not started its operations as at June 30, 2026.

7.1.4 This represents provision held against the Company's investment in Black Gold Power limited, a wholly owned subsidiary Company. There is no movement in provision for impairment during the year.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

7.2 Associates - designated at fair value through profit or loss

	Note	Cost	Appreciation on remeasurement of investments	Carrying amount (at fair value)	
				2026	2025
Quoted entities					
----- (Rupees) -----					
Fatima Fertilizer Company Limited (FFCL) 319,000,206 (2025: 319,000,206) fully paid ordinary shares of Rs. 10 each	7.2.1	3,512,782,225	49,217,951,827	52,730,734,052	31,711,810,479
Safe Mix Concrete Limited (SMCL) 6,908,018 (2025: 6,908,018) fully paid ordinary shares of Rs. 10 each	7.2.2	88,330,602	230,819,830	319,150,432	158,884,414
Javedan Corporation Limited (JVDC) 130,000,000 (2025: 150,533,107) fully paid ordinary shares of Rs. 10 each	7.2.3	4,624,956,571	14,511,043,429	19,136,000,000	9,686,805,441
Power Cement Limited (PCL) 341,240,666 (2025: 310,954,117) fully paid ordinary shares of Rs. 10 each	7.2.4	2,222,800,454	5,635,972,084	7,858,772,538	4,222,756,909
Power Cement Limited (PCL) 23,171,114 (2025: 23,171,114) fully paid preference shares of Rs. 10 each	7.2.4	227,843,961	438,557,278	666,401,239	397,848,028
Aisha Steel Mills Limited (ASML) 179,686,450 (2025: nil) fully paid ordinary shares of Rs. 10 each	7.2.5	1,699,904,004	661,175,949	2,361,079,953	-
Aisha Steel Mills Limited (ASML) 35,075,499 (2025: nil) fully paid preference shares of Rs. 10 each	7.2.5	456,586,434	298,589,059	755,175,493	-
Unquoted entity					
PIA Equity Limited (PIAEL) 169,999,844 (2025: nil) fully paid ordinary shares of Rs. 10 each Advance against issuance of shares	7.2.6	1,699,998,440 6,316,112,800 8,016,111,240	-	8,016,111,240	-
		20,849,315,491	70,994,109,456	91,843,424,947	46,178,105,271

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

- 7.2.1** Investment in FFCL represents 15.19% (2025: 15.19%) of FFCL's paid up share capital as at June 30, 2026. These include 63,500,000 shares (2025: 186,650,000 shares) having market value of Rs. 10,496.55 million (2025: Rs. 18,554.88 million), which have been pledged with the commercial banks as a security against the Company's borrowings. Market value per share as at June 30, 2026 is Rs. 165.30 (2025: Rs. 99.41). FFCL was incorporated in Pakistan. The principal activity of FFCL is manufacturing, producing, buying, selling, importing and exporting fertilizers and chemicals. The Company has its representation on the Board of FFCL and accordingly classified as an 'Associate'.
- 7.2.2** Investment in SMCL represents 27.63% (2025: 27.63%) of SMCL's paid up share capital as at June 30, 2026. Market value per share as at June 30, 2026 is Rs. 46.20 (2025: Rs. 23.00). SMCL was incorporated in Pakistan. The principal activity of the SMCL is production and supply of ready mix concrete. The Company has significant influence over SMCL's strategic decisions and policies and accordingly classified as an 'Associate'.
- 7.2.3** Investment in JVDC represents 34.13% (2025: 39.52%) of JVDC's paid up share capital as at June 30, 2026. These include 17,800,000 shares (2025: 60,000,000 shares) having market value of Rs. 2,620.16 million (2025: Rs. 3,861 million), which have been pledged with the commercial banks as a security against the Company's borrowings. Market value per share as at June 30, 2026 is Rs. 147.20 (2025: Rs. 64.35). JVDC was incorporated in Pakistan. The principal activity of JVDC is developing a housing scheme, "Naya Nazimabad", that includes bungalows, open plots, flat sites and commercial sites. The Company has significant influence over JVDC's strategic decisions and policies and accordingly it is classified as an 'Associate'.
- 7.2.4** Investment in PCL represents 26.70% (2025: 24.48%) of PCL's ordinary and preference shares as at June 30, 2026. These include 95,000,000 shares (2025: Nil) having market value of Rs. 2,187.85 million (2025: Nil), which have been pledged with the commercial banks as a security against the Company's borrowings. Market value per share of ordinary and preference shares as at June 30, 2026 is Rs. 23.03 (2025: Rs. 13.58) and Rs. 28.76 (2025: Rs. 17.17) respectively. PCL was incorporated in Pakistan. The principal activity of PCL is manufacturing, selling and marketing of cement. The Company has significant influence over PCL's strategic decisions and policies and accordingly it is classified as an 'Associate'.
- 7.2.5** Investment in ASML represents 22.04% (2025: Nil) of ASML's ordinary and preference shares as at June 30, 2026. These include 77,000,000 ordinary shares (2025: Nil) having market value of Rs. 1,011.78 million (2025: Nil), which have been pledged with the commercial banks as a security against the Company's borrowings. Market value per share of ordinary and preference shares as at June 30, 2026 is Rs. 13.14 and Rs. 21.53 respectively. ASML was incorporated in Pakistan. The principal activity of ASML is manufacturing and selling cold rolled steel coils and hot dipped galvanized coils. During the year, the Company acquired significant influence over ASML's strategic decisions and policies and accordingly classified as an 'Associate'.
- 7.2.6** During the year, a consortium led by the Company, comprising Fauji Fertilizer Company Limited, Fatima Capital Limited, The Lake City Holdings (Private) Limited, AKD Group Holdings (Private) Limited and City Group Holdings (Private) Limited, entered into a Share Purchase and Subscription Agreement with the Government of Pakistan for the acquisition of 75% of the share capital of Pakistan International Airlines Corporation Limited (PIACL). Subsequently, the consortium exercised its option to acquire the remaining 25% interest through PIA Equity Limited (PIAEL).

PIAEL was incorporated in Pakistan on January 9, 2026, as a special purpose vehicle to acquire and hold an equity interest in PIACL and obtained control of PIACL on June 29, 2026. As at June 30, 2026, the Company had contributed Rs. 8,016.11 million to PIAEL. Under the initial rights issue, PIAEL allotted 169,999,844 ordinary shares to the Company, representing 34.01% of PIAEL's issued share capital, while the remaining contribution of Rs. 6,316.11 million was recognised as an advance against the issuance of shares.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

Subsequently, upon finalisation of the ownership interests among the consortium members, the Company's ownership interest in PIAEL was revised from the initial 34.01% arising from the rights issue to 8.91%, taking into account the shares initially allotted and the advance against the issuance of shares. The shares relating to the advance were subscribed for subsequent to the reporting date. Accordingly, the entire contribution has been recognised as an investment in an associate. The Company exercises significant influence over PIAEL through Shareholder agreement. The Company holds shareholder consent rights over key strategic decisions under the Shareholders' Agreement including nomination of Company's representative in the Board of Directors and selection of Chairman of the Board. Accordingly, PIAEL has been classified as an associate of the Company.

7.3 Debt instrument - at amortised cost

	Note	Fair value at initial recognition	Cummulative unwinding of interest income	Carrying amount	
				2026	2025
Unquoted entity					
----- (Rupees) -----					
Fatima Fertilizer Company Limited (FFCL)					
135,000,000 (2025: 135,000,000)					
- redeemable class A shares	7.3.1 & 25	591,315,343	486,048,451	1,077,363,794	927,313,472

7.3.1 This represents 135,000,000 (2025: 135,000,000) Redeemable Class A Shares of Fatima Fertilizer Company Limited, a related party, received by the Company pursuant to the amalgamation of Pakarab Fertilizers Limited with and into Fatima Fertilizer Company Limited. These shares are non-voting, non-cumulative and carry no dividend or fixed yield, and are redeemable on December 31, 2027.

7.4 Debt instruments - at fair value through profit and loss

	Note	Cost	Appreciation on remeasurement of investments	Carrying amount (at fair value)	
				2026	2025
Quoted entity					
----- (Rupees) -----					
Globe Residency REIT (GRR) Nil (2025: 96,115,547) units of Rs. 10 each	7.4.1	-	-	-	1,834,845,792
Signature Residency REIT (SRR) Nil (2025: 13,329,896) units of Rs. 10 each	7.4.2	-	-	-	144,895,970
Unquoted entities					
Silk Islamic Development REIT (SIDR) 60,000,000 (2025: 60,000,000) units of Rs. 10 each	7.4.3	600,000,000	180,000,000	780,000,000	704,400,000
Naya Nazimabad Apartment REIT (NNR) 76,375,000 (2025: 76,375,000) units of Rs. 10 each	7.4.4	763,750,000	907,335,000	1,671,085,000	916,500,000
Rahat Residency REIT (RRR) Nil (2025: 50,000,000) units of Rs. 10 each	13.1.1	-	-	-	513,500,000
Garden View Apartment REIT (GVAR) [Formerly Park View Apartment REIT (PVAR)] Nil (2025: 126,213,644) units of Rs. 10 each	13.1.2	-	-	-	1,481,331,676
Gymkhana Apartment REIT (GAR) Nil (2025: 120,000,000) units of Rs. 10 each	13.1.3	-	-	-	1,304,962,000
Musharaka Arrangements (Managed by Javedan Corporation Limited - a related party)					
Investment in JCL Musharaka Arrangement I	7.4.5	-	-	-	318,537,021
Investment in JCL Musharaka Arrangement II	7.4.5	-	-	-	159,909,608
		1,363,750,000	1,087,335,000	2,451,085,000	7,378,882,067

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

- 7.4.1** GRR is a listed, closed-end, limited life, developmental REIT scheme managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company of Pakistan Limited is its trustee. During the year, the Company sold its entire unitholding of GRR, resulting in a capital gain of Rs. 985.617 million.
- 7.4.2** SRR is a closed-end, limited life, Shariah-compliant, developmental REIT scheme managed by Arif Habib Dolmen REIT Management Limited - a related party, with Central Depository Company of Pakistan Limited as its trustee. During the year, in pursuance of the Real Estate Investment Trust Regulations, 2022, SRR was listed on the Pakistan Stock Exchange. The Company has sold its entire unit holding of SRR, resulting in a cumulative capital gain of Rs. 75.22 million.
- 7.4.3** This represents 60 million units held in a privately placed, closed-end, limited life, shariah compliant, developmental REIT scheme which constitutes 20% of the total 300 million units issued. This REIT scheme is managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company of Pakistan Limited is its trustee. For details regarding assumptions used in valuation of SIDR refer to note 41.2.1. The Company being strategic investor of SIDR has 25% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022.
- 7.4.4** This represents 76.37 million units held in a privately placed, closed-end, limited life, shariah compliant, developmental REIT scheme which constitutes 26% of the total 293.75 million units issued. This REIT scheme is managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company of Pakistan Limited as its trustee. Subsequent to the year end, in pursuance of the Real Estate Investment Trust Regulations, 2022, NNR has been listed on the Pakistan Stock Exchange. For details regarding assumptions used in valuation of NNR refer to note 41.2.1.
- 7.4.5** The Company had previously entered into musharaka arrangements with Javedan Corporation Limited (JCL), a related party and other musharaka participants: on October 04, 2023, the Company invested Rs. 273.4 million holding a 65.10% share of the musharaka capital, and on September 27, 2024, the Company invested Rs. 157 million holding a 70.80% share of the musharaka capital. Both arrangements were structured as participations in joint investments to fund the booking, ownership, management, and eventual sale of apartments in the Globe Residency REIT. During the year, the Company sold its complete proportionate share in both musharaka arrangements to Mr. Arif Habib (sponsor), recognising a cumulative gain of Rs. 74.60 million, of which Rs. 26.55 million pertains to current year.

7.5 Other equity securities - designated at fair value through other comprehensive income

	Note	Cost	Diminution on remeasurement of investments	Carrying amount (at fair value)	
				2026	2025
----- (Rupees) -----					
Unquoted entities					
Sun Biz (Private) Limited (SBL) 10,000 (2024: 10,000) fully paid ordinary shares of Rs. 100 each	7.5.1	1,000,000	(1,000,000)	-	-
Al-Khabeer Financial Services (Private) Limited (AKFS) 5000 (2024: 5000) fully paid ordinary shares of Rs. 100 each	7.5.1	5,000,000	(5,000,000)	-	-
		6,000,000	(6,000,000)	-	-

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

7.5.1 These investments were reassessed by the management on initial application of IFRS-9 and based on the available information it was concluded that the fair value does not differ materially from carrying amount as at June 30, 2026.

7.6 Fair value of long term investments pledged with banking companies against various facilities of the Company amounts to Rs. 19,760.58 million (2025: Rs. 25,908.66 million).

8.	LONG TERM LOAN TO RELATED PARTY	Note	2026	2025
			Rupees	
	At amortised cost			
	Silk Islamic Development REIT (SIDR)	8.1 & 8.2	280,000,000	140,000,000

8.1 This represents shariah compliant musharaka finance facility extended to SIDR, REIT Fund managed by Arif Habib Dolmen REIT Management Limited, a related party, in accordance with the musharaka agreement and its supplements executed from time to time. This loan carries a fixed return of KIBOR + 200 basis points per annum (2025: KIBOR + 200 basis points per annum) which is accrued and recognised over time using the effective interest rate. Upon the expiration of the Musharaka tenor, the Company has the option to convert the outstanding Musharaka investment into units of the SIDR.

8.2 The maximum amount outstanding from the above related party at end of any month during the year was Rs. 280 million (2025: Rs. 140 million).

9.	LONG TERM DEPOSITS AND OTHER RECEIVABLE	Note	2026	2025
			Rupees	
	Unsecured			
	Security deposits			
	- with Central Depository Company of Pakistan Limited		204,090	204,090
	- with telecommunication companies		50,500	50,500
	- for fuel cards		95,000	95,000
			349,590	349,590
	Secured			
	Other receivable			
	- Receivable from employees against leased vehicles	9.1	4,703,590	4,543,690
			5,053,180	4,893,280

9.1 This represents security deposits paid by the Company to / on behalf of employees for leased vehicles and is secured against respective employees' provident fund balances. It will be recovered from the respective employees from their final settlement or at the termination of lease agreement.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

	Note	2026	2025
10. LOANS AND ADVANCES			Rupees
At Amortised cost			
Unsecured			
Loans to related party - <i>Unsecured</i>			
- Black Gold Power Limited (BGPL)	10.1	5,950,000	5,900,000
- Rahat Residency REIT (RRR)	10.2	-	100,000,000
- Globe Residency REIT (GRR)	10.3	-	106,039,022
		5,950,000	211,939,022
Advance for purchase of investment properties from related parties			
- Silk Investment Development REIT (SIDR)	10.5	138,321,380	40,598,980
- Naya Nazimabad Apartment REIT (NNR)		-	72,385,500
- Globe Residency REIT (GRR)	10.3 & 10.4	-	1,199,849,511
		138,321,380	1,312,833,991
Advance against salaries to employees	10.6	2,241,086	1,954,239
		146,512,466	1,526,727,252

10.1 The Company entered into a financing agreement with BGPL, a wholly owned subsidiary, to the extent of Rs. 10 million in order to finance its working capital requirements and for any other business as may be mutually agreed between the parties to the agreement. The loan is repayable within 30 business days of notice of demand.

10.2 This represents shariah compliant musharaka finance facility being extended to the Managing Co-owner RRR, a limited-life, shariah-compliant developmental REIT managed by Arif Habib Dolmen REIT Management Limited, a related party. The loan is repayable within 30 business days of notice of demand. The mark-up rate on the said arrangement is 3 month KIBOR + 1.80% per annum, which is payable on a quarterly basis. During the year, the entire loan was repaid.

10.3 This included the Company's proportionate interest in 168 apartments in the Globe Residency REIT (GRR) residential project, acquired as part of the merger scheme. The apartments were under development and subject to an instalment payment plan. GRR was authorised to market the apartments and collect sale proceeds on the Company's behalf, net of related expenses, for settlement of the corresponding instalment obligations. Any surplus retained by GRR until completion of the project carried quarterly mark-up at KIBOR plus 1.50%, payable to the Company in arrears.

During the year, the Company disposed of its interest in GRR to Mr. Arif Habib (the Sponsor) for Rs. 823 million. At the disposal date, advances against apartments amounted to Rs. 1,296.54 million, of which Rs. 599.17 million had been recovered through sales to secondary customers. After adjusting related expenses of Rs. 49.92 million and unpaid instalments against sale proceeds of Rs. 687.71 million collected on the Company's behalf, the balances included a loan receivable of Rs. 38.62 million and accrued mark-up of Rs. 14.66 million. Upon disposal, these balances were derecognised, and the related net liability of Rs. 637.79 million was adjusted against the consideration, resulting in a gain of Rs. 110.97 million recognised in the unconsolidated statement of profit or loss.

10.4 This included Rs. 248.75 million in respect of an advance against 20 apartments in Globe Residency Apartments. During the year, the Company disposed of its entire rights and interests in respect of this advance to Mr. Arif Habib (Sponsor) for an aggregate consideration of Rs. 471.96 million. Consequently, the advance against investment property amounting to Rs. 248.75 million was derecognised resulting in gain on disposal amounting to Rs. 223.21 million.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

10.5 This represents an advance paid for residential apartments booked in The Palms project initiated by Silk Islamic Development REIT, with the intent of capital appreciation over time. This project is located in Surjani Town, Karachi.

10.6 This represents interest free balance due from the employees and are secured against their retirement benefit fund.

10.7 The carrying values of the loans and advances are neither past due nor impaired. The maximum amount outstanding from related parties in respect of loans and advances at end of any month during the year was Rs. 1,520.21 million (2025: 5,642.41 million).

11. MARK-UP RECEIVABLE

Considered good

From related parties:

	Note	2026	2025
			Rupees
- Aisha Steel Mills Limited		-	722,192
- Globe Residency REIT		-	7,511,235
- Rahat Residency REIT		-	2,402,630
- Silk Islamic Development REIT	8.1	70,759,112	37,646,679
		70,759,112	48,282,736

11.1 The maximum amount outstanding from related parties in respect of mark-up receivable as at the end of any month during the year was Rs. 75.27 million (2025: Rs. 101.17 million).

12. PREPAYMENTS AND OTHER RECEIVABLES

	Note	2026	2025
			Rupees
Receivable from Rahat Residency REIT	12.1 & 12.2	176,630,000	651,630,000
Guarantee commission receivable	12.3	2,285,772	5,015,753
Prepayments		1,177,405	2,585,231
Receivable from PIAEL	12.4	639,207,180	-
Others		2,166,940	2,163,732
		821,467,297	661,394,716

12.1 This represents receivable from Rahat Residency REIT, a related party, on account of remaining proceeds against sale of 5 commercial plots located at Block A, Naya Nazimabad, Deh Manghopir, Gadap Town, Karachi. Subsequent to the year end, the Company has received Rs. 126 million against the outstanding balance.

12.2 The maximum amount outstanding from the above related party at the end of any month during the year was Rs. 651.63 million (2025: Rs. 651.63 million).

12.3 Guarantee commission receivable

From related parties:

	2026	2025
		Rupees
Aisha Steel Mills Limited	281,250	274,282
Sachal Energy Development (Private) Limited	849,686	1,569,150
Power Cement Limited	231,052	211,920
Arif Habib Limited	923,784	2,960,401
	2,285,772	5,015,753

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

12.3.1 The maximum amount due in respect of guarantee commission receivable as at the end of any month during the year was Rs. 2.76 million (2025: Rs. 5.02 million).

12.4 This represents receivables from PIA Equity Limited (PIAEL), an associate company, comprising the excess amount contributed by the Company prior to the finalisation of its agreed ownership interest, amounting to Rs. 600 million, and Rs. 39.21 million in respect of certain post-acquisition expenses incurred and paid by AHCL on behalf of PIAEL.

13. SHORT TERM INVESTMENTS	Note	2026	2025
		Rupees	
Debt securities at fair value through profit or loss	13.1	4,888,193,871	-
Equity securities at fair value through profit or loss			
Investment in ordinary shares of related parties		-	1,273,546,786
Investment in preference shares of related parties		-	598,738,768
Investment in ordinary shares of other companies	13.2	110,161,495	650,144,373
		4,998,355,366	2,522,429,927

13.1 Debt instruments - at fair value through profit and loss

	Note	Cost	Appreciation on remeasurement of investments	Carrying amount (at fair value)	
				2026	2025
		(Rupees)			
Unquoted entities					
Rahat Residency REIT (RRR) 50,000,000 (2025: Nil) units of Rs. 10 each	13.1.1	500,000,000	146,500,000	646,500,000	-
Garden View Apartment REIT (GVAR) [Formerly Park View Apartment REIT (PVAR)] 126,213,644 (2025: Nil) units of Rs. 10 each	13.1.2	1,262,136,440	364,757,431	1,626,893,871	-
Gymkhana Apartment REIT (GAR) 120,000,000 (2025: Nil) units of Rs. 10 each	13.1.3	1,200,000,000	1,414,800,000	2,614,800,000	-
		2,962,136,440	1,926,057,431	4,888,193,871	-

13.1.1 This represents 50 million units held in a privately placed, closed-end, limited life, shariah compliant, developmental REIT scheme which constitutes 61.61% (2025: 100%) of the total 82.5 million (2025: 50 million) units issued. This REIT scheme is managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company of Pakistan Limited as its trustee. For details regarding assumptions used in valuation of RRR refer to note 41.2.1. The Company being strategic investor of RRR has 25% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022. During the year, the Company entered into agreement for sale of its entire unit holding in RRR. As per the agreement, the title to the units will be transferred upon settlement of the outstanding consideration. Consequently, the investment in RRR has been reclassified from long-term investments to short-term investments considering management's intent to sell. For further details, refer to note 20.4.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

13.1.2 This represents 126.21 million units held in a privately placed, closed-end, limited life, shariah compliant, developmental REIT scheme which constitutes 37.12% (2025: 58.52%) of the total 340.02 million (2025: 215.69 million) units issued. This REIT scheme is managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company of Pakistan Limited as its trustee. For details regarding assumptions used in valuation of GVAR refer to note 41.2.1. The Company being strategic investor of GVAR has 25% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022. During the year, the Company entered into agreement for sale of its entire unit holding in GVAR. As per the agreement, the title to the units will be transferred upon settlement of the outstanding consideration. Consequently, the investment in GVAR has been reclassified from long-term investments to short-term investments considering management's intent to sell. For further details, refer to note 20.4.

13.1.3 This represents 120 million units held in a privately placed, closed-end, limited life, shariah compliant, developmental REIT scheme which constitutes 100% of the total 120 million units issued. This REIT scheme is managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company of Pakistan Limited as its trustee. For details regarding assumptions used in valuation of GAR refer to note 41.2.1. The Company being strategic investor of GAR has 25% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022. During the year, the Company entered into agreement for sale of its entire unit holding in GAR. As per the agreement, the title to the units will be transferred upon settlement of the outstanding consideration. Consequently, the investment in GAR has been reclassified from long-term investments to short-term investments considering management's intent to sell. For further details, refer to note 20.4.

13.2	Reconciliation of gain on remeasurement of equity securities at fair value through profit and loss	Note	2026	2025
			Rupees	
	Cost of investment		60,148,870	1,824,216,717
	Unrealised gain			
	Balance at beginning of the year		698,213,210	(124,192,174)
	Unrealised gain for the year		58,070,082	1,436,873,173
	Transferred to long term investment	13.2.1	(706,270,667)	(614,467,789)
			50,012,625	698,213,210
	Balance at end of the year		110,161,495	2,522,429,927

13.2.1 This represents the unrealised fair value gain on the Company's investment in Aisha Steel Mills Limited amounting to Rs. 706.27 million (2025: Rs. 628.32 million on investments in Javedan Corporation Limited) and unrealised fair value loss on Company's investment amounting to Nil (2025: Rs. 13.85 million on Company's investment in Power Cement Limited) accumulated up to the dates on which the respective investees became associates of the Company and, accordingly, reclassified from short-term investments to long-term investments.

13.3 Fair value of short term investments pledged with commercial banks against various financing facilities availed by the Company amounts to Nil (2025: Rs. 729.95 million).

FOR THE YEAR ENDED JUNE 30th, 2026

2026	2025		Note	2026	2025
Number of shares				Rupees	
5,000,000	5,000,000	Ordinary shares of Rs. 10 each fully paid in cash		50,000,000	50,000,000
450,750,000	450,750,000	Ordinary shares of Rs. 10 each issued as fully paid bonus shares		4,507,500,000	4,507,500,000
(2,000,000)	(2,000,000)	Ordinary shares of Rs. 10 each bought back at Rs. 360 per share	15.2.1	(20,000,000)	(20,000,000)
(45,375,000)	(45,375,000)	Ordinary shares of Rs. 10 each bought back at Rs. 27 per share	15.2.2	(453,750,000)	(453,750,000)
13,321,747	13,321,747	Ordinary shares of Rs. 10 each issued under scheme of arrangement	15.2.3	133,217,470	133,217,470
421,696,747	421,696,747			4,216,967,470	4,216,967,470
		Impact of Sub-division of shares			
4,216,967,470	4,216,967,470	Ordinary share of Re. 1 each issued under Sub-division of shares	15.2.4	-	-
4,216,967,470	4,216,967,470			4,216,967,470	4,216,967,470

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

15.2.1 During financial year 2005-2006, the Company bought back two million shares of Rs. 10 each from its shareholders through tender notice at a price of Rs. 360 per share in accordance with section 95-A of the repealed Companies Ordinance, 1984 and the Companies (Buy-back of Shares) Rules, 1999. The acquisition resulted in reduction of capital and unappropriated profit by Rs. 20 million and Rs. 700 million respectively, in the relevant year.

15.2.2 During the financial year 2019-2020, the Company purchased and cancelled 45,375,000 ordinary shares (10% of existing shares i.e. 453,750,000). The buy-back and cancellation of shares were approved by shareholders at the extra ordinary general meeting held on July 03, 2019. The shares were acquired at a purchase price of Rs. 27 per share. The purchase of shares were made in cash out of the distributable profits as required under Section 88(8) of the Companies Act, 2017 read with the Listed Companies (Buy-Back of Shares) Regulations, 2019. Pursuant to buy-back of shares, the ordinary share capital of the Company has been reduced by 45,375,000 ordinary shares amounting to Rs. 453,750,000.

15.2.3 This represents shares issued in the prior year pursuant to a Scheme of Arrangement (the "Scheme"). The shareholders of the Company and its subsidiary, Arif Habib Limited (AHL), in their respective extraordinary general meetings on December 26, 2023, approved a Scheme dated November 17, 2023. The Scheme, sanctioned by the Honorable High Court of Sindh on October 21, 2024, was designed to bifurcate AHL into two distinct segments, the Demerged Undertaking and the Retained Undertaking, and simultaneously merge the Demerged Undertaking into the Company, effective from July 1, 2023.

In consideration for the Demerged Undertaking, the Company issued 13,321,747 shares of Rs. 10 each, amounting to Rs. 133.22 million, to the remaining shareholders of AHL, other than Company, at a swap ratio of 0.8673 shares of AHCL for each ordinary share of AHL. No shares of AHL were cancelled as a result of the transaction.

15.2.4 Pursuant to the shareholders' special resolution in the extraordinary general meeting held on March 19, 2025, the face value of each ordinary share of the Company was revised from Rs. 10 (Rupee Ten) to Re. 1 (Rupee One). Accordingly, each existing ordinary share has been subdivided into ten ordinary shares of Re. 1 each, without any alteration to the rights and privileges attached to the shares (the "Sub-division").

Following the Sub-division, the Company's subscribed and paid-up capital, previously comprising of 421,696,747 ordinary shares of Rs. 10 each, is now restructured into 4,216,967,470 ordinary shares of Re. 1 each. The subdivided shares were credited to the respective accounts of the entitled AHCL Shareholders maintained with Central Depository Company of Pakistan Limited on March 26, 2025.

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

15.2.6 As at June 30, 2026, Mr. Arif Habib (Chief Executive of the Company) held 79.68% (2025: 78.77%) of ordinary shares in the Company.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

16. DEFERRED TAXATION - NET

Net deferred tax liability comprises of taxable / (deductible) temporary differences in respect of the following:

	Note	2026	(Restated) 2025
Taxable temporary differences			Rupees
- Unrealised gain on investment in equity securities at fair value		8,348,986,045	9,213,952,374
- Unrealised gain on investment properties at fair value		-	4,270,602
- Unrealised gain on investment in debt securities at fair value through profit or loss - unquoted		1,014,079,803	90,388,096
- Right of use assets against lease liability - net		7,126,546	-
		9,370,192,394	9,308,611,072
Deductible temporary differences			
- Impairment loss on long term investment - unquoted		(20,720,000)	(21,840,000)
- Lease liability against right of use assets - net		-	(1,734,759)
- Excess accounting depreciation over tax depreciation		(8,800,953)	(10,062,868)
- Unused tax losses		(745,789,804)	(423,401,394)
		(775,310,757)	(457,039,021)
		8,594,881,637	8,851,572,051
Deferred tax asset not recognised	16.1	775,310,757	457,039,021
Deferred tax liability		9,370,192,394	9,308,611,072

16.1 Unrecognised deferred tax assets

Deferred tax assets have not been recognised, because it is not probable that future taxable profits under normal tax regime will be available against which the Company can use the benefits therefrom. Deferred tax asset on unused tax losses will lapse after 6 years of loss occurred.

17. CONTRIBUTION FROM MUSHARAKA PARTICIPANTS

This included contributions amounting to Rs. 522.54 million received from musharaka participants, namely Mr. Haji Ghani Usman and Mr. Iqbal Usman, under the musharaka agreement dated December 27, 2024. The agreement established a joint arrangement for the acquisition, management and potential development of plots FL-06 and COM-11 located in Naya Nazimabad, Karachi (refer to note 6.1.1).

During the year, pursuant to an addendum to the musharaka agreement, the Company disposed of its entire 63.8% beneficial interest in plots FL-06 and COM-11 to Mr. Arif Habib (the Sponsor). The Company had held the interest as the managing partner alongside co-participants Mr. Haji Ghani Usman (31.2%) and Mr. Iqbal Usman (5.0%). Upon completion of the disposal, the Company also relinquished its role and authority as managing partner in accordance with the terms of the addendum.

Accordingly, up to the date of the transaction, the Company derecognised the investment property, as explained in note 6.1.1, together with the corresponding musharaka contributions of Rs. 522.54 million and the participants' proportionate share of the fair value gain amounting to Rs. 7.23 million, determined based on the profit-sharing ratio agreed under the musharaka agreement.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

18. LOAN FROM SPONSOR

The Company had a loan facility (the Facility) with Mr. Arif Habib (the Sponsor) to meet its working capital requirements. The Facility provided financing of up to Rs. 5,000 million (2025: Rs. 5,000 million) at a mark-up rate of 3-month KIBOR plus 0.8% per annum (2025: 3-month KIBOR plus 0.8% per annum). The loan was repayable upon the issuance of a demand notice, which could only be served on or after July 30, 2026. However, during the year, the Company voluntarily repaid the entire outstanding loan under the facility.

19. RUNNING FINANCE UNDER MARKUP ARRANGEMENT

Running finance facilities are available from various commercial banks, under mark-up arrangements, amounting to Rs. 9,500 million (2025: Rs. 8,950 million). These facilities have various maturity dates up to February 28, 2029 and are generally renewable. These arrangements are secured against the pledge of marketable securities having margin ranging from 30% to 50%.

These running finance facilities carry mark-up at rates ranging from 1-month KIBOR plus 1.00% to 3-month KIBOR plus 1.75% per annum (2025: 3-month KIBOR plus 0.7% to 3-month KIBOR plus 1.75% per annum), calculated on a daily product basis and payable quarterly. The aggregate amount of these facilities that remained unutilised as at the reporting date amounted to Rs. 8,257.21 million (2025: Rs. 8,415 million).

The fair value of the Company's investments in listed shares pledged as collateral against running finance under markup arrangement amounts to Rs. 15,501.53 million (2025: Rs. 26,638.61 million) as of year end.

	Note	2026	2025
20. OTHER PAYABLES			Rupees
Installments collected on behalf of the Company	20.1	-	359,769,104
Payable to Javedan Corporation Limited		-	266,545,000
Other accrued expenses	20.2 & 20.3	33,642,224	250,229,121
Advance against sale of units	20.4	4,817,020,000	-
Mark-up due on running finance under markup arrangement		5,653,115	48,901,216
Contribution from consortium members	20.5	6,282,661	48,076,000
Mark-up due on sponsor loan		92,126,330	405,310
		4,954,724,330	973,925,751

20.1 This included installments collected by Globe Residency REIT (GRR) on behalf of the Company from the sale of investment properties. During the year, the Company disposed of its proportionate interest in this arrangement (refer note 10.3). Accordingly, instalments collected up to the date of disposal amounting to Rs. 687.71 million were derecognised.

20.2 This includes Rs. 0.05 million (2025: Rs. 0.06 million) payable to Arif Habib Limited, a subsidiary company on account of CDC charges and purchase of securities.

20.3 This includes Rs. 2.53 million (2025: Rs. 1.42 million) payable to Rotocast Engineering Company (Private) Limited, a related party on account of monthly expense contribution of utilities and maintenance charges.

20.4 During the year, the Company entered into a sale agreement with Mr. Arif Habib (the Sponsor) to sell its entire unit holding in Rahat Residency REIT, Garden View Apartment REIT and Gymkhana Apartment REIT for an initial aggregate consideration of Rs. 5,106.99 million. The Company received an advance of Rs. 4,817.02 million against the consideration.

Under the terms of the agreement, the REIT units will be transferred upon receipt of the full consideration and completion of the applicable transfer requirements. The consideration may be revised by mutual written consent of the parties based on the fair value of the REIT units prevailing on or around the date on which the full and final sale consideration is paid. The agreement remains valid until July 31, 2027, unless extended by mutual written agreement of the parties. If the transaction is not completed by that date, the agreement will terminate, and the advance received will be repaid to the purchaser.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

- 20.5** This represents funds received from consortium members to finance the bidding process for the privatisation of Pakistan International Airlines Corporation Limited (PIACL) and incorporation related expenditures of PIA Equity Limited (PIAEL).

21. LEASE LIABILITY

	2026	2025
	Rupees	
Balance at beginning of the year	17,904,174	30,727,794
Additions	86,497,778	-
Effect of lease modification	5,777,964	-
Accretion of interest	11,772,195	4,367,694
Lease rental paid	(70,048,775)	(17,191,314)
Balance at end of the year	51,903,336	17,904,174
Current portion	51,903,336	17,904,174
Non-current portion	-	-
	51,903,336	17,904,174

- 21.1** Lease liability is payable as follows:

	2026		
	Less than one year	Between one and two years	Total
	(Rupees)		
Future minimum lease payments	55,000,000	-	55,000,000
Less: Interest relating to the future periods	(3,096,664)	-	(3,096,664)
Present value of minimum lease payment	51,903,336	-	51,903,336
	2025		
	Less than one year	Between one and two years	Total
	(Rupees)		
Future minimum lease payments	18,910,451	-	18,910,451
Less: Interest relating to the future periods	(1,006,277)	-	(1,006,277)
Present value of minimum lease payment	17,904,174	-	17,904,174

22. TAXATION - PROVISION LESS PAYMENTS

	Note	2026	2025
		Rupees	
Balance at beginning of the year		1,092,903,050	591,841,742
Provision for income tax	33 & 34	1,837,480,240	1,031,515,531
Tax payments / adjustments made during the year		(2,131,852,315)	(530,454,223)
Balance at end of the year		798,530,975	1,092,903,050

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

23. CONTINGENCIES AND COMMITMENTS

23.1 Contingencies

23.1.1 During the year ended June 30, 2012, the Securities and Exchange Commission of Pakistan (SECP) issued an order under Section 22 of the Securities and Exchange Ordinance, 1969 ("the Ordinance") regarding non-compliance of orders passed by it under Section 18A of the Ordinance for depositing confiscated subscription money amounting to Rs. 3.14 million relating to fictitious applications received by the Company for subscription of shares of Summit Bank Limited which were offered to general public by the Company in 2007. On November 2, 2012, Appellate bench of the SECP dismissed the appeal filed by the Company against the order. The Company has filed a constitutional petition challenging the orders passed by the SECP before Honourable High Court of Sindh which has granted an interim stay. The petition is being contested and management is confident that the petition will be decided in the Company's favour.

23.1.2 The Company is contesting along with other defendants four suits filed by M/s. Shafi Chemicals Industries Limited (the Plaintiffs) in the year 2002-2003 for damages jointly against Mr. Saleem Chamdia, Mr. Arif Habib, Mr. Aqeel Karim Dedhi, Mr. A. Ghaffar Usman Moosani, Mr. Shahid Ghaffar, the Pakistan Stock Exchange Limited (PSX), the Securities and Exchange Commission of Pakistan (SECP), the Central Depository Company of Pakistan Limited (CDC), Saleem Chamdia Securities (Private) Limited, Arif Habib Corporation Limited, Moosani Securities Limited and Aqeel Karim Dedhi Securities Limited. The suits are for recovery of damages against the decision of the PSX in respect of Risk Management System of its Clearing House during the year 2000. The Chief Executive Officer of the Company was the Chairman of the Board of Directors of PSX during the year 2000. The Company has been made party to the suits by the plaintiffs. Individual liability of respective parties and undertakings is not quantifiable.

The suit was dismissed due to non-prosecution on May 3, 2021, however, the suit was reopened and the case is pending with the Honourable High Court of Sindh.

The legal advisor of the Company is of the opinion that there are reasonable grounds for a favourable decision. According to management, the suit is likely to be dismissed as these are not based on factual or legal basis and no financial liability is expected to accrue as a consequence of the said suits against the Company. Accordingly, no provision has been recognised there against.

23.1.3 For tax related matters, refer note 34 of these unconsolidated financial statements.

23.2 Commitments

23.2.1 The Company has issued Corporate Guarantee, on behalf of a subsidiary company, namely Sachal Energy Development (Private) Limited (SEDPL), amounting to USD 100 million. The amount outstanding as at the year end amount to USD 10 million (2025: USD 20 million) to Industrial Commercial Bank of China in relation to a project financing agreement of SEDPL.

23.2.2 The Company has issued guarantee of Rs. 625 million (2025: Rs. 625 million), Rs. 500 million (2025: Rs. 500 million) on behalf of Aisha Steel Mills Limited (ASML) - an associate company to secure financing arrangement from Habib Metropolitan Bank Limited and Sindh Bank Limited respectively. The Company has pledged 24.5 million (2025: 24.5 million) ordinary shares of Fatima Fertilizer Company Limited valued at Rs. 4,049.85 million (2025: Rs. 2,435.55 million) as at year end to Habib Metropolitan Bank Limited against this financing facility availed by ASML.

23.2.3 The Company has issued Corporate Guarantee on behalf of Power Cement Limited (PCL) - an associate company to the extent of Rs. nil (2025: Rs. 847.68 million) issued to secure payment obligations of PCL. The Company has further issued guarantee of Rs. 1,000 million (2025: Rs. nil) on behalf of PCL to secure financing arrangement from Askari Bank Limited. The Company has pledged 25 million (2025: nil) shares of Javedan Corporation Limited valued at Rs. 3,680 million (2025: Rs. nil) as at year end to Askari Bank Limited against this financing facility availed by PCL.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

23.2.4 The Company has pledged 61.65 million shares (2025: 100.85 million shares) of Fatima Fertilizer Company Limited valued at Rs. 10,190.75 million (2025: Rs. 10,025.50 million) with various banks for running finance facilities obtained by Arif Habib Limited, a subsidiary company. The facility limit against which guarantee was provided as at reporting date was Rs. 3,450 million (2025: Rs. 3,150 million).

23.2.5 The Company has pledged the following shares with United Bank Limited (UBL): 40 million shares (2025: Nil) of Aisha Steel Mills Limited, valued at Rs. 525.60 million (2025: Nil); 10.50 million shares (2025: Nil) of Javedan Corporation Limited, valued at Rs. 1,545.60 million (2025: Nil); and 95 million shares (2025: Nil) of Power Cement Limited, valued at Rs. 2,187.85 million (2025: Nil), as security for two standby letters of credit (SBLCs) of Rs. 927 million each issued by UBL.

These SBLCs have been issued in favour of the Privatisation Commission of Pakistan in connection with the privatisation of Pakistan International Airlines Corporation Limited (PIACL) through a consortium led by the Company.

23.2.6 The Company has obtained letters of indemnity from the respective related parties against the guarantees issued (notes 23.2.1 to 23.2.5).

23.2.7 During the financial year 2020, the sponsor of Silkbank Limited (the "Sponsor"), exercised the option granted to purchase the Company's entire investment in Silkbank Limited, comprising 2.56 billion shares. Accordingly, the Company derecognised its investment in Silkbank Limited and set off the related deposits and margin against the investment. However, under the option agreement, the shares were to be transferred upon receipt of the requisite regulatory approvals.

On April 1, 2022, the Sponsor and a third party ("the Third Party") executed an Undertaking governing the transfer or sale of the relevant Silkbank Limited shares and related proceeds. The Company's Letter of Confirmation subjected the 2.56 billion shares held by it to the Undertaking, while preserving its entitlement to sell up to 1,000 million shares to settle liabilities of the Third Party and the Sponsor toward Arif Habib Group. In 2024, the Third Party initiated proceedings to restrain the proposed amalgamation with United Bank Limited ("UBL"), Notwithstanding these proceedings, the amalgamation became effective on March 11, 2025, and the Company received 15.78 million UBL shares free from the previous transfer restriction.

During the year, based on a legal opinion obtained by the Company supporting the Company's intended sale of the relevant shares, the Company sold 6.15 million UBL shares, equivalent to 1,000 million Silkbank Limited shares, and applied the proceeds toward settlement of liabilities/obligations, with some surplus left over. As at the reporting date, the Company holds 9.62 million UBL shares in its CDC account, residual sale proceeds, including mark-up earned thereon, as well as some dividends in a separate bank account in respect of the above arrangement. The Company is not the beneficial owner of these shares and funds. Due to the continuing dispute between the Sponsor and the Third Party, the remaining shares and related funds will be dealt with upon resolution of the matter between the parties.

	Note	2026	2025
24. DIVIDEND INCOME			Rupees
Subsidiaries	24.1	1,858,818,859	1,623,132,420
Associates	24.2	2,683,936,816	2,903,949,906
Other investments	24.3	294,108,567	284,532,052
		4,836,864,242	4,811,614,378
24.1 Dividend income from subsidiaries			
Arif Habib Limited		485,586,329	249,899,890
Sachal Energy Development (Private) Limited		1,373,232,530	1,373,232,530
		1,858,818,859	1,623,132,420

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

	Note	2026	2025
24.2 Dividend income from associates			Rupees
Javedan Corporation Limited		752,665,535	602,132,427
Fatima Fertilizer Company Limited		1,914,001,236	2,288,001,443
Safe Mix Concrete Limited		17,270,045	13,816,036
		2,683,936,816	2,903,949,906
24.3 Dividend income from other investments			
Globe Residency REIT		213,335,402	156,331,040
Pakistan Stock Exchange Limited		1,700,707	1,000,416
United Bank Limited		-	11,000,000
The Bank of Punjab		22,500,000	108,200,596
National Bank of Pakistan		-	8,000,000
Signature Residency REIT		26,659,792	-
Burj Modaraba		1,912,666	-
Rahat Residency REIT		28,000,000	-
		294,108,567	284,532,052
25. OTHER REVENUE			
Unwinding of interest on debt instrument	25.1	150,050,322	129,151,996
Guarantee commission income	25.2	9,912,763	12,227,563
		159,963,085	141,379,559
25.1	This pertains to notional income that emerges from the unwinding of interest income on a debt investment (refer note 7.3). This unwinding is determined by discounting the interest income to its present value at the point of initial recognition.		
25.2	This pertains to guarantees issued to related parties namely, Sachal Energy Development (Private) Limited, Aisha Steel Mills Limited, Power Cement Limited and Arif Habib Limited.		
26. GAIN ON SALE OF SECURITIES - NET			
This mainly includes gains on the disposal of shares in Javedan Corporation Limited, an associate company, amounting to Rs. 2,283.61 million (2025: Rs. 0.27 million), units in Globe Residency REIT amounting to Rs. 985.62 million (2025: Rs. 13.60 million), and shares in The Bank of Punjab amounting to Rs. 774.31 million (2025: Rs. 253.46 million).			
27. ADMINISTRATIVE EXPENSES	Note	2026	2025
			Rupees
Salaries and benefits	27.1	94,144,611	87,521,089
Depreciation	4.4	39,605,935	18,409,987
Travelling and conveyance		15,877,292	9,680,083
Repairs and maintenance		11,122,918	6,799,500
Electricity		11,468,765	8,424,777
Legal and professional charges		4,232,011	8,644,720
Printing and stationery		3,026,285	2,474,214
Fees and subscription		5,805,876	4,697,530
Advertisement and business promotion		12,278,221	261,461,791
Auditor's remuneration	27.2	5,977,800	5,443,200
Insurance		4,215,993	5,001,748
Rent, rates and taxes		4,939,135	2,292,815
Custody and settlement charges		1,976,511	3,851,626
Communication		1,213,221	1,342,135
Entertainment		1,570,929	1,463,281
Amortisation of intangible assets		-	141,875
Directors' meeting fees		1,175,000	1,225,000
Consultancy charges	27.3	111,558,112	-
Others		5,374,220	23,420,986
		335,562,835	452,296,357

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

27.1 Salaries and benefits include Rs. 3.95 million (2025: Rs. 3.97 million) in respect of provident fund contribution. All investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

	2026	2025
27.2 Auditor's remuneration		Rupees
Audit fee	3,850,000	3,500,000
Interim review	750,000	550,000
Other services (certifications)	300,000	300,000
Out of pocket expense	635,000	690,000
Sales tax	442,800	403,200
	5,977,800	5,443,200

27.3 This includes consultancy charges incurred in connection with the proposed acquisition of Pakistan International Airlines Corporation Limited (PIACL).

	Note	2026	2025
28. NET FINANCE COST			Rupees
Mark-up income on loans to associates		(44,377,290)	(132,652,550)
Mark-up income on bank deposits		(20,328,218)	(3,732,620)
Finance income		(64,705,508)	(136,385,170)
Mark-up on running finance under markup arrangement		18,175,155	525,828,947
Mark-up on loan from sponsor		91,721,020	134,214,626
Interest expense on lease liabilities		11,772,195	4,367,694
Bank charges		3,405,487	1,702,062
Finance cost		125,073,857	666,113,329
Net finance cost		60,368,349	529,728,159

29. GAIN / (LOSS) ON REAL ESTATE PORTFOLIO - NET

Gain / (loss) on investment property - net	6	210,751,312	(5,189,439)
Gain on disposal of advance against purchase of investment property	10.3 & 10.4	334,185,114	-
		544,936,426	(5,189,439)

30. GAIN ON REMEASUREMENT OF INVESTMENTS - NET

	Note	2026	Restated 2025
			Rupees
Long term investments		36,880,474,898	21,976,838,696
Short term investments	13.2	58,070,082	1,436,873,173
		36,938,544,980	23,413,711,869

31. OTHER INCOME

	2026	2025
Financial assets		Rupees
Gain on foreign currency translation	-	225,493
Non financial assets		
Gain on disposal of fixed assets	20,000	-
Liabilities no longer payable written off	200,000,000	-
	200,020,000	-
	200,020,000	225,493

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

32.	OTHER CHARGES	Note	2026	2025
			Rupees	
	Donations	32.1 & 32.2	46,914,500	38,300,500
	Loss on disposal of fixed assets		-	37,207
	Loss on foreign currency translation		236,132	-
			47,150,632	38,337,707
32.1	Donations made to a single party exceeding Rs. 1 million or 10% of total donations, whichever is higher, are detailed below:			
			2026	2025
			Rupees	
	Arts Council of Pakistan		-	30,000,000
	Memon Health and Education Foundation		-	1,000,000
	World Memon Organisation		1,415,000	-
	Naya Nazimabad Foundation - related party		30,000,000	-
	The Pakistan Initiative		9,831,500	-
	Memon Education Monetary foundation		-	2,000,000
	Millennium Trust for Education and Entrepreneurship		5,000,000	-
	Eduljee Dinshaw Road Project Trust		-	1,000,000
	Layton Rahmatulla Benevolent Trust		-	1,000,000
	Lahore Businessmen Association for Rehabilitation of the Disabled		-	1,000,000
	Saylani Welfare International Trust		-	1,000,000
			46,246,500	37,000,000
32.2	There are no donations to any person, institution or organisation in which a director or his spouse had any interest.			
			2026	2025
			Rupees	
33.	LEVY			
	Final tax u/s 5		3,917,006	19,230,152
33.1	This represents final tax paid under section 5 of Income Tax Ordinance 2001 (the Ordinance), representing levy in terms of requirements of IFRIC 21 / IAS 37.			
34.	INCOME TAX EXPENSE			(Restated)
		Note	2026	2025
	Current		Rupees	
	- for the year		1,876,989,617	1,011,921,754
	- for prior years		(43,426,383)	363,625
			1,833,563,234	1,012,285,379
	Deferred	16 & 34.2	61,581,322	3,309,083,207
			1,895,144,556	4,321,368,586
34.1	The provision for current year tax represents tax on taxable income under final tax regime as per the applicable rate, minimum tax per annum and super tax at the applicable rate as levied under Ordinance The Company computes current tax expense based on the generally accepted interpretation of the tax laws to ensure that sufficient provision for the purpose of taxation is available. According to the management, the tax provision made in these unconsolidated financial statements is sufficient.			

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

34.2 Under the applicable provisions of the Income Tax Ordinance, 2001, capital gains on listed securities held beyond the prescribed period are subject to a zero rate of tax. During the year, the Federal Constitutional Court (FCC), through its detailed judgment, held that no super tax is payable on such capital gains. Accordingly, the Company reversed the related deferred tax liability of Rs. 2,703.65 million previously recognised in respect of unrealised gains on these securities.

34.3 During the financial year 2021, 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 the tax years 2015 to 2019 in the Honourable High Court of Sindh was rejected vide order dated July 21, 2020. The Company, in consultation with its legal and tax advisors, has filed an appeal against the decision of the Honourable High Court of Sindh in the Supreme Court of Pakistan.

Consequent to the High Court judgement, the tax authorities issued notices to the Company and subsequently framed orders for the recovery of super tax for the relevant tax years. An appeal has been filed against these orders with the Commissioner Inland Revenue (Appeals) along with stay against recovery of demand based on certain contentious and factual grounds. Further, through an interim order dated November 26, 2020, the Honourable Supreme Court of Pakistan has ordered for no coercive action against the petitioners who deposit 50% of outstanding tax demand, accordingly the Company had made the required deposit. During the year, following the enactment of the 27th constitutional amendment, all pending super tax cases before the High Courts and the Supreme Court were transferred to the Federal Constitutional Court (FCC). The FCC upheld the constitutional validity of sections 4B of the Ordinance. Pursuant to the FCC's decision, the tax authorities issued recovery orders for super tax. The Company has discharged a substantial portion of the liability, except for super tax relating to zero-rated capital gains, in accordance with the FCC's order. Management is confident that the matter will ultimately be resolved with the tax authorities. However, an adequate provision has been maintained in these unconsolidated financial statements.

34.4 The Government has levied a special tax from tax year 2022 and onwards on high earning persons. As per section 4C of the Income Tax Ordinance 2001 (the Ordinance), among others, where income exceeds Rs. 500 million, super tax shall be charged at a rate of 10% of income calculated under section 4C of the Ordinance. The Company has filed a constitutional petition against the imposition of such super tax on high earning persons including specified sectors in the Honourable Islamabad High Court and have obtained the stay order on its payment.

During the year, following the enactment of the 27th constitutional amendment, all pending super tax cases before the High Courts and the Supreme Court were transferred to the Federal Constitutional Court (FCC). The FCC upheld the constitutional validity of section 4C of the Ordinance. Pursuant to the FCC's decision, the tax authorities issued recovery orders for super tax. The Company has discharged a substantial portion of the liability, except for super tax relating to zero-rated capital gains, in accordance with the FCC's order. Management is confident that the matter will ultimately be resolved with the tax authorities. However, an adequate provision has been maintained in these unconsolidated financial statements.

34.5 The deemed assessment for the tax year 2023 was subsequently modified by the Additional Commissioner Inland Revenue (AdCIR) by issuing amended assessment order (Order), demanding an additional tax of Rs. 77.87 million by mainly attempting to reclassify Company's normal business income to income from other sources. The Company had filed appeal before the Appellate Tribunal Inland Revenue (ATIR) and the case has been remanded back. However, the remand back proceedings have not yet been initiated. The Company, based on the legal advice, is confident that the ultimate outcome will be in favourable and accordingly, no provision has been recorded in these unconsolidated financial statements.

34.6 The assessment for tax year 2014 was amended by the Commissioner Inland Revenue (CIR) through an amended assessment order whereby certain expenses were disallowed under section 67 of the Ordinance, resulting in a tax demand of Rs. 50.87 million. The Company challenged the amended assessment before the Commissioner (Appeals), who decided the matter in favour of the Company. Subsequently, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which upheld the findings of the Commissioner (Appeals). Thereafter, the tax department filed a reference before the Honourable High Court of Sindh, which remanded the matter to the ATIR for fresh adjudication. The case is currently pending before the ATIR. The Company, based on legal advice, is confident that the ultimate outcome will be favourable and accordingly, no provision has been recognized.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

34.7 Relationship between tax expense and accounting profit	2026	(Restated) 2025
	Rupees	
Profit before levy and income tax	46,379,692,290	28,013,033,672
Tax at the applicable tax rate of 29% (2025: 29%)	13,450,110,764	8,123,779,765
Tax effect of:		
Income subject to final tax regime	(644,913,302)	(670,433,567)
Income taxed as separate block of income	(11,463,089,812)	(3,599,727,346)
Prior year	(43,426,383)	363,625
Non-deductible expenses	77,545,994	295,905,045
Minimum tax at 1.25% (2025: 1.25%)	(2,750,791)	(3,393,148)
Exempt income	(323,586,387)	(257,473,878)
Super tax	849,171,479	451,578,242
Levy	(3,917,006)	(19,230,152)
	1,895,144,556	4,321,368,586

35. EARNINGS PER SHARE - BASIC AND DILUTED

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year. There is no dilutive effect on the basic earnings per shares.

	2026	(Restated) 2025
	Rupees	
Profit for the year	44,480,630,728	23,672,434,934
	Number	
Weighted average number of ordinary shares	4,216,967,470	4,216,967,470
	Rupees	
Earnings per share - basic and diluted	10.55	5.61

36. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

36.1 For the purpose of disclosure, employees are considered as executives whose basic salary exceeds twelve hundred thousand rupees in a financial year.

36.2 The aggregate amounts charged in these unconsolidated financial statements in respect of remuneration including benefits to the Chief Executive, Directors and Executives of the Company are given below:

	Chief Executive		Directors		Executive Employees	
	2026	2025	2026	2025	2026	2025
	(Rupees)					
Managerial remuneration	12,000,000	12,000,000	-	-	33,412,374	31,878,659
Contribution to provident fund	967,740	967,740	-	-	2,255,584	2,458,530
Bonus	3,000,000	3,000,000	-	-	7,147,764	7,056,337
Other perquisites and benefits	600,000	600,000	-	-	14,210,598	12,758,434
Directors' Meeting fee	-	-	1,175,000	1,225,000	-	-
Total	16,567,740	16,567,740	1,175,000	1,225,000	57,026,320	54,151,960
Number of person(s)	1	1	7	7	11	10

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

- 36.3** The Chief Executive has been provided with free use of Company's maintained vehicles in accordance with the Company's policy. The net book value of these vehicles are Rs. 5.79 million (2025: Rs. 7.23 million).

37. NET CASH GENERATED FROM OPERATIONS	Note	2026	(Restated) 2025
			Rupees
Profit before levy and income tax		46,379,692,290	28,013,033,672
Adjustments for:			
Depreciation	4	39,605,935	18,409,987
Amortisation	5	-	141,875
Dividend income		(4,836,864,242)	(4,811,614,378)
Gain on remeasurement of long term investments	30	(36,880,474,898)	(21,976,838,696)
Gain on remeasurement of short term investments	30	(58,070,082)	(1,436,873,173)
Capital gain on sale of long term investment		(3,371,001,284)	(67,075,504)
Gain on investment property - net		(544,936,426)	(2,043,321)
Unrealized gain on contribution from musharaka participants	17	-	7,232,760
Net Finance cost	28	60,368,349	529,728,159
Unwinding of interest income on debt instrument	25	(150,050,322)	(129,151,996)
Exchange loss / (gain) on foreign currency translation	31 & 32	236,132	(225,493)
(Gain) / loss on disposal of assets	31 & 32	(20,000)	37,207
		(45,741,206,838)	(27,868,272,573)
Effect on cash flow due to working capital changes			
(Increase) / decrease in current assets			
Loans and advances		74,326,253	67,999,790
Prepayments and other receivables		(160,072,581)	(645,799)
Short term investments		(61,015,090)	2,139,443,578
		(146,761,418)	2,206,797,569
Increase in current liabilities			
Other payables		4,388,584,054	37,996,740
Net cash generated from operations		4,880,308,088	2,389,555,408
38. CASH AND CASH EQUIVALENTS			
Cash and bank balances	14	65,379,956	102,976,469
Running finance under markup arrangement	19	(1,242,785,728)	(534,837,635)
		(1,177,405,772)	(431,861,166)
39. OPERATING SEGMENTS			

Based on internal management reporting structure for the year, no reportable segments were identified that were of continuing significance for decision making. All non-current assets of the Company as at June 30, 2026 are located in Pakistan.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

40. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The Company has exposures to the following risks from the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The risk management system devised by the Board comprises of a wide range of finely tuned organizational and procedural components and is capable of identifying events and developments impairing the going-concern status of the Company. The risk management system is designed to promote a balanced approach to risks at all organizational levels, identify and analyse the opportunities and risks at an early stage, their measurement and the use of suitable instruments to manage and monitor risks.

40.1 Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company, resulting in a financial loss to the Company.

Credit risk management

It is the Company's policy to enter into financial contracts with reputable, diverse and creditworthy counterparties and wherever possible or deemed necessary, obtain collaterals in accordance with internal risk management policies and investment guidelines designed for credit risk management. Management closely monitors the creditworthiness of the Company's counterparties.

In order to mitigate credit risk, the Company measures loss allowances at an amount equal to lifetime Expected Credit Losses (ECLs), except for debt securities, loan to related parties, bank balances and other financial assets measured at amortised costs for which credit risk has not increased significantly since initial recognition.

Exposure to credit risk

The Company's maximum credit exposure (without taking into account collateral and other credit enhancement) at the reporting date is represented by the carrying amount of financial assets as follows:

	2026	2025
	Rupees	
Debt instrument - at amortised cost	1,077,363,794	927,313,472
Debt instrument - at fair value through profit or loss	2,451,085,000	7,378,882,067
Long term deposits and other receivable	5,053,180	4,893,280
Loan to related parties (short term and long term)	285,950,000	351,939,022
Guarantee commission receivable	2,285,772	5,015,753
Mark-up receivable	70,759,112	48,282,736
Other receivable	818,004,120	653,793,732
Bank balances	65,346,072	102,941,039
	4,775,847,050	9,473,061,101

The Company does not take into consideration the value of collateral while testing financial assets for impairment. The Company considers the credit worthiness of counterparties as part of its risk management.

None of the financial assets are past due.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

Long term deposits

This include deposit placed with Central Depository Company of Pakistan Limited (CDC) for the purpose of effecting transactions and settlement of listed securities. It is expected that deposits with CDC will be clearly identified as being assets of the Company, hence management believes that it is not materially exposed to credit risk against it. Apart from the above other deposits are with counterparties for provision of continued supply of services. Management does not expect to have any credit risk against such deposits, as it is refundable upon termination of agreement / services from counterparties. Further, this include deposit to Pakistan State Oil Company Limited (PSO) against fuel card. It is expected that deposits with PSO will be adjusted / refunded if needed, hence management does not expect to have any credit risk against such

Loans, mark-up and other receivables

The Company extends loans to its related concerns and follows due process of seeking approval from shareholders as per applicable laws and regulations. Wherever possible, management obtains collateral from counterparties. As loans are mainly provided to related concerns, management is not expecting to incur loss against the same. Mark-up receivable mainly pertains to loans extended to related parties for which the management does not expect to incur any credit loss. Other receivable mainly comprises of receivable on account of guarantee extended to counterparty and does not expect to have material credit risk there against, based on the terms of arrangement with parties involved.

The aging analysis of loans, guarantee commission receivable, other receivables and mark-up receivable is as follows:

	2026	2025
	Rupees	
Not past due	1,176,999,004	1,059,031,243

Bank balances

The credit ratings to respective banks have been assigned by independent credit rating agencies. At reporting date credit ratings of respective banks were as follows:

	Rating Agency	Long Term	Short Term
Allied Bank Limited	PACRA	AAA	A1+
Askari Bank Limited	PACRA	AAA	A1+
Bank AL Habib Limited	PACRA	AAA	A1+
Bank Alfalah Limited	PACRA	AAA	A1+
BankIslami Pakistan Limited	PACRA	AA-	A1
Bank of Punjab	PACRA	AAA	A1+
Bank Makramah Limited	VIS	A-	A2
Faysal Bank Limited	PACRA	AA+	A1+
Faysal Bank Limited	VIS	AA+	A1+
Habib Bank Limited	VIS	AAA	A1+
Habib Metropolitan Bank Limited	PACRA	AAA	A1+
JS Bank Limited	PACRA	AA	A1+
MCB Bank Limited	PACRA	AAA	A1+
MCB Islamic Bank Limited	PACRA	A+	A1
National Bank of Pakistan	PACRA	AAA	A1+
National Bank of Pakistan	VIS	AAA	A1+
Sindh Bank Limited	VIS	AA	A1+
Soneri Bank Limited	PACRA	AA	A1+
Standard Chartered Bank (Pakistan) Limited	VIS	AAA	A1+
The Bank of Khyber	PACRA	AA-	A1
The Bank of Khyber	VIS	AA-	A1
United Bank Limited	VIS	AAA	A1+

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

Concentration of credit risk

Details of the concentration of credit risk are as follows:

	2026	2025
	Rupees	
Fertilizer company	1,077,363,794	927,313,472
Real estate	7,868,834,923	8,426,275,365
Aviation	639,207,180	-
Banks	65,346,072	102,941,039
Mining companies	5,950,000	5,900,000
Employees	4,703,590	4,543,690
Power generation company	849,686	1,569,150
Brokerage house	923,784	2,960,401
Utility companies and CDC	349,590	349,590
Steel manufacturing company	281,250	996,474
Cement manufacturing company	231,052	211,920
	9,664,040,921	9,473,061,101

40.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Company. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of adequate funds through committed credit facilities. The Company finances its operations through equity, borrowings and working capital with a view of maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit lines.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	2026			
	Carrying amount	Contractual cash flows	Up to one year	More than one year
Financial liabilities - Non derivative	(Rupees)			
Other payables	4,949,071,215	4,949,071,215	4,949,071,215	-
Unclaimed dividend	35,724,010	35,724,010	35,724,010	-
Running finance under markup arrangement (including mark-up due)	1,248,438,843	1,248,438,843	1,248,438,843	-
Lease liability	51,903,336	55,000,000	55,000,000	-
	6,285,137,404	6,288,234,068	6,288,234,068	-
	2025			
	Carrying amount	Contractual cash flows	Up to one year	More than one year
Financial liabilities - Non derivative	(Rupees)			
Other payables	925,024,535	925,024,535	925,024,535	-
Unclaimed dividend	28,457,410	28,457,410	28,457,410	-
Running finance under markup arrangement (including mark-up due)	583,738,851	583,738,851	583,738,851	-
Loan from sponsor	3,301,707,946	3,301,707,946	-	3,301,707,946
Contribution from musharaka participants	529,770,710	529,770,710	-	529,770,710
Lease liability	17,904,174	18,910,451	18,910,451	-
	5,386,603,626	5,387,609,903	1,556,131,247	3,831,478,656

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

The Company's financial guarantee contracts are callable only upon default by the underlying borrowers and do not have determinable contractual maturity dates. Accordingly, they have not been included within specific maturity bands. These amounts are disclosed in Note 23.2.

The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rate effective as at reporting date. The rates of mark-up have been disclosed in respective notes to these unconsolidated financial statements.

40.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company is exposed to currency risk, interest rate risk and price risk.

a) Foreign exchange risk management

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. Currently, the Company's foreign exchange risk exposure is restricted to cash and bank balances in foreign currency. Management believes that the Company's exposure emanating from any fluctuations in the foreign currencies is not required to be hedged.

Financial assets	2026		2025	
	(Rupees)	(US Dollars)	(Rupees)	(US Dollars)
Cash in hand	11,115	40	11,341	40
Bank balances	11,141,321	40,094	11,377,254	40,094

The following significant exchange rates were applicable during the year:

	2026		
	Average rate	Reporting date rates	
		Buying	Selling
US Dollars to Pakistan Rupee	280.21	277.88	278.30
	2025		
	Average rate	Reporting date rates	
		Buying	Selling
US Dollars to Pakistan Rupee	279.34	283.53	283.96

Sensitivity analysis

A 10% strengthening / (weakening) of the Pakistan Rupee against various foreign currencies at reporting date would have (decreased) / increased the gain / loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as for 2025.

	Effect on profit or loss	
	2026	2025
As at June 30		Rupees
Effect in US Dollars	1,115,244	1,128,517

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

In addition, the Company has also given certain foreign currency guarantees, details of which are given in note 23.

b) Interest / mark-up rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of the interest rate exposure arises from financial assets and financial liabilities as stated below.

At the reporting date, the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

	2026 (Effective interest rate %)	2025	2026 Rupees	2025
Financial assets				
Variable rate financial instruments				
Loans to related parties	11.89% to 12.91%	13.16% to 23.48%	285,950,000	351,939,022
Bank balances	7.50% to 10.75%	4% to 19%	9,867,413	51,108,152
Financial liabilities				
Variable rate financial instruments				
Loan from sponsor	11.94%	12.98% to 22.22%	-	3,301,707,946
Running finance under markup arrangement	11.33% to 12.91%	12.33% to 21.83%	1,242,785,728	534,837,635

Cash flow sensitivity analysis for variable rate instruments

For cash flow sensitivity analysis of variable rate instruments a hypothetical change of 100 basis points in interest rates would have increased / (decreased) profit and other comprehensive income for the year by the amounts shown below.

	Increase 100 bps	Decrease 100 bps
As at June 30, 2026		
Cash flow sensitivity - Variable rate financial assets	2,958,174	(2,958,174)
Cash flow sensitivity - Variable rate financial liabilities	12,427,857	(12,427,857)
As at June 30, 2025		
Cash flow sensitivity - Variable rate financial assets	4,030,472	(4,030,472)
Cash flow sensitivity - Variable rate financial liabilities	38,365,456	(38,365,456)

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

The Company's net exposure to interest rate risk, analysed by the earlier of contractual repricing or maturity date is as follows:

Particulars	2026						Non-interest / mark up bearing	Total
	Interest / mark-up bearing							
	Maturity up to one month	Maturity over one month to three months	Maturity over three months to six months	Maturity over six months to one year	Maturity after one year	Sub- total		
----- Rupees -----								
On balance sheet financial instruments								
Financial assets								
Investments	-	-	-	-	-	-	117,182,533,554	117,182,533,554
Loans and advances	-	-	-	-	280,000,000	280,000,000	8,191,086	288,191,086
Long-term deposits and other receivable	-	-	-	-	-	-	5,053,180	5,053,180
Other receivables	-	2,285,772	-	-	-	2,285,772	818,004,120	820,289,892
Markup receivable	70,759,112	-	-	-	-	70,759,112	-	70,759,112
Cash and bank balances	9,867,413	-	-	-	-	9,867,413	55,512,543	65,379,956
	80,626,525	2,285,772	-	-	280,000,000	362,912,297	118,069,294,483	118,432,206,780
Financial liabilities								
Lease liability	-	18,387,178	18,958,533	14,557,625	-	51,903,336	-	51,903,336
Running finance under markup arrangement	1,242,785,728	-	-	-	-	1,242,785,728	-	1,242,785,728
Unclaimed dividend	-	-	-	-	-	-	35,724,010	35,724,010
Other payables	97,779,445	-	-	-	-	97,779,445	4,856,944,885	4,954,724,330
	1,340,565,173	18,387,178	18,958,533	14,557,625	-	1,392,468,509	4,892,668,895	6,285,137,404
On-balance sheet gap (a) *	(1,259,938,648)	(16,101,406)	(18,958,533)	(14,557,625)	280,000,000	(1,029,556,212)	113,176,625,588	112,147,069,376
Off-balance sheet gap (b)	-	-	-	-	-	-	-	-
Total interest rate sensitivity gap (a+b)	(1,259,938,648)	(16,101,406)	(18,958,533)	(14,557,625)	280,000,000	(1,029,556,212)		
Cumulative interest rate sensitivity gap	(1,259,938,648)	(1,276,040,054)	(1,294,998,587)	(1,309,556,212)	(1,029,556,212)	(1,029,556,212)		

Particulars	2025						Non-interest / mark up bearing	Total
	Interest / mark-up bearing							
	Maturity up to one month	Maturity over one month to three months	Maturity over three months to six months	Maturity over six months to one year	Maturity after one year	Sub- total		
----- Rupees -----								
On balance sheet financial instruments								
Financial assets								
Investments	-	-	-	-	-	-	73,462,542,673	73,462,542,673
Loans and advances	-	-	-	206,039,022	140,000,000	346,039,022	7,854,239	353,893,261
Long-term deposits and other receivable	-	-	-	-	-	-	4,893,280	4,893,280
Other receivables	-	5,015,753	-	-	-	5,015,753	653,793,732	658,809,485
Markup receivable	48,282,736	-	-	-	-	48,282,736	-	48,282,736
Cash and bank balances	51,108,152	-	-	-	-	51,108,152	51,868,317	102,976,469
	99,390,888	5,015,753	-	206,039,022	140,000,000	450,445,663	74,180,952,241	74,631,397,904
Financial liabilities								
Lease liability	-	-	7,998,704	9,905,470	-	17,904,174	-	17,904,174
Contribution from musharaka participants	-	-	-	-	-	-	529,770,710	529,770,710
Loan from sponsor	-	-	-	-	3,301,707,946	3,301,707,946	-	3,301,707,946
Running finance under markup arrangement	534,837,635	-	-	-	-	534,837,635	-	534,837,635
Unclaimed dividend	-	-	-	-	-	-	28,457,410	28,457,410
Other payables	49,306,526	-	-	-	-	49,306,526	564,850,121	614,156,647
	584,144,161	-	7,998,704	9,905,470	3,301,707,946	3,903,756,281	1,123,078,241	5,026,834,522
On-balance sheet gap (a) *	(484,753,273)	5,015,753	(7,998,704)	196,133,552	(3,161,707,946)	(3,453,310,618)	73,057,874,000	69,604,563,382
Off-balance sheet gap (b)	-	-	-	-	-	-	-	-
Total interest rate sensitivity gap (a+b)								
	(484,753,273)	5,015,753	(7,998,704)	196,133,552	(3,161,707,946)	(3,453,310,618)		
Cumulative interest rate sensitivity gap								
	(484,753,273)	(479,737,520)	(487,736,224)	(291,602,672)	(3,453,310,618)	(3,453,310,618)		

* The on-balance sheet gap represents the net amounts of on-balance sheet items.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

c) Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest / mark-up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. The Company is exposed to equity price risk since it has investments in quoted securities.

The Company's strategy is to hold its strategic equity investments for a longer period of time. Thus, management is not concerned with short term price fluctuations with respect to its strategic investments provided that the underlying business, economic and management characteristics of the investee company remain viable. The Company manages price risk by monitoring exposure in quoted equity securities and implementing strict discipline in internal risk management and investment policies.

The carrying value of investments subject to equity price risk are, in almost all instances, based on quoted market prices as of the reporting date except for unquoted associate and subsidiary which are carried at fair value determined through valuation techniques. Market prices are subject to fluctuation and consequently the amount realised in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amount realised in the sale of a particular security may be affected by the relative quantity of the security being sold.

Sensitivity analysis

The table below summarizes the Company's equity price risk as of June 30, 2026 and 2025 and shows the effects of a hypothetical 30% increase or decrease in market prices as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Accordingly, the sensitivity analysis prepared is not necessarily an indication of the effect on Company's net assets of future movement in the level of PSX 100 index.

	Fair value Rupees	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase / (decrease) in shareholders' equity	Hypothetical increase / (decrease) in profit / (loss) before tax
			Rupees		
June 30, 2026	89,450,822,393	30% increase	116,286,069,111	26,835,246,718	26,835,246,718
		30% decrease	62,615,575,675	(26,835,246,718)	(26,835,246,718)
June 30, 2025	52,363,312,885	30% increase	68,072,306,751	15,708,993,866	15,708,993,866
		30% decrease	36,654,319,020	(15,708,993,866)	(15,708,993,866)

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

40.4 Financial instruments by category

The following table shows the carrying amount of financial assets and financial liabilities.

	Mandatorily at fair value through profit or loss - others	Designated at fair value through profit or loss	Financial assets at amortized cost	Financial liabilities at amortised cost
	Rupees			
June 30, 2026				
Financial assets measured at fair value				
Equity securities	110,161,495	108,655,729,394	-	-
Debt securities	7,339,278,871	-	-	-
	7,449,440,366	108,655,729,394	-	-
Financial assets not measured at fair value				
Debt securities	-	-	1,077,363,794	-
Long term loan to related party (short term and long term)	-	-	285,950,000	-
Long term deposit and other receivables	-	-	5,053,180	-
Loans and advances	-	-	2,241,086	-
Mark-up receivable	-	-	70,759,112	-
Other receivable	-	-	820,289,892	-
Cash and bank balances	-	-	65,379,956	-
	-	-	2,327,037,020	-
Financial liabilities not measured at fair value				
Running finance under markup arrangement	-	-	-	1,242,785,728
Other payables	-	-	-	4,954,724,330
Lease liability	-	-	-	51,903,336
Unclaimed dividend	-	-	-	35,724,010
	-	-	-	6,285,137,404

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

	Mandatorily at fair value through profit or loss - others	Designated at fair value through profit or loss	Financial assets at amortized cost	Financial liabilities at amortised cost
----- Rupees -----				
June 30, 2025				
Financial assets measured at fair value				
Equity securities	2,522,429,927	62,633,917,207	-	-
Debt securities	7,378,882,067	-	-	-
	<u>9,901,311,994</u>	<u>62,633,917,207</u>	<u>-</u>	<u>-</u>
Financial assets not measured at fair value				
Debt securities	-	-	927,313,472	-
Loan to related parties (short term and long term)	-	-	145,900,000	-
Long term deposit and other	-	-	4,893,280	-
Loans and advances	-	-	213,893,261	-
Mark-up receivable	-	-	48,282,736	-
Other receivable	-	-	658,809,485	-
Cash and bank balances	-	-	102,976,469	-
	<u>-</u>	<u>-</u>	<u>2,102,068,703</u>	<u>-</u>
Financial liabilities not measured at fair value				
Contribution from musharaka participants	-	-	-	529,770,710
Loan from sponsor	-	-	-	3,301,707,946
Running finance under markup arrangement	-	-	-	534,837,635
Other payables	-	-	-	973,925,751
Lease liability	-	-	-	17,904,174
Unclaimed dividend	-	-	-	28,457,410
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,386,603,626</u>

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

40.5 Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liability		Equity	
	Short term borrowings and loan from sponsor including related accrued markup	Lease liability	Unappropriated profit	Total
	----- Rupees -----			
Balance as at July 1, 2024 (Restated)	1,453,915,922	30,727,794	33,007,686,203	34,492,329,919
Changes from financing cash flows				
Payment of lease liability	-	(17,191,314)	-	(17,191,314)
Dividend	-	-	(2,951,877,229)	(2,951,877,229)
Total changes from financing activities	-	(17,191,314)	(2,951,877,229)	(2,969,068,543)
Other changes				
Interest expense	661,745,635	4,367,694	-	666,113,329
Interest paid	(765,025,601)	-	-	(765,025,601)
Reassessment of lease term	-	-	-	-
Changes in running finance under markup arrangement	2,535,216,151	-	-	2,535,216,151
Total loan related other changes	2,431,936,185	4,367,694	-	2,436,303,879
Total equity related other changes	-	-	23,672,434,934	23,672,434,934
Balance as at June 30, 2025	3,885,852,107	17,904,174	53,728,243,908	57,632,000,189
Changes from financing cash flows				
Payment of lease liability	-	(70,048,775)	-	(70,048,775)
Dividend	-	-	(4,216,967,470)	(4,216,967,470)
Total changes from financing activities	-	(70,048,775)	(4,216,967,470)	(4,287,016,245)
Other changes				
Interest expense	113,301,662	11,772,195	-	125,073,857
Interest paid	(64,828,743)	-	-	(64,828,743)
Lease additions	-	86,497,778	-	86,497,778
Effect of lease modification	-	5,777,964	-	5,777,964
Changes in running finance under markup arrangement	(2,593,759,853)	-	-	(2,593,759,853)
Total loan related other changes	(2,545,286,934)	104,047,937	-	(2,441,238,997)
Total equity related other changes	-	-	44,480,630,728	44,480,630,728
Balance as at June 30, 2026	1,340,565,173	51,903,336	93,991,907,166	95,384,375,675

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

41. FAIR VALUE MEASUREMENTS

A number of the Company's accounting policies and disclosure require the measurement of fair values, for both financial, if any and non-financial assets and financial liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Management engage independent external experts / valuers to carry out valuation of its financial assets where prices are not quoted or readily available in the market and for investment properties carried at fair value. Involvement of external valuers is decided upon by management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

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 categorised 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).

Fair values of financial assets that are traded in active markets are based on quoted market prices. For all other financial instruments the Company determines fair values using valuation techniques.

Valuation techniques used by the Company include discounted cash flow model for valuation of unquoted equity securities. Assumptions and inputs used in valuation techniques include risk-free rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices. The objective of valuation techniques is to arrive at a fair value that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

Valuation models for valuing securities for which there is no active market requires significant unobservable inputs and a higher degree of management's judgment and estimation in the determination of fair value. Management's judgment and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued and selection of appropriate discount rates, etc.

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 these unconsolidated financial statements at fair value on a recurring basis, the management recognizes 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 30th, 2026

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

June 30, 2026						
	Carrying amount			Fair value		
	Mandatorily / designated at fair value through profit or loss	Financial asset at amortised cost	Financial liabilities at amortised cost	Level 1	Level 2	Level 3
Rupees						
Financial assets measured at fair value						
Long term investments	111,106,814,394	-	-	89,340,660,898	-	21,766,153,496
Short term investments	4,998,355,366	-	-	110,161,495	4,241,693,871	646,500,000
Financial assets not measured at fair value						
Debt securities	-	1,077,363,794	-			
Long term loan to related party	-	285,950,000	-			
Long term deposits and other receivables	-	5,053,180	-			
Other receivables	-	820,289,892	-			
Loans and advances	-	2,241,086	-			
Mark-up receivable	-	70,759,112	-			
Cash and bank balances	-	65,379,956	-			
	116,105,169,760	2,327,037,020	-			
Financial liabilities not measured at fair value						
Other payables	-	-	4,954,724,330			
Running finance under markup arrangement	-	-	1,242,785,728			
Unclaimed dividend	-	-	35,724,010			
Lease liability	-	-	51,903,336			
	-	-	6,285,137,404			
June 30, 2025						
	Carrying amount			Fair value		
	Mandatorily / designated at fair value through profit or loss	Financial assets at amortized cost	Financial liabilities at amortised cost	Level 1	Level 2	Level 3
Rupees						
Financial assets measured at fair value						
Long term investments	70,012,799,274	-	-	51,675,728,750	2,786,293,676	15,550,776,848
Short term investments	2,522,429,927	-	-	2,522,429,927	-	-
Financial assets not measured at fair value						
Debt securities	-	927,313,472	-			
Long term loan to related party	-	140,000,000	-			
Long term deposits and other receivables	-	4,893,280	-			
Other receivables	-	658,809,485	-			
Loans and advances	-	213,893,261	-			
Mark-up receivable	-	48,282,736	-			
Cash and bank balances	-	102,976,469	-			
	72,535,229,201	2,096,168,703	-			
Financial liabilities not measured at fair value						
Other payables	-	-	973,925,751			
Contribution from musharaka participants	-	-	529,770,710			
Loan from sponsor	-	-	3,301,707,946			
Running finance under markup arrangement	-	-	534,837,635			
Unclaimed dividend	-	-	28,457,410			
Lease liability	-	-	17,904,174			
	-	-	5,386,603,626			

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

41.1 Management assessed that the fair values of loans and advances, other receivables, mark-up receivable, cash and bank balances, trade and other payables, Running finance under markup arrangement, mark-up accrued on borrowings and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. For long term deposits and other receivables, long term loan to related party and other non-current liabilities, management consider that their carrying values approximates fair value.

41.2 Measurement of fair values

41.2.1 Investments - at fair value through profit or loss

The following tables show the valuation techniques and assumptions as well as the significant unobservable inputs used.

Type	Date of valuation	Valuation approach and assumptions
Sachal Energy Development (Private) Limited (SEDPL)	June 30, 2026	The Company has valued this investment on fair value basis using the discounted cashflow technique, considering the progress on the project. This method considers the present value of all future proceeds from SEDPL, discounted using a risk adjusted discount rate which is taken at 16.32%. The cash flow projections include specific estimates for the remaining life of the project up to 2037 from the reporting date. Further, discounting due to lack of marketability factor (DLOM) is taken on the present value of all future proceeds. The fair value is categorised in a Level 3 fair value hierarchy as it involves significant unobservable inputs, including the risk adjusted discount rates.
PIA Equity Limited (PIAEL)	June 30, 2026	The Company's investment in PIA Equity Limited (PIAEL) is classified within Level 3 of the fair value hierarchy, as the fair value assessment involved significant judgement and was determined using a valuation technique incorporating significant unobservable inputs. The fair value of the Company's investment was determined based on the net asset fair value of PIAEL after incorporating discounts for lack of marketability (DLOM) and lack of control (DLOC) . As at June 30, 2026, PIAEL's only major asset was its investment in its subsidiary, Pakistan International Airlines Corporation Limited (PIACL), which was fair valued as at June 30, 2026 using a discounted cash flow model. This method considers the present value of all future proceeds discounted using a risk adjusted discount rate which is taken at 16.33%. The valuation determined using the above approach was not materially different from the bid value.
Silk Islamic Development REIT (SIDR)	June 30, 2026	The Company has valued this investment on fair value basis using the discounted cashflow technique, considering the progress on the project. This method considers the present value of all future proceeds from SIDR, discounted using a risk adjusted discount rate which is taken at 18.91%. The cash flow projections include specific estimates for the entire life of the project which is estimated to be 9 years from the reporting date. Further, discounting due to lack of marketability factor (DLOM) is taken on the present value of all future proceeds. The fair value is categorised in a Level 3 fair value hierarchy as it involves significant unobservable inputs, including the risk adjusted discount rates and DLOM .

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

Type	Date of valuation	Valuation approach and assumptions
Naya Nazimabad Apartment REIT (NNAR)	June 30, 2026	The Company has valued this investment on fair value basis using the discounted cashflow technique, considering the progress on the project. This method considers the present value of all future proceeds from NNR, discounted using a risk adjusted discount rate which is taken at 18.91%. The cash flow projections include specific estimates for the entire life of the project which is estimated to be 6 years from the reporting date. The fair value is categorised in a Level 3 fair value hierarchy as it involves significant unobservable inputs, including the risk adjusted discount rates. Subsequent to the year end, NNR was listed on the Pakistan Stock Exchange at a strike price that was broadly in line with the fair value determined as at June 30, 2026.
Rahat Residency REIT (RRR)	June 30, 2026	The Company has valued this investment on fair value basis using the discounted cashflow technique, considering the progress on the project. This method considers the present value of all future proceeds from RRR, discounted using a risk adjusted discount rate which is taken at 18.91%. The cash flow projections include specific estimates for the entire life of the project which is estimated to be 4 years from the reporting date. The fair value is categorised in a Level 3 fair value hierarchy as it involves significant unobservable inputs, including the risk adjusted discount rates.
Garden View Apartment REIT (GVAR) [Formerly Park View Apartment REIT (PVAR)]	June 30, 2026	The Company has valued this investment on fair value basis using the assumption that the primary asset of GVAR comprises parcels of land, these parcels have undergone valuation by an independent third-party valuer as of June 30, 2026. Using the assessed fair value of land as a basis, the company has computed the proportionate fair value of its investment in GVAR. Their fair value was determined using sales comparison approach which falls under level 2 fair value hierarchy as it relies on inputs other than quoted prices for identical assets.
Gymkhana Apartment REIT (GAR)	June 30, 2026	The Company has valued this investment on fair value basis using the assumption that the primary asset of GAR comprises parcels of land, these parcels have undergone valuation by an independent third-party valuer as of June 30, 2026. Using the assessed value of land as a basis, the company has computed the proportionate fair value of its investment in GAR. Their fair value was determined using sales comparison approach which falls under level 2 fair value hierarchy as it relies on inputs other than quoted prices for identical assets.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

41.2.2 Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of the following together with a quantitative sensitivity analysis.

Type	Unobservable inputs	Range of inputs	Sensitivity of the inputs to fair value
Sachal Energy Development (Private) Limited (SEDPL)	Risk-adjusted discount rate	15.32% - 17.32% (16.32%)	1% increase in the risk adjusted discount rate would result in decrease in fair value by Rs. 444.93 million; 1% decrease in the risk adjusted discount rate would result in increase in fair value by Rs. 477.88 million as at 30 June 2026.
PIA Equity Limited (PIAEL)	Risk-adjusted discount rate	15.33% - 17.33% (16.33%)	1% increase in the risk adjusted discount rate would result in decrease in fair value by Rs. 870.48 million; 1% decrease in the risk adjusted discount rate would result in increase in fair value by Rs. 1,012.04 million as at 30 June 2026.
	Terminal growth rate	1.5% - 3.5% (2.5%)	1% increase in the terminal growth rate would result in decrease in fair value by Rs. 678.33 million; 1% decrease in the terminal growth rate would result in increase in fair value by Rs. 586.83 million as at 30 June 2026.
Silk Islamic Development REIT (SIDR)	Risk-adjusted discount rate	17.91% - 19.91% (18.91%)	1% increase in the risk adjusted discount rate would result in decrease in fair value by Rs. 54.60 million; 1% decrease in the risk adjusted discount rate would result in increase in fair value by Rs. 58.80 million as at 30 June 2026.
Naya Nazimabad Apartment REIT (NNAR)	Risk-adjusted discount rate	17.91% - 19.91% (18.91%)	1% increase in the risk adjusted discount rate would result in decrease in fair value by Rs. 61.10 million; 1% decrease in the risk adjusted discount rate would result in increase in fair value by Rs. 64.92 million as at 30 June 2026.
Rahat Residency REIT (RRR)	Risk-adjusted discount rate	17.91% - 19.91% (18.91%)	1% increase in the risk adjusted discount rate would result in decrease in fair value by Rs. 23.00 million; 1% decrease in the risk adjusted discount rate would result in increase in fair value by Rs. 24.50 million as at 30 June 2026.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

41.2.3 The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

	Financial assets - at fair value through profit or loss	Financial assets - at fair value through other comprehensive income	Total
	----- Rupees -----		
Balance at July 1, 2024	16,761,198,976	-	16,761,198,976
Investment made during the year	157,000,000	-	157,000,000
Gain recognised on remeasurement of investment	41,796,817	-	41,796,817
Loss recognised on remeasurement of investment	(1,409,218,945)	-	(1,409,218,945)
Balance at June 30, 2025	15,550,776,848	-	15,550,776,848
Balance at July 1, 2025	15,550,776,848	-	15,550,776,848
Investment made during the year	8,016,111,240	-	8,016,111,240
Investment disposed during the year	(623,342,599)	-	(623,342,599)
Gain recognised on remeasurement of investment	(530,891,993)	-	(530,891,993)
Loss recognised on remeasurement of investment	-	-	-
Balance at June 30, 2026	22,412,653,496	-	22,412,653,496

42. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence, sustain future development of the business, safeguard the 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 Board of Directors monitors the return on capital, which the Company defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also monitors the level of dividend to ordinary shareholders. There were no changes in Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirements.

43. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of group companies (including subsidiaries and associates companies), directors and their close family members, major shareholders of the Company, companies where directors also hold directorship, key management personnel and staff provident fund. Transactions with related parties are carried out at contractual / agreed terms. Remuneration and benefits to executives of the Company are in accordance with the terms of the employment while contribution to the provident fund is in accordance with staff service rules. Remuneration of Chief Executive Officer, Directors and Executives is disclosed in note 36 to the unconsolidated financial statements.

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 Officer, Chief Financial Officer, Company Secretary, Non-Executive 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.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

Transactions and balances with related parties during the year other than those disclosed elsewhere in the unconsolidated financial statements are given below:

Name of the related party	Transactions during the year	2026	2025
Subsidiaries			Rupees
Arif Habib Limited (74.32% shareholding)	Services availed	10,900,992	8,780,636
	Dividend income	485,586,329	249,899,890
	Guarantee commission	3,399,398	2,960,403
	Markup on loan	-	27,680,651
Sachal Energy Development (Private) Limited (85.83% shareholding)	Guarantee commission	4,519,377	7,295,391
	Dividend Income	1,373,232,530	1,373,232,530
Black Gold Power Limited (100% shareholding)	Loan extended	50,000	200,000
Associated companies by virtue of shareholding			
Fatima Fertilizer Company Limited (15.19% shareholding)	Dividend received	1,914,001,236	2,288,001,443
Safe Mix Concrete Limited (27.63% shareholding)	Dividend received	17,270,045	13,816,036
Power Cement Limited * (26.70% shareholding)	Guarantee commission	866,813	847,680
	Markup on loan	-	1,445,966
Javedan Corporation Limited (34.13% shareholding)	Markup on loan	-	7,989,044
	Loan extended	-	795,400,000
	Loan recovered	-	995,400,000
	Dividend received	752,665,535	602,132,428
Aisha Steel Mills Limited * (22.04% shareholding)	Loan extended	500,000,000	4,650,000,000
	Loan recovered	500,000,000	4,728,103,657
	Markup on loan	1,315,913	68,432,941
	Guarantee commission	1,127,175	1,126,265
PIA Equity Limited (8.91% shareholding)	Advance for right issue	6,316,112,800	-

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

Name of the related party	Transactions during the year	2026	2025
<i>Associated companies by virtue of common directorship</i>		Rupees	
Rotocast Engineering Company (Private) Limited	Payment of rent and sharing of utilities, insurance and maintenance charges	50,677,592	33,256,289
Globe Residency REIT	Dividend received	213,335,402	156,331,040
	Markup on loan	7,146,066	6,056,007
	Loan extended	-	67,868,302
	Loan recovered	67,409,197	-
	Advance extended	345,440,099	241,844,892
Rahat Residency REIT	Loan extended	-	100,000,000
	Loan recovered	100,000,000	-
	Markup on loan	2,802,877	2,402,630
	Dividend income	28,000,000	-
Silk Islamic Development REIT	Loan extended	140,000,000	40,000,000
	Markup on loan	33,112,433	18,645,309
	Advance extended	97,722,400	-
Signature Residency REIT	Dividend received	26,659,792	-
Naya Nazimabad Apartment REIT	Advance extended	-	49,623,000

* The shareholding percentage includes ordinary and preference shares.

Others

Employees retirement benefit - Provident fund	Company's contribution	3,945,635	3,976,706
Key management personnel compensation	Salaries and other employee benefits	68,466,659	51,693,430
	Contributions to provident fund	3,223,324	2,458,530

Chief Executive

Mr. Arif Habib	Dividend paid	3,355,551,381	2,325,297,366
	Loan received	522,000,000	6,576,200,000
	Loan repaid	3,823,707,946	4,074,492,054
	Markup paid on loan	-	134,214,626
	Advance received against sale of units	4,817,020,000	-
	Proceeds against sale of investment property	1,309,191,312	-
	Proceeds against sale of advance	1,294,961,844	-
	Proceeds against sale of debt securities	505,000,000	-

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

Name of the related party	Transactions during the year	2026	2025
		Rupees	
Directors			
Mr. Asadullah Khawaja	Meeting fee paid	200,000	250,000
	Dividend paid	1,060,060	567,042
Khawaja Najam Ud Din Roomi	Meeting fee paid	325,000	225,000
	Dividend paid	2,730,000	1,911,000
Ms. Zeba Bakhtiar	Meeting fee paid	200,000	250,000
	Dividend paid	1,000	700
Mr. Abdus Samad Habib	Meeting fee paid	200,000	250,000
	Dividend paid	10,060	7,042
Mr. Kashif Habib	Meeting fee paid	325,000	300,000
	Dividend paid	352,900	247,030
Mr. Nasim Beg	Meeting fee paid	200,000	250,000
	Dividend paid	20,780	14,546
	Commission paid	11,339,907	-
Mr. Muhammad Ejaz	Meeting fee paid	175,000	200,000
	Dividend paid	1,210	847

43.1 In addition to the above, during the year, the Company made payments to Arif Habib Group in connection with the settlement of liabilities and obligations arising from the arrangement referred to in note 23.2.7.

43.2 The status of outstanding balances with related parties as at June 30, 2026 is included in the respective notes to these unconsolidated financial statements. These are settled in the ordinary course of business

44.	SHARIAH COMPLIANCE STATUS DISCLOSURE	Note	2026	2025
			Rupees	
	Unconsolidated statement of financial position			
-	Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	17	-	529,770,710
-	Interest or mark-up accrued on conventional loan or advance	20	97,779,445	49,306,526
-	Long-term and short-term Shariah compliant Investments		92,300,355,512	54,571,666,071
-	Shariah-compliant bank deposits, bank balances, and TDRs	14	2,430,565	1,673,242

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

Unconsolidated statement of profit and loss	Note	2026	2025
			Rupees
- Revenue earned from Shariah compliant business segment	25	9,912,763	12,227,563
- Break-up of late payments or liquidated damage		-	-
- Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates		42,757,406,848	26,100,818,079
- Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs		186,622	119,718
- Exchange (loss) / gain on actual currency	31 & 32	(236,132)	225,493
- Exchange gains earned using conventional derivative financial instruments		-	-
- Profit paid on Islamic mode of financing		-	-
- Total Interest earned on any conventional loan or advance		8,461,980	111,604,611
Breakup of other income excluding gain on foreign currency translation			
- Gain on disposal of fixed assets - Shariah compliant		20,000	-
- Liability no longer payable written off - Shariah compliant		200,000,000	-

44.1 Relationship with Shariah-compliant financial institutions

Islamic Banks

Names of the Company's shariah compliant financial institutions	Arrangement
BankIslami Pakistan Limited	Bank Account
Bank Makramah Limited	Bank Account
Faysal Bank Limited	Bank Account
MCB Islamic Bank Limited	Bank Account
National Bank of Pakistan	Bank Account

Takaful operators

The company has no relationship with takaful operators.

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30th, 2026

45. NUMBER OF EMPLOYEES

Number of persons employed by the Company as on the year end are 26 (2025: 25) and average number of employees during the year are 25 (2025: 24).

46. NON-ADJUSTING EVENTS AFTER REPORTING DATE

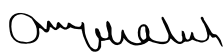
The Board of Directors of the Company proposed a cash dividend of Rs. 1.25 (2025: Re. 1) per share amounting to Rs. 5,271.21 million (2025: Rs. 4,216.97 million) at its meeting held on September 30, 2026 for the approval of the members at the annual general meeting to be held on October 28, 2026. These unconsolidated financial statements for the year ended June 30, 2026 do not include the effect of the proposed final cash dividend which will be accounted in the year ending June 30, 2027.

47. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation.

48. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated financial statements have been authorised for issue on September 30, 2026 by the Board of Directors of the Company.



Chief Executive Officer



Director



Chief Financial Officer



Consolidated Financial Statements

for the year ended 30th June 2026

165	Independent Auditor's Report
169	Statement of Financial Position
171	Statement of Profit or Loss
172	Statement of Comprehensive Income
173	Statement of Changes In Equity
174	Statement of Cash Flow
175	Notes to the Financial Statement



A.F. FERGUSON & CO.

Independent Auditor's Report

To the members of Arif Habib Corporation Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Arif Habib Corporation Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2026, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, 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.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

Following is the Key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
(i)	Valuation of Investments <i>(Refer note 10 and 18 to the consolidated financial statements)</i> As at June 30, 2026, the Group has investments classified as “Equity securities designated at fair value through other comprehensive income”, “debt instrument designated at fair value through profit or loss”, “debt instrument designated at amortised cost”, and “equity securities designated at fair value through profit or loss” amounting to Rs. 11.25 billion. Investments are carried at fair value or amortised cost in accordance with the Group’s accounting policy relating to their recognition and subsequent measurement. The valuation of investment involves management’s judgment and use of key assumptions and estimates and therefore we have considered this to be a key audit matter.	Our audit procedures, among others, included the following: - for quoted investments, agreed the quoted prices used in the valuations to external market sources; - in case of unquoted investments, obtained the understanding of the valuation methodology and evaluated its appropriateness; - for investments valued using discounted cashflow method, we reviewed the key inputs and assumptions used to prepare the projections. We also applied sensitivity analysis on key assumptions and evaluated the results; and - evaluated the adequacy and appropriateness of the disclosures relating to investments, fair-value measurement and the significant judgements and estimates in the consolidated financial statements.

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 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 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Farrukh Rehman.



A.F. Ferguson & Co.
Chartered Accountants
Karachi

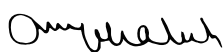
Date: 7th October 2026
UDIN: AR202610059qZ1E5Rblg

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30th JUNE 2026

	Note	2026	2025
			Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	14,436,107,384	15,680,551,145
Intangible assets	5	668,301	685,389
Goodwill	6	910,206,117	910,206,117
Trading right entitlement certificate, membership cards and offices	7	5,600,000	5,600,000
Investment properties	8	2,500,000	1,791,900,000
Equity accounted investees	9	49,800,152,164	31,315,641,617
Other long term investments	10	3,593,633,997	8,349,314,000
Long term loan to related party	11	280,000,000	140,000,000
Long term deposits and other receivables	12	34,218,553	32,240,987
		69,063,086,516	58,226,139,255
CURRENT ASSETS			
Trade debts	13	5,182,540,775	6,275,922,933
Contract asset	14	223,140,166	180,870,639
Loans and advances	15	149,462,353	1,528,340,074
Deposits and prepayments	16	783,485,147	405,221,564
Receivable under margin trading system		2,416,579	2,675,008
Receivable against trading of securities - net		17,817,813	683,091,537
Accrued mark-up and other receivables	17	1,864,126,232	1,488,824,124
Short term investments	18	7,657,692,888	3,624,012,681
Cash and bank balances	19	7,539,901,338	4,208,883,734
		23,420,583,291	18,397,842,294
TOTAL ASSETS		92,483,669,807	76,623,981,549

The annexed notes from 1 to 57 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



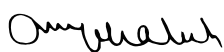
Chief Financial Officer

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30th JUNE 2026

	Note	2026	2025
			Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Issued, subscribed and paid-up share capital	20	4,216,967,470	4,216,967,470
Capital reserves			
Surplus on revaluation	21	-	7,835,000
Revenue reserves			
General reserve		4,019,567,665	4,019,567,665
Unappropriated profit		54,636,575,138	42,170,680,587
Equity attributable to owners of the Parent Company		62,873,110,273	50,415,050,722
Non-controlling interest	22	3,173,412,705	2,800,556,060
TOTAL EQUITY		66,046,522,978	53,215,606,782
NON-CURRENT LIABILITIES			
Long term loans	23	-	2,781,327,837
Land lease liability	24	12,637,600	12,253,057
Lease liability	25	39,019,534	43,178,606
Staff retirement benefits	26	50,147,800	53,988,903
Loan from sponsor	27	-	3,301,707,946
Contributions from Musharaka participants	28	-	529,770,710
Deferred taxation - net	29	7,606,578,671	5,431,544,964
		7,708,383,605	12,153,772,023
CURRENT LIABILITIES			
Trade and other payables	30	11,772,490,399	5,375,877,752
Accrued mark-up		159,427,230	118,058,516
Sales tax payable		131,832,150	74,577,621
Short term borrowings	31	2,789,696,044	1,396,611,538
Current portion of long term loans	23	2,768,646,165	2,841,000,000
Current portion of land lease liability	24	1,360,000	1,360,000
Current portion of lease liability	25	87,780,753	62,713,014
Taxation - provision less payments		956,320,999	1,333,117,330
Unclaimed dividend		61,209,484	51,286,973
		18,728,763,224	11,254,602,744
TOTAL LIABILITIES		26,437,146,829	23,408,374,767
Contingencies and commitments	32		
TOTAL EQUITY AND LIABILITIES		92,483,669,807	76,623,981,549

The annexed notes from 1 to 57 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



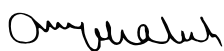
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 30th JUNE 2026

	Note	2026	2025
		Rupees	
Revenue	33	9,262,892,458	9,204,577,411
Gain on remeasurement of investments - net	34	1,687,171,231	2,091,904,255
Gain / (loss) on real estate portfolio - net	35	544,936,426	(5,189,439)
Gain on sale of securities - net	36	3,030,034,711	1,724,345,185
Operating and investing income		14,525,034,826	13,015,637,412
Cost of energy sales	37	(1,975,339,938)	(1,960,003,974)
Administrative expenses	38	(2,793,683,053)	(2,464,748,661)
Other income	39	2,291,076,919	90,510,544
Finance costs	40	(697,791,735)	(1,461,622,687)
Other charges	41	(75,695,021)	(107,888,528)
Profit before share of profit of equity-accounted investees		11,273,601,998	7,111,884,106
Share of profit of equity accounted investees - net of tax	9.3	9,563,614,393	6,843,256,104
Profit before levies and income tax		20,837,216,391	13,955,140,210
Levies	42	(22,218,843)	(21,987,963)
Profit before income tax		20,814,997,548	13,933,152,247
Income tax expense	43	(4,518,953,782)	(2,795,452,293)
Profit for the year		16,296,043,766	11,137,699,954
Profit attributable to:			
Equity holders of the Parent Company		15,528,605,980	10,389,294,052
Non-controlling interests	22.2	767,437,786	748,405,902
		16,296,043,766	11,137,699,954
Earnings per share - basic & diluted	44	3.68	2.46

The annexed notes from 1 to 57 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



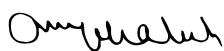
Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30th JUNE 2026

	Note	2026	2025
			Rupees
Profit for the year		16,296,043,766	11,137,699,954
Other comprehensive income			
Items that may not be reclassified subsequently to consolidated statement of profit or loss			
Share of other comprehensive income / (loss) of equity accounted investees - net of tax	9.3	1,146,421,041	(19,441,179)
Total comprehensive income for the year		17,442,464,807	11,118,258,775
Total comprehensive income attributable to:			
Equity holders of the Parent Company		16,675,027,021	10,369,852,873
Non-controlling interests		767,437,786	748,405,902
		17,442,464,807	11,118,258,775

The annexed notes from 1 to 57 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



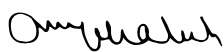
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30th JUNE 2026

	Equity attributable to owners of the Parent Company					Total	Non-controlling interests	Total equity
	Issued, subscribed and paid-up share capital	Shares to be issued under scheme of arrangement	Capital reserve	Revenue reserves				
			Surplus on revaluation	General reserve	Unappropriated profit			
	(Rupees)							
Balance as at 1 July 2024	4,083,750,000	133,217,470	7,835,000	4,019,567,665	34,805,458,414	43,049,828,549	2,364,303,954	45,414,132,503
Total comprehensive income for the year ended 30 June 2025								
Profit for the year	-	-	-	-	10,389,294,052	10,389,294,052	748,405,902	11,137,699,954
Other comprehensive loss for the year	-	-	-	-	(19,441,179)	(19,441,179)	-	(19,441,179)
	-	-	-	-	10,369,852,873	10,369,852,873	748,405,902	11,118,258,775
Transactions with owners recorded directly in equity								
Final cash dividend at the rate of Rs. 7 per share for the year ended 30 June 2024	-	-	-	-	(2,951,877,229)	(2,951,877,229)	-	(2,951,877,229)
Distribution by subsidiaries	-	-	-	-	-	-	(303,567,580)	(303,567,580)
Acquisition of equity interest in subsidiary without change in control - net	-	-	-	-	(52,753,471)	(52,753,471)	(8,586,216)	(61,339,687)
Effects of scheme of arrangement - note 1.1.1	133,217,470	(133,217,470)	-	-	-	-	-	-
Balance as at 30 June 2025	4,216,967,470	-	7,835,000	4,019,567,665	42,170,680,587	50,415,050,722	2,800,556,060	53,215,606,782
Total comprehensive income for the year ended 30 June 2026								
Profit for the year	-	-	-	-	15,528,605,980	15,528,605,980	767,437,786	16,296,043,766
Other comprehensive income for the year	-	-	-	-	1,146,421,041	1,146,421,041	-	1,146,421,041
	-	-	-	-	16,675,027,021	16,675,027,021	767,437,786	17,442,464,807
Transactions with owners recorded directly in equity								
Final cash dividend at the rate of Re. 1 per share for the year ended 30 June 2025	-	-	-	-	(4,216,967,470)	(4,216,967,470)	-	(4,216,967,470)
Distribution by subsidiaries	-	-	-	-	-	-	(394,581,141)	(394,581,141)
Transferred to unappropriated profit	-	-	(7,835,000)	-	7,835,000	-	-	-
Balance as at 30 June 2026	4,216,967,470	-	-	4,019,567,665	54,636,575,138	62,873,110,273	3,173,412,705	66,046,522,978

The annexed notes from 1 to 57 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



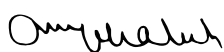
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30th JUNE 2026

	Note	2026	2025
			Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	46	13,746,849,855	8,097,397,472
Long term loan to related party - net		(140,000,000)	9,670,165
Income tax paid		(2,720,716,406)	(756,042,086)
Levies paid	42	(22,218,843)	(21,987,963)
Mark-up received		526,182,206	542,211,131
Finance cost paid		(586,340,066)	(1,245,038,490)
Staff retirement benefits paid	26	(12,417,313)	(2,634,746)
Net cash generated from operating activities		10,791,339,433	6,623,575,483
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	4.1	(88,622,816)	(61,087,355)
Proceeds from sale of property, plant and equipment		315,520	1,007,837
Long term deposit and other receivable - net		(1,977,566)	24,133,724
Acquisition of investment properties	8.1	-	(1,710,020,000)
Proceeds from sale of investment property		1,337,491,312	128,063,321
Realisation of loans and advances	15.3 & 15.4	1,294,961,844	-
Proceeds from sale of other long term investments		2,709,382,833	-
Acquisition of other long term investments		(1,507,599)	(265,529,695)
Acquisition of equity interest in subsidiary		-	(143,060,389)
Acquisition of equity accounted investees	9.1	(8,922,704,188)	(4,507,198,517)
Proceeds from sale of equity accounted investees		3,014,105,337	365,837,210
Dividend received from equity accounted investee	9.1	2,683,936,816	2,848,949,905
Net cash generated from / (used in) investing activities		2,025,381,493	(3,318,903,959)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan received from sponsor	27.1	3,622,000,000	7,826,200,000
Loan repaid to sponsor	27.1	(6,923,707,946)	(5,324,492,054)
Contributions received from Musharaka participants	28	-	522,537,950
Lease rentals paid	24 & 25	(127,706,646)	(63,721,062)
Repayment of long term loan	23	(2,847,500,000)	(2,807,750,000)
Short term loans obtained		-	-
Dividend paid		(4,207,044,959)	(2,944,431,825)
Distribution by subsidiary to non-controlling interest		(394,581,141)	(303,567,580)
Net cash used in financing activities		(10,878,540,692)	(3,095,224,571)
Net increase in cash and cash equivalents		1,938,180,234	209,446,953
Cash and cash equivalents at beginning of the year		2,812,272,196	2,602,825,243
Effect of exchange rate fluctuations on cash held		(247,136)	-
Cash and cash equivalents at end of the year	47	4,750,205,294	2,812,272,196

The annexed notes from 1 to 57 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

1. STATUS AND NATURE OF BUSINESS

Arif Habib Corporation Limited (the "Parent Company" or "AHCL") was incorporated in Pakistan on 14 November 1994 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Parent Company is listed on the Pakistan Stock Exchange Limited. The principal activity of the Parent Company is to make strategic investments in subsidiary companies and associates engaged in diversified sectors and investment in other securities. The Parent Company also extends loans, advances and guarantees to its associated company / undertaking as allowed under Companies Act, 2017. The registered office of the Parent Company is situated at 2nd Floor, 23, M. T. Khan Road, Karachi, Pakistan. The Parent Company is domiciled in the province of Sindh.

- 1.1** These consolidated financial statements of Arif Habib Corporation Limited for the year ended June 30, 2026 comprise of the Parent Company and following subsidiary and associate companies (here-in-after referred to as (the "Group")):

Name of companies	Note	% of effective holding	
		2026	2025
Subsidiaries			
- Arif Habib Limited, a brokerage house	1.1.1	74.32%	74.32%
- Rayaan Commodities (Private) Limited, (formerly Arif Habib Commodities (Private) Limited), investment management of commodities [wholly owned subsidiary of Arif Habib Limited]	1.1.2	74.32%	74.32%
- Sachal Energy Development (Private) Limited, a wind power generation company	1.1.3	85.83%	85.83%
- Black Gold Power Limited, a coal power generation company	1.1.4	100%	100%
Associates			
- Fatima Fertilizer Company Limited, a fertilizer manufacturing company	1.1.5	15.19%	15.19%
- Safe Mix Concrete Limited, a ready mix concrete manufacturing company	1.1.6	27.63%	27.63%
- Power Cement Limited, a cement manufacturing company	1.1.7	26.70%	24.48%
- Javedan Corporation Limited, a real estate company	1.1.8	34.13%	39.52%
- Aisha Steel Mills Limited, a steel coils manufacturing company	1.1.9	22.04%	-
- PIA Equity Limited, a holding company of Pakistan International Airlines Corporations Limited (PIACL)	1.1.10	8.91%	-

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

- 1.1.1** Arif Habib Limited (AHL) was incorporated in Pakistan on September 07, 2004 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017), as a public limited company. The shares of AHL are quoted on Pakistan Stock Exchange Limited. The registered office of AHL is situated at Arif Habib Centre, 23 M.T. Khan Road, Karachi, Pakistan. It is domiciled in the province of Sindh. AHL holds Trading Right Entitlement Certificate of Pakistan Stock Exchange Limited. The principal activities of AHL are investments, share brokerage, inter-bank brokerage, Initial Public Offer (IPO) underwriting, advisory and consultancy services.

On October 31, 2024, the High Court of Sindh sanctioned the Scheme of Arrangement between the Parent Company and AHL, pursuant to which certain non-core businesses of AHL were demerged and transferred to the Parent Company with effect from July 1, 2023. Accordingly, AHCL issued 13,321,747 ordinary shares to the shareholders of AHL, other than the Parent Company, on November 18, 2024, based on a swap ratio of 0.8673 AHCL shares for every one AHL share. The resulting change in non-controlling interest was accounted for as an equity transaction, with the difference between the net assets and consideration recognised directly in equity.

- 1.1.2** Rayaan Commodities (Private) Limited (RCPL), (formerly Arif Habib Commodities (Private) Limited), was incorporated on April 2, 2012 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of RCPL is located at Arif Habib Centre, 23, M.T. Khan Road, Karachi. The principal activity of RCPL is to effectively manage investment portfolios in commodities. RCPL is a wholly owned subsidiary of Arif Habib Limited. RCPL holds license of Pakistan Mercantile Exchange (PMEX).

- 1.1.3** Sachal Energy Development (Private) Limited (SEDPL) was incorporated in Pakistan on November 20, 2006 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). SEDPL's registered office is located at Plot no 1, Ranjha Plaza, sector F-10/2, Tariq Market, Islamabad, Pakistan. The principal activity of SEDPL upon commencement of commercial operation is to generate and sell electricity upto 49.5 MW. SEDPL has achieved Commercial Operation Date ("COD") for its 49.5 MW wind power generation facility on April 11, 2017. The wind power plant is located in Jhampir, district Thatta, Sindh for which Alternative Energy Development Board ("AEDB") has allocated 680 acres of land to SEDPL under a sublease agreement.

- 1.1.4** Black Gold Power Limited (BGPL) is a public unlisted limited company, incorporated on December 08, 2016 in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). BGPL's registered office is situated at Arif Habib Centre, 23, M.T. Khan Road, Karachi. The principal activity of BGPL is to carry on all or any of the business of generating, purchasing, importing, transforming, converting, distributing, supplying, exporting and dealing in electricity and all other forms of energy products or services. BGPL holds coal allocation from Sindh Engro Coal Mining Company being developed at Thar Block II to be used for 660 MW Thar Coal based power project to be constructed, commissioned and operated at Thar Block II. BGPL has not carried out any significant commercial or business activity. During the year, there was no project development as tariff proposed is not desirable for BGPL. The current tariff offered is not attractive to BGPL and once the tariff is revised, BGPL will re-conduct the feasibility of project. Management believes that the project is doable and profitable under the revised conditions with the Government.

As at June 30, 2026, BGPL has reported accumulated losses of Rs. 55.37 million (2025: Rs. 55.42 million) and net losses for the current and previous year, and its total assets exceeded its total liabilities by Rs. 0.58 million (2025: Rs. 0.47 million). There is also uncertainty as to how the BGPL's business and financial performance may be impacted in future periods. These factors indicate the existence of a material uncertainty that may cast significant doubt on BGPL's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

However, the Parent Company does not intend to liquidate, cease operations or wind up BGPL and remains committed to providing the necessary financial and operational support to enable BGPL to continue as a going concern.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

- 1.1.5** Fatima Fertilizer Company Limited (FFCL) was incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and is listed on Pakistan Stock Exchange. Fatimafert Limited, Fatima Cement Limited, Fatima Packaging Limited and Pan-Africa Fertilizers Limited are wholly owned subsidiaries of the FFCL. Fatimafert Limited, Fatima Cement and Fatima Packaging Limited are incorporated in Pakistan under the Companies Act, 2017 and Pan Africa Fertilizers Limited is incorporated in Kenya. The principal activity of the FFCL and its subsidiaries is manufacturing, producing, buying, selling, importing and exporting fertilizers, chemicals, cement and polypropylene sacks, cloth, liner & bags. The registered office of the FFCL, Fatimafert Limited, Fatima Packaging Limited and Fatima Cement Limited is situated at E-110, Khayaban-e-Jinnah, Lahore Cantt, whereas the registered office of Pan Africa Fertilizers Limited is situated at Westlands District, Nairobi, Kenya. The manufacturing facilities of the FFCL are located at Mukhtargarh - Sadiqabad, Khanewal Road - Multan and Chichoki Mallian - Sheikhpura, Pakistan.

The Parent company has its representation on the Board of FFCL and accordingly treated as an 'Associate'.

- 1.1.6** Safe Mix Concrete Limited (SMCL) was incorporated on April 04, 2005 as a Private Limited Company. Subsequently, it was converted into Public Limited Company on February 21, 2007 in accordance with the provisions of section 45 read with section 41(3) of the Companies Ordinance, 1984 (now Companies Act, 2017). On March 16, 2010 SMCL was listed on Pakistan Stock Exchange. The principal activity of SMCL is production and supply of ready mix concrete. Based on the shareholding percentage, it is classified as an associate.

- 1.1.7** Power Cement Limited (PCL) was incorporated in Pakistan as a private limited company on December 1, 1981. PCL was converted into a public limited company on July 9, 1987 and was listed on the Pakistan Stock Exchange. PCL's principal activity is manufacturing, selling and marketing of cement. The registered office of PCL is situated at Arif Habib Centre, 23 M.T.Khan Road, Karachi and its production facility is situated at Deh Kalo Kohar, Nooriabad Industrial Estate, District Jamshoro (Sindh). Based on the shareholding percentage, it is classified as an associate.

- 1.1.8** Javedan Corporation Limited (JVDC) was incorporated in Pakistan on June 08, 1961, as a public limited company under the repealed Companies Act, 1913 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The registered office of the JVDC is located at Arif Habib Centre, 23, M.T Khan Road, Karachi. JVDC has ceased its cement business since July 01, 2010 and the management has developed business diversification strategy for utilizing JVDC's land having area of 1,367 acres for developing a housing scheme, "Naya Nazimabad", that includes bungalows, open plots, flat sites and commercial sites. Based on the shareholding percentage, it is classified as an associate.

- 1.1.9** Aisha Steel Mills Limited (ASML) was incorporated in Pakistan on May 30, 2005 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). ASML's shares are listed on Pakistan Stock Exchange (PSX) since August 2012. The registered office of ASML is situated at Arif Habib Centre, 23 M.T. Khan Road, Karachi.

ASML has set up a cold rolling mill complex and a galvanization plant in the downstream Industrial Estate, Pakistan Steel, Bin Qasim, Karachi to carry out its principal business of manufacturing and selling cold rolled steel coils and hot dipped galvanized coils. Based on the shareholding percentage, it is classified as an associate.

- 1.1.10** During the year, the Parent Company led Consortium (the "Consortium") signed the Share Purchase and Subscription Agreement (SPSA) with the Government of Pakistan on January 29, 2026, committing to acquire 75% of the share capital of Pakistan International Airlines Corporation Limited (PIACL) for a total consideration of Rs. 135 billion. On April 25, 2026, the Consortium, through a notice to the Privatisation Commission of Pakistan, exercised the option to acquire the remaining 25% of the share capital for an additional consideration of Rs. 45 billion plus premium at 12% per annum.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Pursuant to the execution of the relevant transaction documents with the Privatisation Commission and other stakeholders, on January 09, 2026, the Consortium incorporated PIA Equity Limited (PIAEL) as a special purpose vehicle to undertake the acquisition. On June 29, 2026, 66.67% of the PIACL's issued share capital had been transferred to PIAEL and PIAEL obtained control over PIACL.

The Parent Company exercises significant influence over PIAEL through Shareholder agreement. The Parent Company holds shareholder consent rights over key strategic decisions under the Shareholders' Agreement including nomination of Parent Company's representative in the Board of Directors and selection of Chairman of the Board. Accordingly, PIAEL has been classified as an associate of the Parent Company.

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 (the Act); and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

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

2.2 Securities and Exchange Commission of Pakistan (SECP) vide its notification S.R.O. 986(I)/2019 dated September 2, 2019, has exempted power sector companies that executed their Power Purchase Agreements before July 1, 2019 from the requirements of International Accounting Standard (IAS) 21 "The Effects of Changes in Foreign Exchange Rates" to the extent of capitalization of exchange differences. Accordingly, exchange differences directly attributable to the construction of the power plant have been capitalized and, in relation to such capitalized exchange differences, recognition of embedded derivatives under IFRS 9 "Financial Instruments" is not permissible. Further, SECP, through S.R.O. 67(I)/2023 dated January 20, 2023, exempted the application of the Expected Credit Loss (ECL) requirements of IFRS 9 in respect of financial assets due from the Government of Pakistan (GoP) till December 31, 2025. Subsequently, through S.R.O. 25(I)/2026 dated January 6, 2026, SECP further extended the said exemption for the financial year ending on or before December 31, 2026, provided that the relevant requirements of IAS 39 "Financial Instruments: Recognition and Measurement" are applied in respect of such financial assets during the exemption period. Accordingly, ECL on trade debts due from Central Power Purchasing Agency Guarantee Limited (CPPA-G) and other financial assets recoverable directly or ultimately from the Government of Pakistan has not been recognized in these consolidated financial statements. The impact of ECL on financial assets not covered under the aforesaid exemption was assessed and was not material; accordingly, no adjustment has been incorporated in these consolidated financial statements.

2.3 Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention, except as otherwise stated in the below mentioned accounting policy notes.

2.4 Functional and presentation currency

These consolidated financial statements are presented in Pakistani Rupees, which is the Group's functional and presentation currency. All amounts have been rounded to the nearest rupee, unless otherwise disclosed.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

2.5 Critical accounting estimates, judgments and financial risk management

The preparation of consolidated financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about judgments made in applying accounting policies that have the most significant effect on the amounts recognised in these consolidated financial statements, and about assumptions and estimation uncertainties that have a significant risk of material adjustment to carrying amounts of assets and liabilities in the future period are included in the following notes:

- Recoverable amount of goodwill (note 3.6.1);
- Current income tax expense, estimation of current tax asset / liability and recognition of deferred tax asset (note 3.15);
- Useful lives, depreciation rates and recoverable amount of property, plant and equipment (note 3.1); and
- Fair value and classification of investment (note 3.19).

2.6 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to accounting and reporting standards that became effective during the year

There were certain amendments and interpretation to the accounting and reporting standards that became applicable to the Group during the year. These do not have any material impact on the Group's financial reporting and, therefore, have not been disclosed in these consolidated financial statements.

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

There are standards, and 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. The following amendments and standard have not been early adopted by the Group:

i) 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).

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

ii) IFRS 18 – Presentation and Disclosure in Financial Statements (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.

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 Group. Such standards and amendments are not expected to have any significant impact in the Group's financial reporting and, therefore, have not been presented in these consolidated financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies set out below have been consistently applied for all periods presented in these consolidated financial statements.

3.1 Property, plant and equipment

Owned

Operating fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. Cost incurred to replace a component of an item of operating fixed assets is capitalised, the asset so replaced is retired from use and its carrying amount is derecognised. Normal repairs and maintenance are charged to consolidated statement of profit or loss during the period in which they are incurred.

Further as mentioned in note 2.2 to the consolidated financial statements, Securities and Exchange Commission of Pakistan have granted exemption from the requirements of International Accounting Standards (IAS - 21 effects of changes in Foreign Exchange Rates) to the extent of the capitalisation of exchange differences to all the companies that have executed their power purchase agreements before July 01, 2019. Accordingly the exchange loss incurred by the group (represented by the power purchase agreements executed before the above date) are also included in the cost of its plant and machinery (refer note 4.1.1 for details).

Depreciation on all operating fixed assets are charged to the consolidated statement of profit or loss using the straight line and reducing balance method over the asset's useful life at the rates specified in note 4.1. The depreciation is charged full in the month of acquisition and no depreciation is charged in the month of disposal. Gains or losses on disposal of an item of operating fixed assets are recognised in the consolidated statement of profit and loss. Further, when the written down value of the asset falls below Rs. 10,000 the same is charged directly to the statement of profit or loss. The assets' residual value and useful life are reviewed at each financial year end, and adjusted if appropriate. These calculations require the use of estimates. Any change in these estimates in the future, might affect the carrying amount of the respective item of property, plant and equipment and intangibles, with a corresponding effect on the depreciation.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Leased

Leases in terms of which the Group companies assumes substantially all the risks and rewards of ownership are classified as finance lease. Asset acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of minimum lease payments at the inception of the lease less accumulated depreciation and impairment losses, if any. The corresponding liability to the lessor is included in the consolidated statement of financial position as liabilities against assets subject to finance lease.

Major stores and spares (capital spares)

Spare parts, stand-by equipment and servicing equipment which qualify as property, plant and equipment when an entity expects to use them for more than one year are classified as operating fixed assets under category of major stores and spares.

3.2 Right-of-use assets and related lease liabilities

3.2.1 Right-of-use assets

The Group recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, if any, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life or the lease term.

In respect of Sachal Energy Development (Private) Limited (SEDPL), a subsidiary company referred in note 1.1.3, on transition to IFRS 16, SEDPL elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after January 01, 2019. The Securities and Exchange Commission of Pakistan (SECP) vide its notification dated September 02, 2019 has granted exemption from the requirement of IFRS 16 to extent the power purchase agreements were executed before January 01, 2019.

3.2.2 Lease liabilities

The Group assess at contract inception whether a contract is, or contain a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group acts as a lessee and applies a single recognition and measurement approach for all the leases except for short-term leases and leases of low value assets. The Group recognises lease liability to make lease payments and right-of-use assets representing the right to use the underlying assets. At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) for real estate. It also applies the lease of low-value assets recognition exemption to leases that are considered of low value.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods affected by an option to extend or terminate the lease. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew the lease. Any change is accounted for as a change in estimate and applied prospectively with corresponding change in right-of-use assets and lease liabilities.

3.3 Purchase / sale under resale / repurchase agreement

Transactions of purchase under resale (reverse-repo) of marketable securities are entered into at contracted rates for specified periods of time. Securities purchased with a corresponding commitment to resale at a specified future date (reverse-repo) are not recognised in the consolidated statement of financial position. Amounts paid under these agreements in respect of reverse repurchase transactions are included in assets. The difference between purchase and resale price is treated as income from reverse repurchase transactions in marketable securities and accrued on a time proportion basis over the life of the reverse repo agreement.

Transactions of sale under repurchase (repo) of marketable securities are entered into at contracted rates for specified periods of time. Securities sold with a simultaneous commitment to repurchase at a specified future date (repo) continue to be recognised in the consolidated statement of financial position and are measured in accordance with accounting policies for investments. The counterparty liabilities for amounts received under these transactions are recorded as liabilities. The difference between sale and repurchase price is treated as finance cost and accrued over the life of the repo agreement.

3.4 Trading right entitlement certificate, membership card and offices

These are held by AHL and RCPL and are stated at cost less impairment losses, if any. The carrying amount is reviewed at each reporting date to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds estimated recoverable amount, it is written down to its estimated recoverable amount.

3.5 Investment properties

Investment property comprises land and building, held for capital appreciation but not for sale in the ordinary course of business, use in the supply of services or for administrative purposes.

Investment property is initially measured at its cost, including related transaction costs and borrowing costs, if any and subsequently carried at fair value with any change therein recognised in the consolidated statement of profit or loss.

For the purpose of subsequent measurement, the fair value of the investment property is determined with sufficient regularity based on available active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. Valuations wherever needed are performed as of the reporting date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the consolidated financial statements.

An investment property is derecognised either when disposed and any gain / (loss) on disposal is recognised in the consolidated statement of profit or loss.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognised in the consolidated statement of profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain presented in the surplus on revaluation reserve. Any loss is recognised in the consolidated statement of profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

3.6 Basis of consolidation and equity accounting

3.6.1 Business combination

Business combinations are accounted for using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Goodwill arising on acquisition date is measured as the excess of the purchase consideration, including the acquisition date fair value of the acquirer's previously held equity interest in the acquiree in case of step acquisition, over the fair value of the identifiable assets acquired and liabilities assumed including contingent liabilities less impairment losses, if any. The amount of goodwill is sensitive to assumptions regarding future cash flows and expected synergies. These estimates are inherently subjective and involve significant judgement, and actual outcomes may differ from those assumed. Any changes to these assumptions could materially affect the amounts recognized in the consolidated financial statements. Any goodwill that arises is not amortized and tested annually for impairment. Any gain on bargain purchase is recognised immediately in the consolidated statement of profit or loss. Transaction cost are expensed as incurred, except if related to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in the consolidated statement of profit or loss.

3.6.2 Subsidiaries

Subsidiaries are entities controlled by the Parent Company. Control exists when the Parent Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date on which control ceases.

These consolidated financial statements have been prepared using uniform accounting policies for the like transactions and other events in similar circumstances and the accounting policies of subsidiaries have been changed when necessary to align them with the accounting policies adopted by the Parent Company. The assets and liabilities of subsidiary companies have been consolidated on a line-by-line basis. The carrying value of investments held by the Parent Company is eliminated against the subsidiary's shareholders' equity in these consolidated financial statements.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners.

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of profit or loss. Any retained interest in the former subsidiary is measured at fair value where control is lost.

The financial year of the Parent Company and its subsidiaries are the same and these consolidated financial statements are based on audited financial statements of subsidiaries.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

3.6.3 Non-controlling interests

Non-controlling interest is that portion of equity in a subsidiary that is not attributable, directly or indirectly, to the Parent Company. Non-controlling interests are measured at their proportionate share of the subsidiaries' identifiable net assets. They are presented as a separate item in the consolidated financial statements.

3.6.4 Equity accounted investees

The Parent Company considers its associates to be such entities in which the Group has ownership, of not less than twenty percent but not more than fifty percent, of the voting power and / or has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for under the equity method, less impairment losses, if any. Such investments are carried in the consolidated statement of financial position at cost (including transaction cost), plus post-acquisition changes in the Group's share of net assets of the associate, less any impairment in value. The consolidated statement of profit or loss reflects the Group's share of the results of its associate and consolidated statement of other comprehensive income reflect Group's shares in other comprehensive income of equity accounted investee. The equity method for investments in associates is applied from the date when significant influence commence until the date that significant influence ceases. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of investment. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

3.6.5 Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.7 Trade debts

Trade debts are stated at original invoice amount as reduced by appropriate provision for impairment. Trade debts are amount receivable from customer for goods transferred for services performed in the ordinary course of business.

3.8 Other receivables

Other receivables generally arise from the transactions outside the usual operating activities of the Group. Other receivables are stated initially at amortised cost using the effective interest rate method. Provision is made on the basis of lifetime ECLs that result from all possible default events over the expected life of the trade debts and other receivables. Bad debts are written off when considered irrecoverable. If collection is expected in one year or less, they are classified as current assets. If not, presented as non-current assets.

3.9 Trade debts and receivables against margin financing

These are carried at their transaction price less any allowance for lifetime expected credit losses. A receivable is recognised on the settlement date as this is the point in time that the payment of the consideration by the customer becomes due.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

3.10 Cash and cash equivalents

Cash and cash equivalents are carried in the consolidated statement of financial position at amortised cost. For the purpose of 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 borrowings repayable on demand, which form an integral part of the Group's cash management.

3.11 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.

3.12 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 determined 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.

3.13 Borrowings

Mark-up bearing borrowings are recognised initially at fair value, less attributable transaction cost. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the consolidated statement of profit or loss over the period of the borrowings on an effective interest basis.

3.14 Staff retirement benefits

The Group operates following retirement and other benefit schemes:

3.14.1 Defined contribution plan

AHCL, AHL and RCPL operate a recognised provident fund for all its eligible permanent employees. Equal monthly contributions are made by the Group companies and its employees to the fund at the rate of 12.50% of basic salary per annum.

3.14.2 Gratuity

SEDPL operates an unfunded gratuity scheme under which all employees are entitled to gratuity payment at the time of completion of service or termination, equivalent to one last drawn salary for every one year of service performed with SEDPL. For the purpose of any part of a completed year the gratuity payment will be calculated on monthly prorata basis. The partial month will be deemed as full month if the number of days served are more than fifteen and for any less number of days served that month will not be counted.

3.15 Taxation

Income tax expense comprises of current, prior year and deferred tax. Income tax expense is recognised in the consolidated statement of profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. In making the estimates for income taxes, the management considers the applicable laws and the decisions / judgements of appellate authorities on certain issues in the past. Accordingly, the recognition of current and deferred taxes is made taking into account these judgements and the best estimates of future results of operations of the Group.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Current

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of prior years.

However, in case of SEDPL, a wind power generation company, the profits and gains of the Company derived from electric power generation and sale of clean development mechanism credits are exempt from tax subject to the conditions and limitations provided for in terms of clause (132) of Part I and clause (65) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 respectively. However, full provision is made in the consolidated statement of profit or loss on income from sources not covered under the above clause at current rates of taxation after taking into account, tax credits and rebates available, if any, and any adjustment to tax payable in respect of previous years. Further, SEDPL is also exempt from minimum tax on turnover under clause (11a)(V) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

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.

Deferred

Deferred tax, except for those relating to SEDPL, is accounted for using the balance sheet liability method in respect of all temporary differences at the reporting date between the tax base and carrying amount of assets and liabilities for financial reporting purposes.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and carry forward of unused tax losses can be utilised. Carrying amount of all deferred tax assets are reviewed at each reporting date and are recognised only if it is probable that the future taxable amounts will be available to utilise these temporary differences and losses.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

However, in case of SEDPL, deferred tax has not been provided in these consolidated financial statements as the Group's management believes that the temporary differences will not be reversed in the foreseeable future due to the fact that the profits and gains of SEDPL derived from electric power generation and sale of clean development mechanism credits are exempt from tax subject to the conditions and limitations provided for in terms of clause (132) of Part I and clause (65) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001).

3.16 Trade and other payables

Trade and other payables are carried at cost, which is the fair value of the consideration to be paid, in consideration for goods and services received.

3.17 Provisions and contingencies

Provision is recognised when, as a result of past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Subsequently, provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. The un-winding of discount is recognised as finance cost, if any. Where 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, it is disclosed as contingent liability.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

3.18 Revenue recognition

- Gain / loss on sale of investments are recognised in the statement of profit or loss on the date of transaction. All purchases and sales of securities that require delivery within the time frame established by the regulation or market conventions such as 'T+1' purchases and sales are recognised at the trade date. Trade date is the date on which the Group commits to purchase or sell the financial assets.
- Brokerage, consultancy and advisory fee, etc. are recognised as and when such services are provided.
- Commission revenue arising from sales / purchase of securities on clients' behalf is recognised on the date of settlement of the transaction by the clearing house.
- Dividend income is recognised when the Group's right to receive such dividend is established.
- Mark-up / interest income on bank deposits, loans, debt securities, exposure deposit and exposure against margin trading system is recognised on a time proportion basis that takes into account the effective yield.
- Put option fee is recognised on time proportion basis over the period of its tenor.
- Unrealised capital gains / (losses) arising from mark to market of investments classified as 'financial assets at fair value through profit or loss - held for trading' are included in the consolidated statement of profit or loss for the period in which they arise.
- Guarantee commission is recognised in income over the period of the guarantee.
- Reverse repo income is recorded on an accrual basis over the period of the deal under the effective interest rate method.
- Revenue on the sale of energy represents fair value of the consideration received or receivable on account of regular energy, shortfall energy, bonus energy, and also includes late payment charges to CPPA-G, net of sales tax. Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of revenue, and the associated cost incurred, or to be incurred, can be measured reliably.

Revenue is recognised when the Group satisfies the performance obligation by transferring a promised good or service to a customer. A good or service is transferred when the customer obtains control of that good or service. The Group principally satisfies its performance obligation by ensuring availability of the complex for power generation. Revenues from delivered energy, non-project missed volume ("NPMV"), shortfall energy and bonus energy are recognized as per the mechanism specified in the Energy Purchase Agreement ("EPA"), however, tariffs are determined by National Electric Power Regulatory Authority ("NEPRA").

Effect of adjustment, if any, arising from revision in sale price is reflected as and when the tariffs are approved by NEPRA.

Revenue from late payments is recorded as per the mechanism specified in the EPA, when due.

- Revenue from sale of gold standard certified emission reductions ("GSCERs") are considered as income from ordinary activities of the company and are recognised when GSCERs are sold to the customer.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

3.19 Financial instruments

3.19.1 Financial assets

3.19.1.1 Initial recognition

All financial assets are recognized at the time when the Group becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognized on trade-date – the date on which the Group commits to purchase or sell the asset.

3.19.1.2 Classification

The Group classifies its financial assets in the following measurement categories:

- at amortised cost;
- at fair value through profit or loss (FVTPL);
- at fair value through other comprehensive income (FVOCI); and
- 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
- 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.

Factors considered by the Group in determining the business model for a Group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

For equity instruments, the Group may elect to classify irrevocably some of its equity investments as equity instruments at FVOCI when they are not held for trading. Such classification is determined on an instrument-by-instrument basis. The rest of the equity investment are carried at fair value through profit or loss.

By default, all other financial assets are subsequently measured at FVTPL.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

3.19.1.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

a) Financial assets held at fair value through profit or loss and other comprehensive income

Financial assets 'at fair value through profit or loss' are marked to market using the closing market rates and are carried on the balance sheet at fair value. Net gains and losses arising on changes in fair values of these financial assets are taken to consolidated profit or loss in the period in which these arise.

Financial assets at fair value through 'Other Comprehensive Income' are marked to market using the closing market rates and are carried on the balance sheet at fair value. Net gains and losses arising on changes in fair values of these financial assets are recognised in consolidated other comprehensive income.

Fair value of the investments in listed shares is determined on the basis of the trade rates quoted at the reporting date.

Fair value of unquoted investments is determined under the discounted cashflow model or on the basis of some other relevant valuation methodology according to the sector / business fundamentals.

These valuations involve estimates, assumptions and judgments regarding market conditions and other relevant factors.

b) Financial assets measured 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.

3.19.1.4 Impairment

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVOCI. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group applies the IFRS 9 simplified approach to measure expected credit losses for all of its financial assets (receivables, advances, deposits, etc.). For all other financial assets, a life time ECL is recorded in which there has been Significant Increase in Credit Risk (SICR) from the date of initial recognition and for financial assets which are credit impaired as on reporting date. A 12 months ECL is recorded for all other financial assets which do not meet the criteria for SICR or "credit impaired" as at reporting date.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

3.19.1.5 Significant increase in credit risk

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward looking information.

The following indicators are considered while assessing credit risk:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increase in credit risk on other financial instruments of the same debtor; and
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees, if applicable.

3.19.1.6 Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Group).

3.19.1.7 Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either:

- (i) the Group transfers substantially all the risks and rewards of ownership; or
- (ii) the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

3.19.1.8 Reclassifications

The Group reclassifies financial assets when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

3.19.1.9 Write-offs

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. Against each outstanding exposure which stands as impaired, the Group makes an assessment with respect to the timing and amount of write-off based on the expectation of recovery. However, financial assets that are written off remain subject to legal enforcement activities for recovery of amounts due.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

3.19.1.10 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated financial statements only when the Group has currently legally enforceable right to set-off the recognised amounts and the Group intends either to settle on a net basis or to realise the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in normal course of business and in the event of default, insolvency or winding up of the Group or the counter parties.

3.19.2 Financial liabilities

3.19.2.1 Financial liabilities are recognised at the time the Group becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value less any directly attributable transaction cost.

Financial liabilities are subsequently measured at amortised cost except for:

- Financial liabilities at fair value through profit or loss; and
- Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer.

3.19.2.2 Derecognition

Financial liabilities are derecognised at the time when these are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expires. Any gain or loss on derecognition of financial assets and financial liabilities is taken to consolidated profit or loss.

3.20 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets 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 cash generated units (CGU).

The Group considers evidence of impairment for these assets at both, an individual asset and a collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that had been incurred but not yet individually identified. Assets that were not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in consolidated profit or loss.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.21 Off balance sheet obligations

The Group issues financial guarantee contracts in return for fees (i.e. commission on guarantee) to associated concerns. Under a financial guarantee contract, the Group undertakes to meet counter party's obligations under the terms of a debt instrument, if the counter party fails to do so.

3.22 Foreign currency transaction and foreign operations

Foreign currency transactions are translated into Pakistan Rupees using the exchange rates prevailing at the date of the transactions. All the monetary assets and liabilities in foreign currencies, at the reporting date, are translated into Pakistan Rupees at the exchange rates prevailing on that date. Foreign exchange gains and losses on translation are recognised in the consolidated statement of profit or loss except in case of SEDPL, subsidiary company, which has availed the exemption as allowed by the SECP vide S.R.O 24(1)/2012 dated January 16, 2012 for the power sector companies, such gain or loss to be capitalized as part of plant which is departure from the requirement of International Accounting Standard (IAS) 21 'The Effects of Changes in Foreign Exchange Rates'.

Non-monetary assets and liabilities, denominated in foreign currency that are measured at fair value are translated using exchange rate at the date the fair values are determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

3.23 Borrowing costs

Borrowing costs incurred on short term and long term borrowings are recognised as an expense in the period in which these are incurred, except that those which are directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset.

3.24 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. As per IFRS 8 'Operating Segment', Operating segment are reported in a manner consistent with the internal reporting used by the Chief Operating Decision Makers. All operating segments' results are reviewed regularly by the Group's management to make decisions about resources to be allocated to the segment and to assess its performance.

A business segment is a distinguishable component of the Group that is engaged in providing related product or services and which is subject to risks and rewards that are different from thereof other segments. The Group's primary reporting segment is based on business segments as the Group conduct its business in Pakistan only. Segment results that are reported to the Group's management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and intangible assets.

3.25 Dividend and appropriation to reserve

Dividend distribution to shareholders and appropriation to reserves are authorised in the consolidated financial statements in the period in which these are approved.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

4.	PROPERTY, PLANT AND EQUIPMENT	Note	2026	2025
			Rupees	
	Operating fixed assets	4.1	14,303,622,695	15,596,244,933
	Right-of-use assets	4.2	132,484,689	84,306,212
			14,436,107,384	15,680,551,145

4.1 Operating fixed assets

	Leasehold buildings and improvements	Furniture, fixtures and fittings	Vehicles Owned	Plant and machinery note 4.1.1	Office equipment	Computer and allied equipment	Total
	Rupees						
COST							
Balance as at July 1, 2025	207,115,829	23,117,115	88,879,903	23,464,282,345	16,478,181	118,993,640	23,918,867,013
Additions during the year	-	19,128,569	18,763,950	-	5,408,718	45,321,579	88,622,816
Disposals	-	-	-	-	(28,342)	(827,984)	(856,326)
Exchange loss - note 4.1.1	-	-	-	(49,000,000)	-	-	(49,000,000)
Reclassified from Investment property - note 8.1.2	36,400,000	-	-	-	-	-	36,400,000
Balance as at June 30, 2026	243,515,829	42,245,684	107,643,853	23,415,282,345	21,858,557	163,487,235	23,994,033,503
ACCUMULATED DEPRECIATION							
Balance as at July 01, 2025	175,618,578	11,619,119	56,738,475	7,996,360,948	8,118,612	74,166,348	8,322,622,080
Charge for the year - note 4.3	14,810,508	3,413,346	8,095,384	1,317,118,751	1,713,503	23,198,042	1,368,349,534
Disposals / transfers	-	-	-	-	(28,342)	(532,464)	(560,806)
Balance as at June 30, 2026	190,429,086	15,032,465	64,833,859	9,313,479,699	9,803,773	96,831,926	9,690,410,808
Written down value as at June 30, 2026	53,086,743	27,213,219	42,809,994	14,101,802,646	12,054,784	66,655,309	14,303,622,695
COST							
Balance as at July 01, 2024	207,115,829	20,993,018	68,630,401	23,338,532,345	14,277,999	83,582,223	23,733,131,815
Additions during the year	-	2,334,954	20,300,002	-	3,000,982	35,451,417	61,087,355
Disposals	-	(210,857)	(50,500)	-	(800,800)	(40,000)	(1,102,157)
Exchange gain - note 4.1.1	-	-	-	125,750,000	-	-	125,750,000
Balance as at June 30, 2025	207,115,829	23,117,115	88,879,903	23,464,282,345	16,478,181	118,993,640	23,918,867,013
ACCUMULATED DEPRECIATION							
Balance as at July 01, 2024	170,061,919	9,973,948	52,854,975	6,688,302,118	6,405,751	64,876,560	6,992,475,271
Charge for the year - note 4.3	5,556,659	1,745,839	3,922,049	1,308,058,830	2,427,548	9,304,594	1,331,015,519
Disposals / transfers	-	(100,668)	(38,549)	-	(714,687)	(14,806)	(868,710)
Balance as at June 30, 2025	175,618,578	11,619,119	56,738,475	7,996,360,948	8,118,612	74,166,348	8,322,622,080
Written down value as at June 30, 2025	31,497,251	11,497,996	32,141,428	15,467,921,397	8,359,569	44,827,292	15,596,244,933
Rates of depreciation (%)	5 - 15	10 - 15	20	5 - 6.76	15 - 20	33	

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

4.1.1 Carrying value of plant and machinery at June 30, 2026 includes foreign exchange loss of Rs. 7,401.06 million (2025: Rs. 8,142.59 million). Exchange loss of Rs. 49.00 million (2025: exchange gain of Rs. 125.75 million) have been recorded in the carrying value of plant and machinery in the current year. The exchange difference has been included in the carrying value of plant machinery in view of the exemption available vide SECP's notification reference SRO 980(1)/2019 of September 02, 2019 under which all companies that have executed their power purchase agreements before January 01, 2019 are entitled to that exemption.

4.1.2 Particulars of immovable property (i.e. offices) in the name of the Group are as follows:

Location	Description	Total Area in (Square Feet)
Office G-G & G-5, Ground Floor, LSE Plaza 19, Khayaban-e-Aiwan-e-Iqbal, Lahore	Lahore Office	257
Office G-G & G-6, Ground Floor, LSE Plaza 19, Khayaban-e-Aiwan-e-Iqbal, Lahore.	Lahore Office	257
Office 106, First Floor, LSE Plaza 19, Khayaban-e-Aiwan-e-Iqbal, Lahore	Lahore Office	449
Office 506, 5th Floor, ISE Tower, Jinnah Avenue, Islamabad	Islamabad Office	1,349
Office 60 - 64, First Floor, Karachi Stock Exchange Building, I.I Chandigarh Road, Karachi	Karachi Office	1,150

4.2 Right-of-use assets

2026

2025

Rupees

Cost

Balance at beginning of the year	313,398,528	304,408,528
Additions during the year	114,351,976	8,990,000
Effect of lease modification	5,777,964	-
Balance at end of the year	433,528,468	313,398,528

Depreciation

Balance at beginning of the year	229,092,316	182,408,193
Charge for the year	71,951,463	46,684,123
Balance at end of the year	301,043,779	229,092,316

Written down value at end of the year

	132,484,689	84,306,212
--	-------------	------------

Rates of depreciation (%)

16 - 33

20 - 33

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

- 4.2.1** The Group has the following lease arrangements for its immovable properties including regional offices in multiple cities across Pakistan:

Parent Company

Location	Description	Estimated lease term (years)
Corporate Box bearing No. 03, situated on the Second Floor, New Pavilion, National Bank Stadium, Karachi	Hospitality / Corporate Box	6

AHL, subsidiary company

Location	Description	Estimated lease term (years)
Arif Habib Centre, Plot No. 23, Off. MT. Khan Road Karachi	Principal Office	3
Shop No. 3, Ground Floor Shazco Apartments, Sub-Plot B of Plot # SB-7, Block 4 Gulshan-e-Iqbal, Karachi	Branch office	5
Office No. 04, 3rd Floor, Legacy Tower, Koh-e-noor city, Faisalabad	Branch office	5
Office No. 6 (2nd floor), Orion Tower, Bahawalpur	Branch office	10
Office No. 05, Hall at 3rd Floor, United Mall, Plot No. 74, Abdali Road, Multan	Branch office	3

SEDPL, subsidiary company

Location	Description	Estimated lease term (years)
Plot No. 576, Central Business District South, Phase VIII, Bahria Town Rawalpindi	Principle Office	5

- 4.3** The depreciation charge for the year has been allocated as follows:

	Note	2026	2025
			Rupees
Cost of energy sales	37	1,317,118,751	1,308,058,830
Administrative expenses	38	123,182,246	69,640,812
		<u>1,440,300,997</u>	<u>1,377,699,642</u>

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

5. INTANGIBLE ASSETS

Computer Software	Note	2026	2025
		Rupees	
Cost			
Balance at beginning of the year		8,568,122	8,568,122
Additions during the year		-	-
Balance at end of the year		8,568,122	8,568,122
Amortisation			
Balance at beginning of the year		7,882,733	7,589,528
Amortisation for the year	38	17,088	293,205
Balance at end of the year		7,899,821	7,882,733
Written down value at end of the year		668,301	685,389
Rates of amortisation (%)		25	25

5.1 Intangible assets comprise of windows license and computer software.

6. GOODWILL

Goodwill is monitored by the management at individual entity level which are considered cash generating units. The carrying amount of goodwill allocated to the individual cash generating units (CGUs) is as follows:

	Note	2026	2025
		Rupees	
Arif Habib Limited	6.1	838,683,576	838,683,576
Sachal Energy Development (Private) Limited	6.2	71,522,541	71,522,541
		910,206,117	910,206,117

6.1 Impairment testing of Goodwill relating to Arif Habib Limited (AHL)

The calculation of recoverable amount of Goodwill for the purpose of impairment testing was based on value in use, estimated using discounted cash flows. Key assumptions used in determining the value in use calculation were as follows:

Date of valuation	Valuation approach and assumptions	Inter-relationship between significant unobservable inputs and fair value measurement
June 30, 2026	Free cash flows: The valuation model considers the present value of free cash flow of subsidiary company discounted using a risk-adjusted discount rate. The cash flow projection include specific estimates for 5 years. Inputs used: - Long term growth rate 5% - Cost of equity 18.68%	The estimated fair value would increase / (decrease) if: - the annual growth rate were higher or lower - the EBITDA margin were higher or lower Generally, a change in the annual growth rate is accompanied by a directionally similar change in EBITDA margin.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

6.2 Impairment testing of goodwill relating to Sachal Energy Development (Private) Limited (SEDPL)

Date of valuation	Valuation approach and assumptions	Inter-relationship between significant unobservable Inputs and fair value measurement
June 30, 2026	The recoverable amount of the business operations of SEDPL (cash generating unit) have been determined by discounted cashflows model which is a quantitative method used for predicting the price of a company's stock based on the theory that its present-day price is worth the sum of all of its future cashflows that the entity expects to generate is when discounted back to their present value covering period from 2027 to 2037. The calculation of 'discounted cashflows model' for the business operations is most sensitive to the following assumptions: (i) Revenue have been derived from the tariff fixed by regulatory authority. (ii) Cost of supply of power has been projected on the basis of multiple strategies planned by management to ensure profitable operations. (iii) Financial cost has been projected based on the financing arrangement made by SEDPL. Inputs used: - Cost of equity 16.32% - Increase in foreign exchange rate (USD/PKR) 5.7% to 7.6%	The estimated fair value would increase / (decrease) if: - the cost of equity were higher or lower - the USD/PKR rate were higher or lower

7. TRADING RIGHT ENTITLEMENT CERTIFICATE, MEMBERSHIP CARDS AND OFFICES

Note

2026

2025

Rupees

Trading right entitlement certificate (TREC)

- Cost
- Impairment

7.1 & 7.2

Membership cards

- Pakistan Mercantile Exchange Limited

Booths

- Pakistan Stock Exchange Limited - three booths

26,000,000	26,000,000
(23,500,000)	(23,500,000)
2,500,000	2,500,000
1,000,000	1,000,000
2,100,000	2,100,000
5,600,000	5,600,000

7.1 This represents TREC received by Arif Habib Limited, a Subsidiary Company in accordance with the Stock Exchanges (Corporatization, Demutualization and Integration) Act 2012 as amended by the Stock Exchanges (Corporatization, Demutualization and Integration) (Amendment) Act, 2015. These are carried at cost less impairment.

7.2 PSX vide notice no. PSX/N-225 dated February 16, 2021 have notified the notional fees of Trading Right Entitlement Certificates which amounts to Rs. 2.5 million.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

8.	INVESTMENT PROPERTIES	Note	2026	2025
				Rupees
	Open plots of land and offices - at fair value	8.1	2,500,000	1,791,900,000
8.1	Open plots of land / offices - at fair value			
	Carrying amount at beginning of the year		1,791,900,000	207,900,000
	Additions during the year		-	1,710,020,000
	Disposals during the year	8.1.1	(1,753,000,000)	(147,000,000)
	Unrealised gain from fair value adjustment	8.1.5	-	20,980,000
	Reclassified to property, plant and equipment	8.1.2	(36,400,000)	-
	Carrying amount at end of the year	8.1.3 & 8.1.4	2,500,000	1,791,900,000

8.1.1 This includes the disposal of two commercial plots, FL-06 and COM-11, located at Naya Nazimabad, Karachi, having carrying values of Rs. 900 million and Rs. 830 million respectively. These plots were acquired during the year ended June 30, 2025 from Javedan Corporation Limited (JCL), a associate company, under a Musharaka arrangement dated December 27, 2024. The disposal was carried out in accordance with the amendment to the Musharaka Agreement (refer note 28). A cumulative gain of Rs. 218.20 million has been recognised on this disposal, of which Rs. 205.45 million pertains to the current year.

As of year end, an instalment of Nil (2025: Rs 266.55 million) relating to this purchase is payable to JCL.

8.1.2 During the year, these properties were transferred to property, plant and equipment, as these properties are now owner-occupied properties of the Group.

8.1.3 As of June 30, 2026, the open plots of land/offices comprised of office bearing no. 220 situated at Lahore Stock Exchange Plaza, South Tower

8.1.4 The valuation of the investment property was carried out by an independent external property valuer having appropriate recognised qualification and relevant experience according to which the aggregate fair value and forced sale value of the properties are stated below:

	Fair Value		Forced Sale Value	
	2026	2025	2026	2025
-----Rupees-----				
- at fair value				
Residential plots	-	23,000,000	-	18,400,000
Commercial plots	-	1,730,000,000	-	1,384,000,000
Offices	2,500,000	12,900,000	2,125,000	10,965,000
- at committed sale price				
Committed to sale office	-	26,000,000	-	-
	2,500,000	1,791,900,000	2,125,000	1,413,365,000

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

	Note	2026	2025
8.1.5 Net change in unrealized gain during the year			Rupees
Increase in fair value of open plots	8.1.6	-	20,980,000
Less: Reversal in unrealized gain upon sale		-	-
Less: Allocated to musharaka participants		-	(7,232,760)
		-	13,747,240

8.1.6 This pertains to unrealized gain on investment property which was not considered for the declaration or payment of dividend in accordance with Section 240 of the Companies Act 2017.

	Note	2026	2025
9. EQUITY ACCOUNTED INVESTEEES			Rupees
Fatima Fertilizer Company Limited (FFCL)	9.1.1	28,144,838,997	23,151,348,899
Safemix Concrete Limited (SMCL)	9.1.2	178,475,780	161,716,834
Javedan Corporation Limited (JVDC)	9.1.3	6,738,849,548	5,915,398,759
Power Cement Limited (PCL)	9.1.4	3,595,957,454	2,087,177,125
Aisha Steel Mills Limited (ASML)	9.1.5	3,125,919,145	-
PIA Equity Limited (PIAEL)	9.1.6	8,016,111,240	-
		49,800,152,164	31,315,641,617

9.1 Movement of investment in associates is as follows:

9.1.1 Fatima Fertilizer Company Limited (FFCL)

Balance at beginning of the year		23,151,348,899	19,356,207,950
Group's share of total comprehensive income		6,907,491,334	6,028,142,391
Dividend received		(1,914,001,236)	(2,233,001,442)
Balance at end of the year	9.1.1.1	28,144,838,997	23,151,348,899

9.1.1.1 This represents 319,000,206 (2025: 319,000,206) ordinary shares, comprising 15.19% (2025: 15.19%) of the paid-up share capital of FFCL as at June 30, 2026. These include 149,650,000 shares (2025: 312,000,000 shares) having market value of Rs. 24,737.15 million (2025: Rs. 31,015.92 million), which have been pledged with the commercial banks as a security against the Group's borrowings. Market value of these investment as at June 30, 2026 is Rs. 52,730.73 million (2025: Rs. 31,711.81 million).

	Note	2026	2025
9.1.2 Safemix Concrete Limited (SMCL)			Rupees
Balance at beginning of the year		161,716,834	172,615,081
Investment disposed during the year		-	(25,563,439)
Group's share of total comprehensive income		34,028,991	28,481,228
Dividend received		(17,270,045)	(13,816,036)
Balance at end of the year	9.1.2.1	178,475,780	161,716,834

9.1.2.1 This represents 6,908,018 (2025: 6,908,018) ordinary shares, comprising 27.63% (2025: 27.63%) of the paid-up share capital of SMCL as at June 30, 2026. Market value of these investment as at June 30, 2026 is Rs. 319.15 million (2025: Rs. 158.88 million).

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

9.1.3	Javedan Corporation Limited (JVDC)	Note	2026	2025
			Rupees	
	Balance at beginning of the year		5,915,398,759	-
	Investment acquired during the year		-	5,984,573,959
	Investment disposed during the year		(995,645,862)	(904,896)
	Group's share of total comprehensive income		2,571,762,186	533,862,123
	Dividend received		(752,665,535)	(602,132,427)
	Balance at end of the year	9.1.3.1	6,738,849,548	5,915,398,759
9.1.3.1	This represents 130,000,000 (2025: 150,533,107) ordinary shares, comprising 34.13% (2025: 39.52%) of the paid-up share capital of JVDC as at June 30, 2026. These include 17,800,000 shares (2025: 60,000,000 shares) having market value of Rs. 2,620.16 million (2025: Rs. 3,861 million), which have been pledged with the commercial banks as a security against the Group's borrowings. Market value of these investment as at June 30, 2026 is Rs. 19,136.00 million (2025: Rs. 9,686.80 million).			
9.1.4	Power Cement Limited (PCL)	Note	2026	2025
			Rupees	
	Balance at beginning of the year		2,087,177,125	-
	Investment acquired during the year		575,185,447	2,091,812,580
	Investment disposed during the year		-	(237,964,638)
	Group's share of total comprehensive income		933,594,882	233,329,183
	Balance at end of the year	9.1.4.1	3,595,957,454	2,087,177,125
9.1.4.1	This represents 341,240,666 (2025: 310,954,117) ordinary shares and 23,171,114 (2025: 23,171,114) preference shares, comprising 26.70% (2025: 24.48%) of the paid-up share capital of PCL as at June 30, 2026. These include 95,000,000 shares (2025: Nil) having market value of Rs. 2,187.85 million (2025: Nil), which have been pledged with the commercial banks as a security against the Group's borrowings. Market value of these investment as at June 30, 2026 is Rs. 8,525.17 million (2025: Rs. 4,620.60 million).			
9.1.5	Aisha Steel Mills Limited (ASML)	Note	2026	2025
			Rupees	
	Balance at beginning of the year		-	-
	Transferred from short term investments		2,531,353,603	-
	Investment acquired during the year		331,407,501	-
	Group's share of total comprehensive income		263,158,041	-
	Balance at end of the year	9.1.5.1	3,125,919,145	-
9.1.5.1	This represents 179,686,450 (2025: Nil) ordinary shares and 35,075,499 (2025: Nil) preference shares, comprising 22.04% (2025: Nil) of the paid-up share capital of ASML as at June 30, 2026. These include shares 77,000,000 shares (2025: Nil) having market value of Rs. 1,011.78 million (2025: Nil), which have been pledged with the commercial banks as a security against the Group's borrowings. Market value of these investment as at June 30, 2026 is Rs. 3,116.25 million (2025: Nil).			
9.1.6	PIA Equity Limited (PIAEL) - unquoted		2026	2025
			Rupees	
	Balance at beginning of the year		-	-
	Investment acquired during the year		8,016,111,240	-
	Group's share of total comprehensive income		-	-
	Balance at end of the year		8,016,111,240	-

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

9.1.6.1 As disclosed in note 1.1.10, during the year, the Parent Company acquired 169,999,844 fully paid ordinary shares of Rs 10 each on January 9, 2026. Subsequently, on June 29, 2026, the Company subscribed to a rights issue of PIAEL through a further contribution of Rs 6,316,112,800, for which shares were allotted subsequent to the reporting date on September 24, 2026. The Parent Company's aggregate investment amounted to Rs. 8,016,111,240 as at June 30, 2026 and represented an 8.91% interest in PIAEL.

9.2 The tables below provide summarised financial information for associates of the Parent Company. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not the Parent Company's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

	2026					
	Fatima Fertilizer Company Limited	Safemix Concrete Limited	Power Cement Limited	Javedan Corporation Limited	Aisha Steel Mills Limited	PIA Equity Limited (Unaudited)
	----- Rupees in '000' -----					
Non-current assets	163,119,424	609,054	35,514,522	25,679,857	22,987,281	134,165,607
Current assets	189,699,699	723,803	11,885,723	21,705,911	28,802,133	132,845,851
Non-current liabilities	(38,299,768)	(185,162)	(8,618,548)	(3,327,436)	(477,185)	(53,827,046)
Current liabilities	(129,466,405)	(652,207)	(14,766,951)	(13,841,384)	(25,484,086)	(84,718,584)
	185,052,950	495,488	24,014,746	30,216,948	25,828,143	128,465,828
Reconciliation to carrying amount						
Net assets	185,052,950	495,488	24,014,746	30,216,948	25,828,143	128,465,828
Fair value Adjustment	229,164	-	-	-	2,760,372	-
Other adjustments						
Sponsor Loan	-	-	-	-	(14,200,000)	-
Accumulated interest on sponsor loan	-	-	-	-	(4,656,366)	-
Non Controlling Interest	-	-	-	-	-	(38,464,478)
Contribution (Musharaka) treated loan	-	-	(11,750,000)	-	-	-
Accrued interest on Musharaka	-	-	(3,756,620)	-	-	-
Others	-	-	-	-	(341,359)	-
	-	-	(15,506,620)	-	(19,197,725)	(38,464,478)
Adjusted Net Assets	185,282,114	495,488	8,508,126	30,216,948	9,390,790	90,001,350
Parent's share in %	15.19%	27.63%	26.70%	34.13%	22.04%	8.91%
Proportionate share of Net Assets	28,144,839	136,914	2,271,268	10,314,023	2,069,730	8,016,111
Goodwill	-	48,730	804,036	-	1,056,189	-
Effect of change in shareholding	-	(7,168)	520,653	(3,575,173)	-	-
	28,144,839	178,476	3,595,957	6,738,850	3,125,919	8,016,111
Revenue	290,887,502	2,227,394	33,978,969	10,244,848	54,235,224	-
Profit for the year	45,562,440	125,267	3,784,470	3,910,727	981,149	-
Other comprehensive income / (loss)	(88,501)	(1,078)	(48,981)	2,897,045	311,979	-
Total comprehensive income	45,473,939	124,189	3,735,489	6,807,772	1,293,128	-
Dividends received from associates	1,914,001	17,270	-	752,666	-	-

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

	2025			
	Fatima Fertilizer Company Limited	Safemix Concrete Limited	Power Cement Limited	Javedan Corporation Limited
	-----Rupees in '000'-----			
Non-current assets	123,988,187	413,880	36,601,218	20,998,034
Current assets	207,357,179	579,219	11,078,791	22,178,952
Non-current liabilities	(36,455,741)	(129,869)	(13,041,587)	(4,581,191)
Current liabilities	(142,710,614)	(418,969)	(11,109,165)	(13,155,208)
	<u>152,179,011</u>	<u>444,261</u>	<u>23,529,257</u>	<u>25,440,587</u>
Reconciliation to carrying amount				
Net assets	152,179,011	444,261	23,529,257	25,440,587
Fair value Adjustment	229,164	-	-	-
Other adjustments				
Contribution (Musharaka) treated loan	-	-	(15,000,000)	-
Accrued interest on Musharaka	-	-	(3,756,620)	-
Others	-	(9,424)	-	-
	-	(9,424)	(18,756,620)	-
Adjusted Net Assets	152,408,175	434,837	4,772,637	25,440,587
Parent's share in %	15.19%	27.63%	24.48%	39.52%
Proportionate share of Net Assets	23,151,349	120,155	1,168,439	10,054,120
Goodwill	-	48,730	804,036	-
Effect of change in shareholding	-	(7,168)	114,702	(4,138,721)
	<u>23,151,349</u>	<u>161,717</u>	<u>2,087,177</u>	<u>5,915,399</u>
Revenue	264,443,193	1,652,009	29,520,136	7,712,590
Profit for the year	39,746,348	102,714	814,996	1,636,370
Other comprehensive income / (loss) for the year	(61,406)	270	(4,860)	1,270
Total comprehensive income for the year	<u>39,684,942</u>	<u>102,984</u>	<u>810,136</u>	<u>1,637,640</u>
Dividends received from associates	<u>2,233,001</u>	<u>13,816</u>	<u>-</u>	<u>602,132</u>

9.3	Group's share of total comprehensive income in equity accounted investee	Note	2026	2025
			Rupees	
	Fatima Fertilizer Company Limited (FFCL)	9.1.1	6,907,491,334	6,028,142,391
	Safemix Concrete Limited (SMCL)	9.1.2	34,028,991	28,481,228
	Javedan Corporation Limited (JVDC)	9.1.3	2,571,762,186	533,862,123
	Power Cement Limited (PCL)	9.1.4	933,594,882	233,329,183
	Aisha Steel Mills Limited (ASML)	9.1.5	263,158,041	-
	PIA Equity Limited (PIAEL)	9.1.6	-	-
			<u>10,710,035,434</u>	<u>6,823,814,925</u>
	Other comprehensive (income) / loss		(1,146,421,041)	19,441,179
	Taken to consolidated statement of profit or loss		<u>9,563,614,393</u>	<u>6,843,256,104</u>

9.4 Financial statements of FFCL, SMCL and JVDC have been audited by their independent auditors.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

10.	OTHER LONG TERM INVESTMENTS	Note	2026	2025
			Rupees	
	Equity securities - at FVOCI	10.1	-	-
	Equity securities - designated at FVTPL	10.2	65,185,203	43,118,461
	Debt instruments - at FVTPL	10.3	2,451,085,000	7,378,882,067
	Debt instrument - at amortised cost	10.4	1,077,363,794	927,313,472
			3,593,633,997	8,349,314,000

10.1	Equity securities - at FVOCI	Note	Cost	Diminution on remeasurement of investments	Carrying amount (at fair value)	
					2026	2025
			----- Rupees -----			
	Unquoted entities					
	Sun Biz (Private) Limited (SBL) 10,000 (2025: 10,000) fully paid ordinary shares of Rs. 100 each	10.1.1	1,000,000	(1,000,000)	-	-
	Al-Khabeer Financial Services (Private) Limited (AKFS) 5000 (2025: 5000) fully paid ordinary shares of Rs. 100 each	10.1.1	5,000,000	(5,000,000)	-	-
			6,000,000	(6,000,000)	-	-

10.1.1 Investment in SBL (unquoted) and AKFS (unquoted) by Parent Company were fully impaired in previous years. These investments were reassessed by the management on initial application of IFRS-9 and based on the available information it was concluded that the fair value does not differ materially from carrying amount as at June 30, 2026.

10.2	Equity securities - designated at FVTPL	Note	2026	2025
			Rupees	
	Unquoted entities			
	ISE Towers REIT Management Company Limited	10.2.1	40,876,102	31,954,370
	ISE REIT Management Company Limited	10.2.2	404,950	-
	Quoted entities			
	LSE Capital Limited	10.2.3	3,053,965	1,471,764
	LSE Ventures Limited	10.2.4	20,850,186	9,692,327
			65,185,203	43,118,461

10.2.1 This represents AHL's investment in 3,034,603 (2025: 3,034,603) unquoted ordinary shares of ISE Towers REIT Management Company Limited. For details regarding assumptions used in valuation refer to note 49.1. The reconciliation of the opening and closing carrying amounts of the investment is presented below:

	2026	2025
	Rupees	
Cost of investment	33,380,639	33,380,639
Unrealised gain / (loss):		
Balance at beginning of the year	(1,426,269)	(8,530,512)
Unrealised gain for the year	8,921,732	7,104,243
	7,495,463	(1,426,269)
Balance at end of the year	40,876,102	31,954,370

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

10.2.2 During the year, AHL received 81,817 ordinary shares of ISE REIT Management Company Limited (IRMCL) (Unlisted Security Code: ULS-35613) pursuant to the Scheme of Compromise, Arrangement and Reconstruction sanctioned by the Honourable High Court of Islamabad for the reorganisation of ISE Towers REIT Management Company Limited.

Under the sanctioned Scheme, certain identified real estate assets and related liabilities of ISE Towers REIT Management Company Limited are proposed to be transferred to ISE Realty Company Limited. However, as at the reporting date, such transfer has not yet been completed and remains subject to obtaining the requisite regulatory, statutory and other applicable legal approvals and completion of the prescribed legal formalities.

Pursuant to the Scheme, 81,817 ordinary shares of (IRMCL) were allotted to the AHL as a shareholder of ISE Towers REIT Management Company Limited.

10.2.3 During the year, the AHL received 297,151 ordinary shares of LSE Capital Limited (LSECL) as a dividend in specie, increasing its total holding in LSECL to 542,446 ordinary shares.

10.2.4 During the year, AHL subscribed to 1,030,521 right shares of LSE Ventures Limited (LSEVL), increasing its total holding in LSEVL to 1,873,332 ordinary shares.

10.3	Debt instruments - at FVTPL	Note	Cost	Appreciation on remeasurement of investments	Carrying amount (at fair value)	
					2026	2025
	Quoted entity		----- (Rupees) -----			
	Globe Residency REIT (GRR) Nil (2025: 96,115,547) units of Rs. 10 each	10.3.1	-	-	-	1,834,845,792
	Signature Residency REIT (SRR) Nil (2025: 13,329,896) units of Rs. 10 each	10.3.2	-	-	-	144,895,970
	Unquoted entities					
	Silk Islamic Development REIT (SIDR) 60,000,000 (2025: 60,000,000) units of Rs. 10 each	10.3.3	600,000,000	180,000,000	780,000,000	704,400,000
	Naya Nazimabad Apartment REIT (NNR) 76,375,000 (2025: 76,375,000) units of Rs. 10 each	10.3.4	763,750,000	907,335,000	1,671,085,000	916,500,000
	Rahat Residency REIT (RRR) Nil (2025: 50,000,000) units of Rs. 10 each	18.2.2.1	-	-	-	513,500,000
	Garden View Apartment REIT (GVAR) [Formerly Park View Apartment REIT (PVAR)] Nil (2025: 126,213,644) units of Rs. 10 each	18.2.2.2	-	-	-	1,481,331,676
	Gymkhana Apartment REIT (GAR) Nil (2025: 120,000,000) units of Rs. 10 each	18.2.2.3	-	-	-	1,304,962,000
	Musharaka Arrangements (Managed by Javedan Corporation Limited - a related party)					
	Investment in JCL Musharaka Arrangement I	10.3.5	-	-	-	318,537,021
	Investment in JCL Musharaka Arrangement II	10.3.5	-	-	-	159,909,608
			1,363,750,000	1,087,335,000	2,451,085,000	7,378,882,067

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

- 10.3.1** GRR is a listed, closed-end, limited life, developmental REIT scheme managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company of Pakistan Limited is its trustee. During the year, the Parent Company sold its entire unit holding of GRR, resulting in a capital gain of Rs. 985.62 million.
- 10.3.2** SRR is a closed-end, limited life, Shariah-compliant, developmental REIT scheme managed by Arif Habib Dolmen REIT Management Limited - a related party, with Central Depository Company of Pakistan Limited as its trustee. In pursuance of the Real Estate Investment Trust Regulations, 2022, SRR was listed on the Pakistan Stock Exchange during the year. Consequently, the Parent Company sold its entire unit holding of SRR, resulting in a capital gain of Rs. 75.22 million.
- 10.3.3** This represents 60 million units held in a privately placed, closed-end, limited life, shariah compliant, developmental REIT scheme which constitutes 20% of the total 300 million units issued. This REIT scheme is managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company of Pakistan Limited is its trustee. For details regarding assumptions used in valuation of SIDR refer to note 49.1. The Parent Company being strategic investor of SIDR has 25% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022.
- 10.3.4** This represents 76.37 million units held in a privately placed, closed-end, limited life, shariah compliant, developmental REIT scheme which constitutes 26% of the total 293.75 million units issued. This REIT scheme is managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company Of Pakistan Limited as its trustee. Subsequent to the year end, in pursuance of the Real Estate Investment Trust Regulations, 2022, NNR has been listed on the Pakistan Stock Exchange. For details regarding assumptions used in valuation of NNR refer to note 49.1.
- 10.3.5** The Parent Company had previously entered into musharaka arrangements with Javedan Corporation Limited (JCL), a related party and other musharaka participants: on October 04, 2023, the Parent Company invested Rs. 273.4 million holding a 65.10% share of the musharaka capital, and on September 27, 2024, the Parent Company invested Rs. 157 million holding a 70.80% share of the musharaka capital. Both arrangements were structured as participations in joint investments to fund the booking, ownership, management, and eventual sale of apartments in the Globe Residency REIT. During the year, the Parent Company sold its complete proportionate share in both musharaka arrangements to Mr. Arif Habib (sponsor), recognising a cumulative gain of Rs. 74.60 million, of which Rs. 26.55 million pertains to current year.

10.4	Debt instrument - at amortised cost	Note	Fair value at initial recognition	Cumulative unwinding of interest income	Carrying amount	
					2026	2025
					-----Rupees-----	
Unquoted entity						
Fatima Fertilizer Company Limited (FFCL)						
135,000,000 (2025: 135,000,000)						
redeemable class A shares						
		10.4.1	591,315,343	486,048,451	1,077,363,794	927,313,472

- 10.4.1** This represents 135,000,000 (2025: 135,000,000) Redeemable Class A Shares of Fatima Fertilizer Company Limited, an associate company, received by the Parent Company pursuant to the amalgamation of Pakarab Fertilizers Limited with and into Fatima Fertilizer Company Limited. These shares are non-voting, non-cumulative and carry no dividend or fixed yield, and are redeemable on December 31, 2027.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

11.	LONG TERM LOAN TO RELATED PARTY	Note	2026	2025
			Rupees	
	At amortised cost			
	Silk Islamic Development REIT (SIDR)	11.1	280,000,000	140,000,000
11.1	This represents shariah compliant musharaka finance facility being extended to SIDR, REIT Fund managed by Arif Habib Dolmen REIT Management Limited, a related party, in accordance with the musharaka agreement and its supplements executed from time to time. This loan carries a fixed return of KIBOR + 200 basis points per annum (2025: KIBOR + 200 basis points per annum) which is accrued and recognised over time using the effective interest rate. Upon the expiration of the Musharaka tenor as defined in musharaka agreement, the Parent Company has the option to convert the outstanding Musharaka investment into units of the SIDR.			
11.2	The maximum amount outstanding from the above related party at end of any month during the year was Rs. 280 million (2025: Rs. 140 million).			
12.	LONG TERM DEPOSITS AND OTHER RECEIVABLES	Note	2026	2025
			Rupees	
	Deposits - unsecured			
	- Pakistan Stock Exchange Limited		14,900,461	14,900,461
	- National Clearing Company of Pakistan Limited		1,500,000	2,727,334
	- Pakistan Mercantile Exchange		8,900,001	8,900,001
	- Other deposits		4,214,501	1,169,501
			29,514,963	27,697,297
	Other receivable - secured			
	- Receivable from employees against leased vehicles	12.1	4,703,590	4,543,690
			34,218,553	32,240,987
12.1	This represents security deposits paid by the Parent Company to / on behalf of employees for leased vehicles and is secured against respective employees' provident fund balances. It will be recovered from the respective employees from their final settlement or at the termination of lease agreement.			
13.	TRADE DEBTS	Note	2026	2025
			Rupees	
	Secured			
	Receivable from CPPA-G	13.1	4,798,226,930	5,841,397,723
	Equity brokerage	13.2	316,696,829	371,115,373
			5,114,923,759	6,212,513,096
	Unsecured			
	Equity brokerage	13.2	899,697,667	901,043,452
	Inter bank brokerage		79,398,679	46,862,359
	Advisory and consultancy		47,748,674	56,379,269
			1,026,845,020	1,004,285,080
	Provision for expected credit losses	13.3	(959,228,004)	(940,875,243)
			5,182,540,775	6,275,922,933

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

- 13.1** These represents receivable from Central Power Purchasing Agency (CPPA-G) are secured by a guarantee from Government of Pakistan under the Implementation Agreement (IA) . These are subject to markup on delay payments under EPA at the rate of 3 month KIBOR plus 4.5% per annum.

These include an amount of Rs 700.44 million (2025: Rs 758.4 million) invoiced on account of Non-Project Missed Volume (NPMV) which was disallowed by CPPA-G due to revised mechanism for NPMV calculation proposed in draft Operating Procedures in prior years. During the year, pursuant to the finalization of operating procedures SEDPL, the subsidiary company, raised revised invoices for the first five commercial years which has been verified by CPPA-G. The subsidiary company is in process of submitting the remaining revised invoices in accordance with the finalized operating procedures and the previous disallowed units will be allowed under NPMV or compensated in the form of shortfall energy and the subsidiary company believes there will be no impact on recognized revenue. Therefore, no provision has been made in these consolidated financial statements in this respect.

Age analysis of receivable from CPPA-G is as follows:

	2026	2025
	Rupees	
Not yet due	1,795,740,920	1,996,791,790
Past due		
0 - 30 days	220,841,804	600,343,495
31 - 60 days	-	19,000,000
61 - 90 days	-	642,724,701
Above 90 days	2,781,644,206	2,582,537,737
	3,002,486,010	3,844,605,933
	4,798,226,930	5,841,397,723

- 13.2** These receivables include Rs. 1.97 million (2025: Rs. 89.23 million) due from the related parties (refer note 51.2 for party-wise breakup). The maximum aggregate amount outstanding during the year from such parties (with reference to month-end balances) amounted to Rs. 152.131 million (2025: Rs. 242.71 million).

AHL holds capital securities having fair value of Rs. 233,874 million (2025: Rs. 42,127 million) owned by its clients, as collaterals against these receivables.

13.3	Provision for expected credit losses	Note	2026	2025
			Rupees	
	Equity Brokerage		899,697,667	901,649,945
	Inter bank Brokerage		27,114,536	8,450,187
	Advisory and Consultancy		32,415,801	30,775,111
			959,228,004	940,875,243

- 13.3.1** Movement in provision for expected credit losses:

Balance at beginning of the year		940,875,243	962,260,122
Charge for the year	41	18,352,761	30,242,864
Write-offs during the year		-	(51,627,743)
Balance at end of the year		959,228,004	940,875,243

- 13.4** Refer note 48.1 for the age analysis of total trade debts.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

14.	CONTRACT ASSET	Note	2026	2025
			Rupees	
	Regular energy - Insurance component		37,182,648	28,013,402
	Regular energy - WHT on dividend component	14.1	99,999,999	88,000,000
	Shortfall energy - Insurance component		8,403,583	16,174,968
	Bonus energy		11,105,839	11,105,839
	Delayed payment		66,448,097	37,576,430
			223,140,166	180,870,639
14.1	This represents withholding tax on dividend deducted at source by the SEDPL and is recoverable from CPPA-G as a pass-through item under the terms of the EPA.			
15.	LOANS AND ADVANCES	Note	2026	2025
	Unsecured		Rupees	
	Advance to consultant	15.1	-	99,760
	Advance against expenses		1,500,000	6,545,206
	Loans to related party - at amortised cost			
	- Rahat Residency REIT (RRR)	15.2	-	106,039,022
	- Globe Residency REIT (GRR)	15.3	-	100,000,000
			-	206,039,022
			1,500,000	212,683,988
	Secured			
	Advance for purchase of investment properties from related parties			
	- Globe Residency REIT (GRR)	15.3 & 15.4	-	1,199,849,511
	- Silk Investment Development REIT (SIDR)	15.5	138,321,380	40,598,980
	- Naya Nazimabad Apartment REIT (NNR)		-	72,385,500
			138,321,380	1,312,833,991
	Advance against salaries to employees	15.6	9,640,973	2,822,095
			149,462,353	1,528,340,074
15.1	This represents advance payment made to consultant by AHL, a subsidiary company, in respect of consultancy services on corporate finance projects.			
15.2	This represents shariah compliant musharaka finance facility being extended to the Managing Co-owner RRR, a limited-life, shariah-compliant developmental REIT managed by Arif Habib Dolmen REIT Management Limited, a related party. The loan is repayable within 30 business days of notice of demand. The mark-up rate on the said arrangement is 3 month KIBOR + 1.80% per annum, which is payable on a quarterly basis. During the year, the entire loan was repaid.			
15.3	This included the Parent Company's proportionate interest in 168 apartments in the Globe Residency REIT (GRR) residential project, acquired as part of the merger scheme. The apartments were under development and subject to an installment payment plan. GRR was authorised to market the apartments and collect sale proceeds on the Parent Company's behalf, net of related expenses, for settlement of the corresponding instalment obligations. Any surplus retained by GRR until completion of the project carried quarterly mark-up at KIBOR plus 1.50%, payable to the Parent Company in arrears.			
	During the year, the Parent Company disposed of its interest in GRR to Mr. Arif Habib (the Sponsor) for Rs. 823 million. At the disposal date, advances against apartments amounted to Rs. 1,296.54 million, of which Rs. 599.17 million had been recovered through sales to secondary customers. After adjusting related expenses of Rs. 49.92 million and unpaid installments against sale proceeds of Rs. 687.71 million collected on the Parent Company's behalf, the balances included a loan receivable of Rs. 38.62 million and accrued mark-up of Rs. 14.66 million. Upon disposal, these balances were derecognised, and the related net liability of Rs. 637.79 million was adjusted against the consideration, resulting in a gain of Rs. 110.97 million recognised in the consolidated statement of profit or loss.			

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

- 15.4** This included Rs. 248.75 million in respect of an advance against 20 apartments in Globe Residency Apartments. During the year, the Parent Company disposed of its entire rights and interests in respect of this advance to Mr. Arif Habib (Sponsor) for an aggregate consideration of Rs. 471.96 million. Consequently, the advance against investment property amounting to Rs. 248.75 million was derecognised resulting in gain on disposal amounting to Rs. 223.21 million.
- 15.5** This represents an advance paid by the Parent Company for residential apartments booked in The Palms project initiated by Silk Islamic Development REIT, with the intent of capital appreciation over time. This project is located in Surjani Town, Karachi.
- 15.6** This represents interest free balance due from the employees and are secured against their retirement benefit fund.
- 15.7** The carrying values of the loans and advances are neither past due nor impaired. The maximum amount outstanding from related parties in respect of loans at end of any month during the year was Rs. 1,514.26 million (2025: Rs. 4,518 million).

16.	DEPOSITS AND PREPAYMENTS	Note	2026	2025
			Rupees	
	Deposits		5,473,199	5,473,199
	Prepayments	16.1	119,506,634	113,546,511
	Marginal trading system - exposure deposits	16.2	647,103,238	281,460,782
	Others		11,402,076	4,741,072
			783,485,147	405,221,564

- 16.1** This amount includes prepayment on account of operational insurance made by SEDPL, subsidiary company, amounting to Rs. 89.1 million (2025: Rs. 96.7 million).

- 16.2** This represent amounts of deposits held at the year end against exposure arising out of the trading in securities by AHL, the subsidiary company, in accordance with the regulations of National Clearing Company of Pakistan Limited.

17. ACCRUED MARK-UP AND OTHER RECEIVABLES

	Note	2026	2025
		Rupees	
Mark-up			
Mark-up on loan to related parties	17.1	70,759,112	48,282,736
Others	17.2	23,805,047	9,745,324
		94,564,159	58,028,060
Other receivable			
Receivable against margin financing	17.3	475,060,438	270,374,543
Guarantee commission receivable from related parties	17.4	512,302	486,202
Recoverable from CPPA-G	17.5	332,703,667	172,357,048
Receivable against reverse repo arrangements		132,931,506	331,017,048
Receivable from Rahat Residency REIT	17.6 & 17.7	176,630,000	651,630,000
Receivable from PIAEL	17.8	639,207,180	-
Others		12,516,980	4,931,223
		1,769,562,073	1,430,796,064
		1,864,126,232	1,488,824,124

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

17.1	Mark-up on loan to related parties		2026	2025
			Rupees	
	- Aisha Steel Mills Limited		-	722,192
	- Globe Residency REIT		-	7,511,235
	- Rahat Residency REIT		-	2,402,630
	- Silk Islamic Development REIT		70,759,112	37,646,679
			70,759,112	48,282,736
17.1.1	The maximum amount outstanding from related parties in respect of mark-up receivable as at the end of any month during the year was Rs. 75.27 million (2025: Rs. 101.17 million). Further, the said receivable from related parties are on account of loans provided to them which are current and not past due.			
17.2	This includes accrued mark-up due on margin financing amounting to Rs. 15.37 million (2025: Rs. 8.44 million).			
17.3	Margin financing facility is provided to clients by AHL on mark-up basis ranging from 14.00% to 29.50% (2025: 14.00% to 29.50%) per annum.			
17.4	Guarantee commission receivable from related parties		2026	2025
			Rupees	
	- Aisha Steel Mills Limited		281,250	274,282
	- Power Cement Limited		231,052	211,920
			512,302	486,202
17.4.1	The maximum amount due from related parties in respect of guarantee commission as at the end of any month during the year was Rs. 0.51 million (2025: Rs. 0.49 million).			
17.5	This represents WPPF paid by SEDPL, subsidiary company and invoiced to CPPA-G being pass-through item as per the terms of EPA based on discussions with CPPA-G. WPPF being pass through item has no impact on the consolidated statement of profit or loss.			
17.6	This represents receivable from Rahat Residency REIT, a related party, on account of remaining proceeds against sale of 5 commercial plots located at Block A, Naya Nazimabad, Deh Manghopir, Gadap Town, Karachi. Subsequent to the year end, the Parent Company has received Rs. 126 million against the outstanding balance.			
17.7	The maximum amount outstanding from the above related party at the end of any month during the year was Rs. 651.63 million (2025: Rs. 651.63 million).			
17.8	This represents receivables from PIA Equity Limited (PIAEL), an associate company, comprising the excess amount contributed by the Parent Company prior to the finalisation of its agreed ownership interest, amounting to Rs. 600 million, and Rs. 39.21 million in respect of certain post-acquisition expenses incurred and paid by the Parent Company on behalf of PIAEL.			
18.	SHORT TERM INVESTMENTS	Note	2026	2025
			Rupees	
	Equity securities - at FVTPL	18.1	2,495,771,082	3,538,701,020
	Debt securities - at FVTPL	18.2	5,161,921,806	59,429,642
	Units of Mutual Fund - at FVTPL		-	25,882,019
			7,657,692,888	3,624,012,681

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

	Note	2026	2025
18.1 Equity securities - at FVTPL			
Quoted			
- Investment in ordinary shares of related parties		-	1,273,546,786
- Investment in preference shares of related parties		-	599,089,523
- Investment in ordinary shares of other companies		2,495,771,082	1,666,064,711
		2,495,771,082	3,538,701,020
18.1.2 Reconciliation of gain on remeasurement of equity securities at fair value through profit and loss			
Cost of investment		2,446,396,993	2,853,078,944
Unrealised gain			
Balance at beginning of the year		685,622,076	(153,210,071)
Unrealised gain for the year		70,022,680	1,453,299,936
Transferred to equity accounted investees	18.1.2.1	(706,270,667)	(614,467,789)
		49,374,089	685,622,076
Balance at end of the year		2,495,771,082	3,538,701,020
18.1.2.1	This represents the unrealised fair value gain on the Parent Company's investment in Aisha Steel Mills Limited amounting to Rs. 706.27 million (2025: Rs. 628.32 million on investments in Javedan Corporation Limited) and unrealised fair value loss on the Parent Company's investment amounting to Nil (2025: Rs. 13.85 million on the Parent Company's investment in Power Cement Limited) accumulated up to the dates on which the respective investees became associates of the Parent Company and, accordingly, reclassified from short-term investments to long-term investments.		
18.1.2.2	Fair value of short term investments pledged with commercial banks against various financing facilities availed by the Parent Company amounts to Nil (2025: Rs. 729.95 million).		
18.2 Debt securities - at FVTPL			
	Note	2026	2025
- Term Finance Certificates (TFC)	18.2.1	273,727,935	59,429,642
- Units in real estate investment trust (REIT)	18.2.2	4,888,193,871	-
		5,161,921,806	59,429,642
18.2.1	This represents investments of Rs. 273.73 million (2025: Rs. 59.43 million) in TFC and Sukuk Certificates made under Market Making arrangements by AHL, subsidiary company. These have been entered into in accordance with Chapter 12 of PSX Rule Book with various Financial and Corporate Institution. Under the arrangements, AHL, the subsidiary company, has to maintain minimum inventory of TFCs and Sukuks to place bid & offer on daily basis. These TFCs and Sukuks carry coupon rate ranging from 3 month KIBOR + 1.6% to 1.7% (2025: 3 month KIBOR + 1.6% to 1.7%), 6 month KIBOR + 1.5% to 2.5% (2025: 6 month KIBOR + 1.5% to 2.25%) calculated on the face value of the respective TFCs or Sukuks that is payable quarterly / semi annually.		

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

	2026	2025
Reconciliation of movement in TFC is as follows:		
Cost of the investments	275,494,024	62,423,521
Unrealised loss:		
Balance at beginning of the year	(2,993,879)	(688,674)
Unrealised gain / (loss) for the year	1,227,790	(2,305,205)
	(1,766,089)	(2,993,879)
Balance at end of the year	273,727,935	59,429,642

18.2.2 Units in real estate investment trust (REIT)

	Note	Cost	Appreciation on remeasurement of investments	Carrying amount (at fair value)
				2026 2025
				Rupees
Rahat Residency REIT (RRR) 50,000,000 (2025: Nil) units of Rs. 10 each	18.2.2.1	500,000,000	146,500,000	646,500,000 -
Garden View Apartment REIT (GVAR) [Formerly Park View Apartment REIT (PVAR)] 126,213,644 (2025: Nil) units of Rs. 10 each	18.2.2.2	1,262,136,440	364,757,431	1,626,893,871 -
Gymkhana Apartment REIT (GAR) 120,000,000 (2025: Nil) units of Rs. 10 each	18.2.2.3	1,200,000,000	1,414,800,000	2,614,800,000 -
		2,962,136,440	1,926,057,431	4,888,193,871 -

- 18.2.2.1** This represents 50 million units held in a privately placed, closed-end, limited life, shariah compliant, developmental REIT scheme which constitutes 61.61% (2025: 100%) of the total 82.5 million (2025: 50 million) units issued. This REIT scheme is managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company of Pakistan Limited as its trustee. For details regarding assumptions used in valuation of RRR refer to note 49.1. The Parent Company being strategic investor of RRR has 25% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022. During the year, the Parent Company entered into agreement for sale of its entire unit holding in RRR. As per the agreement, the title to the units will be transferred upon settlement of the outstanding consideration. Consequently, the investment in RRR has been reclassified from long-term investments to short-term investments considering management's intent to sell. For further details, refer to note 30.6.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

18.2.2.2 This represents 126.21 million units held in a privately placed, closed-end, limited life, shariah compliant, developmental REIT scheme which constitutes 37.12% (2025: 58.52%) of the total 340.02 million (2025: 215.69 million) units issued. This REIT scheme is managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company of Pakistan Limited as its trustee. For details regarding assumptions used in valuation of GVAR refer to note 49.1. The Parent Company being strategic investor of GVAR has 25% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022. During the year, the Parent Company entered into agreement for sale of its entire unit holding in GVAR. As per the agreement, the title to the units will be transferred upon settlement of the outstanding consideration. Consequently, the investment in GVAR has been reclassified from long-term investments to short-term investments considering management's intent to sell. For further details, refer to note 30.6.

18.2.2.3 This represents 120 million units held in a privately placed, closed-end, limited life, shariah compliant, developmental REIT scheme which constitutes 100% of the total 120 million units issued. This REIT scheme is managed by Arif Habib Dolmen REIT Management Limited - a related party and Central Depository Company of Pakistan Limited as its trustee. For details regarding assumptions used in valuation of GAR refer to note 49.1. The Parent Company being strategic investor of GAR has 25% of its subscribed units in an account marked as 'blocked' with the Central Depository Company as required by the Real Estate Investment Trust Regulations, 2022. During the year, the Parent Company entered into agreement for sale of its entire unit holding in GAR. As per the agreement, the title to the units will be transferred upon settlement of the outstanding consideration. Consequently, the investment in GAR has been reclassified from long-term investments to short-term investments considering management's intent to sell. For further details, refer to note 30.6.

19.	CASH AND BANK BALANCES	Note	2026	2025
				Rupees
	Cash at bank			
	Conventional			
	Current accounts			
	- In local currency	19.1	499,942,374	277,020,182
	- In foreign currency		11,141,321	11,377,254
	Saving accounts	19.2	4,794,362,673	3,665,564,041
			5,305,446,368	3,953,961,477
	Islamic			
	Current accounts		101,556,321	1,566,062
	Saving accounts	19.2	1,320,529,663	243,645,570
			1,422,085,984	245,211,632
	Term deposit receipts	19.4	800,000,000	-
	Cash in hand (in local and foreign currency)		1,276,669	1,274,219
	Cash held in Central Depository Company Limited		11,092,317	8,436,406
			7,539,901,338	4,208,883,734

19.1 This includes unclaimed dividend deposited in separate dividend account amounting to Rs. 61.21 million (2025: Rs. 51.29 million).

19.2 The return on saving and deposit accounts carries rates ranging between 4% to 11.25% per annum (2025: 4% to 19.36% per annum), calculated on a daily product basis.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

19.3 Bank balances include customers' bank balances held in designated bank accounts by AHL, subsidiary company, amounting to Rs. 6,088.77 million (2025: Rs. 3,673.33 million), maintained on behalf of the clients.

19.4 This represents investments made in TDRs by SEDPL, subsidiary company. These TDRs are held with Faisal Bank Limited for a period of one month carrying markup of 10.35% per annum.

19.5 In addition to the above balances, the Parent Company retains a surplus in respect of the arrangement referred to in note 32.2.7.

20. SHARE CAPITAL

20.1 Authorised share capital

2026	2025		2026	2025
Number of shares			Rupees	
<u>10,000,000,000</u>	<u>10,000,000,000</u>	Ordinary shares of Re. 1 each (2025: Re 1 each)	<u>10,000,000,000</u>	<u>10,000,000,000</u>

20.2 Issued, subscribed and paid-up share capital

2026	2025		Note	2026	2025
Number of shares				Rupees	
5,000,000	5,000,000	Ordinary shares of Rs. 10 each fully paid in cash		50,000,000	50,000,000
450,750,000	450,750,000	Ordinary shares of Rs. 10 each issued as fully paid bonus shares		4,507,500,000	4,507,500,000
(2,000,000)	(2,000,000)	Ordinary shares of Rs. 10 each bought back at Rs. 360 per share	20.2.1	(20,000,000)	(20,000,000)
(45,375,000)	(45,375,000)	Ordinary shares of Rs. 10 each bought back at Rs. 27 per share	20.2.2	(453,750,000)	(453,750,000)
13,321,747	13,321,747	Ordinary shares of Rs. 10 each issued under scheme of arrangement	20.2.3	133,217,470	133,217,470
<u>421,696,747</u>	<u>421,696,747</u>			<u>4,216,967,470</u>	<u>4,216,967,470</u>
Impact of Sub-division of shares					
4,216,967,470	4,216,967,470	Ordinary share of Re. 1 each issued under Sub-division of shares	20.2.4	-	-
<u>4,216,967,470</u>	<u>4,216,967,470</u>			<u>4,216,967,470</u>	<u>4,216,967,470</u>

20.2.1 During financial year 2005-2006, the Parent Company bought back two million shares of Rs. 10 each from its shareholders through tender notice at a price of Rs. 360 per share in accordance with section 95-A of the repealed Companies Ordinance, 1984 and the Companies (Buy-back of Shares) Rules, 1999. The acquisition resulted in reduction of capital and unappropriated profit by Rs. 20 million and Rs. 700 million respectively, in the relevant year.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

20.2.2 During the financial year 2019-2020, the Parent Company purchased and cancelled 45,375,000 ordinary shares (10% of existing shares i.e. 453,750,000). The buy-back and cancellation of shares were approved by shareholders at the extra ordinary general meeting held on July 03, 2019. The shares were acquired at a purchase price of Rs. 27 per share. The purchase of shares were made in cash out of the distributable profits as required under Section 88(8) of the Companies Act, 2017 read with the Listed Companies (Buy-Back of Shares) Regulations, 2019. Pursuant to buy-back of shares, the ordinary share capital of the Parent Company has been reduced by 45,375,000 ordinary shares amounting to Rs. 453,750,000.

20.2.3 This represents shares issued in the prior year pursuant to a Scheme of Arrangement (the "Scheme"). The shareholders of the Parent Company and its subsidiary, Arif Habib Limited (AHL), in their respective extraordinary general meetings on December 26, 2023, approved a Scheme dated November 17, 2023. The Scheme, sanctioned by the Honorable High Court of Sindh on October 21, 2024, was designed to bifurcate AHL into two distinct segments, the Demerged Undertaking and the Retained Undertaking, and simultaneously merge the Demerged Undertaking into the Company, effective from July 1, 2023.

In consideration for the Demerged Undertaking, the Parent Company issued 13,321,747 shares of Rs. 10 each, amounting to Rs.133.22 million, to the remaining shareholders of AHL, other than Parent Company, at a swap ratio of 0.8673 shares of AHCL for each ordinary share of AHL. No shares of AHL were cancelled as a result of the transaction.

20.2.4 Pursuant to the shareholders' special resolution in the extraordinary general meeting held on March 19, 2025, the face value of each ordinary share of the Parent Company was revised from Rs. 10 (Rupee Ten) to Re. 1 (Rupee One). Accordingly, each existing ordinary share has been subdivided into ten ordinary shares of Re. 1 each, without any alteration to the rights and privileges attached to the shares (the "Sub-division").

Following the Sub-division, the Parent Company's subscribed and paid-up capital, previously comprising of 421,696,747 ordinary shares of Rs. 10 each, is now restructured into 4,216,967,470 ordinary shares of Re. 1 each. The subdivided shares were credited to the respective accounts of the entitled AHCL Shareholders maintained with Central Depository Company of Pakistan Limited on March 26, 2025.

20.2.5 All ordinary shares rank equally with regard to the Group'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 Parent Company.

20.2.6 As at June 30, 2026, Mr. Arif Habib (Chief Executive of the Parent Company) held 79.68% (2025: 78.77%) of ordinary shares in the Parent Company.

21. SURPLUS ON REVALUATION

In the year 2015, Arif Habib Limited (AHL), a subsidiary company, had reclassified leasehold land and offices to investment property. Immediately before transfer, AHL re-measured the said assets on respective fair values and recognised surplus in revaluation reserve as per the requirement of IAS 40 'Investment Property'. During the year, AHL transferred the related revaluation surplus to retained earnings following the transfer of the respective investment properties to property, plant and equipment.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

22. NON-CONTROLLING INTEREST

Following are the share of non-controlling interests in respective companies of the Group:

Subsidiary Companies	Note	2026	2025
			Rupees
Arif Habib Limited	22.1	649,705,964	517,155,636
Rayaan Commodities (Private) Limited	22.1	24,633,175	23,153,061
		674,339,139	540,308,697
Sachal Energy Development (Private) Limited	22.1	2,499,073,566	2,260,247,363
		3,173,412,705	2,800,556,060

22.1 The following table summarises the information relating to each of the Group's subsidiaries that has NCI, before any intra group eliminations.

	2026		
	Arif Habib Limited	Sachal Energy Development (Private) Limited	Rayyan Commodities (Private) Limited
NCI Percentage	25.68%	14.17%	25.68%
	----- Rupees -----		
Non-current assets	343,817,446	14,131,627,040	37,990,476
Current assets	10,558,140,356	6,734,006,647	35,049,476
Non-current liabilities	(28,224,545)	(73,580,389)	(753,728)
Current liabilities	(8,424,360,937)	(3,216,258,771)	(6,041,212)
Net assets	2,449,372,320	17,575,794,527	66,245,012
Net assets attributable to NCI	649,705,964	2,499,073,566	24,633,175
Revenue	2,247,103,204	6,061,312,442	42,013,976
Profit for the year	1,177,028,592	3,281,251,077	5,734,491
Other comprehensive Income	-	-	-
Total comprehensive income	1,177,028,592	3,281,251,077	5,734,491
Profit allocated to NCI - note 22.2	300,363,999	465,593,673	1,480,114
Cash flows from operating activities	1,966,092,913	5,782,486,752	8,644,688
Cash flows from investing activities	492,189,133	(6,761,298)	(732,264)
Cash flows from financing activities	(685,992,818)	(4,872,417,054)	-
Net increase in cash and cash equivalents	1,772,289,228	903,308,400	7,912,424
Dividend paid to NCI	167,813,671	226,767,470	-

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

	2025		
	Arif Habib Limited	Sachal Energy Development (Private) Limited	Rayyan Commodities (Private) Limited
NCI Percentage	25.68%	14.17%	25.68%
	----- Rupees -----		
Non-current assets	320,885,261	15,500,812,385	12,164,009
Current assets	6,856,268,770	6,667,296,467	52,731,514
Non-current liabilities	(25,552,453)	(2,865,195,950)	-
Current liabilities	(5,225,857,850)	(3,408,369,452)	(4,385,002)
Net assets	1,925,743,728	15,894,543,450	60,510,521
Net assets attributable to NCI	517,155,636	2,260,247,363	23,153,061
Revenue	1,537,003,012	6,594,025,201	39,003,422
Profit for the year	979,261,988	3,526,865,819	2,267,464
Other comprehensive Income	-	-	-
Total comprehensive income	979,261,988	3,526,865,819	2,267,464
Profit allocated to NCI - note 22.2	247,257,221	500,568,295	580,386
Cash flows from operating activities	522,490,352	4,980,021,004	(8,592,912)
Cash flows from investing activities	165,325,854	(3,036,969)	8,449,695
Cash flows from financing activities	(348,717,481)	(5,130,033,010)	-
Net (decrease) / increase in cash and cash equivalents	339,098,725	(153,048,975)	(143,217)
Dividend paid to NCI	76,800,110	226,767,470	-

22.2	Profit allocated to NCI	Note	2026	2025
			Rupees	
	Arif Habib Limited - Unconsolidated		300,363,999	247,257,221
	Sachal Energy Development (Private) Limited		465,593,673	500,568,295
	Rayaan Commodities (Private) Limited		1,480,114	580,386
			767,437,786	748,405,902

23. LONG TERM LOANS - secured

Loan

Balance at the beginning of the year		5,682,000,000	8,364,000,000
Exchange (gain) / loss		(49,000,000)	125,750,000
Repayment of loan		(2,847,500,000)	(2,807,750,000)
Balance at the end of the year	23.1	2,785,500,000	5,682,000,000

Transaction cost

Balance at the beginning of the year		(59,672,163)	(126,509,109)
Amortization of transaction cost	40	42,818,328	66,836,946
Balance at the end of the year		(16,853,835)	(59,672,163)

Net balance at the end of the year		2,768,646,165	5,622,327,837
Less: Current portion of loan		(2,768,646,165)	(2,841,000,000)
Non current portion		-	2,781,327,837

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

23.1 This represents long term loan facility of USD 100 million availed by subsidiary company, SEDPL from Industrial and Commercial Bank of China, Beijing (ICBC) under facility agreement dated February 15, 2015. This facility agreement was registered with the State Bank of Pakistan (SBP) on May 29, 2015. The facility carries markup at six-month Term SOFR plus a historical Credit Adjustment Spread (CAS) of 0.42826%, along with the margin of 3.75%. The markup remains payable in arrears on a semi-annual basis. Principal is repayable in 20 semi annual installments with a grace period of two years. During the year, two semi annual installments of USD 5 million each (2025: USD 5 million each) have been repaid.

The loan is secured against first charge of USD 107,134,400, duly registered with SECP, over all present and future current and fixed assets, pledge of all shares of the SEDPL in favor of ICBC and corporate guarantee issued by AHCL in the favor of ICBC.

Following are the key conditions as per the facility agreement which can create lender's right to demand payment of all or part of the outstanding loan:

- non payment of any due amount in pursuant to facility agreement;
- failure to comply with the terms of facility agreement related to purpose, security, non-disposal, SINOSURE insurance policy, negative pledge and financial covenants of the guarantee;
- any material misrepresentation given in relation to the facility agreement;
- in case of insolvency of SEDPL or insolvency legal proceedings against SEDPL;
- in case of material adverse effect due to modification, revocation, suspension, termination or expiry of license or authority;
- SINOSURE insurance policy is terminated, repudiated, invalid or ineffective in any other way; and
- SEDPL suspends or ceases to carry on all or a material part of its business.

24. LAND LEASE LIABILITY	Note	2026	2025
		Rupees	
Balance at beginning of the year		13,613,057	13,228,514
Charge for the year	37	1,744,543	1,744,543
Lease rental paid		(1,360,000)	(1,360,000)
Balance at end of the year	24.1 & 24.2	13,997,600	13,613,057
Less: Current portion of land lease liability		(1,360,000)	(1,360,000)
Non current portion		12,637,600	12,253,057

24.1 Maturity analysis of land lease liability	2026	2025
	Rupees	
Less than one year	1,360,000	1,360,000
One to five years	13,600,000	11,560,000
More than five years	17,850,000	21,250,000
Future minimum lease payments	32,810,000	34,170,000
Less: Interest relating to the future periods	(18,812,400)	(20,556,943)
Present value of minimum lease payment	13,997,600	13,613,057

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

24.2 This includes lease rental liability against 680 acres of land in Jhimpir Area, District Thatta of the Province of Sindh acquired by SEDPL, subsidiary company, under a sub lease agreement dated October 20, 2014 of master lease agreement dated February 11, 2008. Under the terms of the sub-lease deed, SEDPL has paid lease rental and incidental expenses amounting to Rs. 5,905,000 for 10 years. SEDPL is required to pay lease rental amounting to Rs. 1,360,000 yearly for ten years (from February 01, 2018 to January 31, 2028), and Rs. 3,145,000 yearly for the next ten years (from February 01, 2028 to January 31, 2038). The lease rentals are being amortized on straight line basis over the useful life of the project.

25 LEASE LIABILITY

This represent lease liability of Parent Company and AHL, subsidiary company.

	Note	2026	2025
		Rupees	
Balance at beginning of the year		105,891,620	136,085,455
Additons during the year		114,351,976	7,192,000
Effect of lease modification		5,777,964	-
Accretion of interest	40	27,125,373	24,975,227
Lease rental paid		(126,346,646)	(62,361,062)
Balance at end of the year	25.1	126,800,287	105,891,620
Less: current portion of lease liability		(87,780,753)	(62,713,014)
Non current portion		39,019,534	43,178,606
25.1 Maturity analysis of lease liabilities			
Less than one year		96,239,577	72,210,006
One to five years		45,194,414	56,980,848
More than five years		7,564,560	-
Future minimum lease payments		148,998,551	129,190,854
Less: Interest relating to the future periods		(22,198,264)	(23,299,234)
Present value of minimum lease payment		126,800,287	105,891,620

26. STAFF RETIREMENT BENEFITS

This represents deferred liability for employees' gratuity obligation of SEDPL (subsidiary company):

	Note	2026	2025
		Rupees	
Balance at beginning of the year		53,988,903	46,016,466
Provision for the year		8,576,210	10,607,183
Gratuity paid during the year		(12,417,313)	(2,634,746)
Balance at end of the year	26.1	50,147,800	53,988,903

26.1 This includes provision for gratuity of Rs. 38.884 million (2025: Rs. 35.98 million) payable to key management personnel of SEDPL. The actuarial valuation in respect of provision for gratuity has not been carried out since the management believes that the impact is not material.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

27. LOAN FROM SPONSOR

The sponsor of the Parent Company and its subsidiary, extended the following facilities to the respective entities:

- The Parent Company had obtained an unsecured loan facility (the Facility) with Mr. Arif Habib (the Sponsor) to meet its working capital requirements. The Facility provided financing for a limit of up to Rs. 5,000 million (2025: Rs. 5,000 million) at a mark-up rate of 3-month KIBOR plus 0.8% per annum (2025: 3-month KIBOR plus 0.8% per annum). The loan was repayable upon the issuance of a demand notice, which could only be served on or after July 30, 2026. However, during the year, the Company voluntarily repaid the entire outstanding loan under the facility.
- AHL obtained an unsecured financing facility of Rs. 3,100 million (2025: 1,250 million) from Mr. Arif Habib (the Sponsor) to meet its working capital requirements. The loan carried a fixed interest rate of 11.5% (2025: ranging from 16.5% to 15.25%) per annum, payable quarterly, and was repayable within 30 days upon notice of demand. The Company repaid the entire outstanding loan under the facility.

27.1 The Movement of loan from sponsor is as follows:

Arif Habib Limited, subsidiary company

	2026	2025
Balance at beginning of the year	-	-
Add: loan received from sponsor	3,100,000,000	1,250,000,000
Less: loan repaid to sponsor	(3,100,000,000)	(1,250,000,000)
Balance at end of the year	-	-

Parent Company

Balance at beginning of the year	3,301,707,946	800,000,000
Add: loan received from sponsor	522,000,000	6,576,200,000
Less: loan repaid to sponsor	(3,823,707,946)	(4,074,492,054)
Balance at end of the year	-	3,301,707,946
Balance at the end of the year	-	3,301,707,946

28. CONTRIBUTIONS FROM MUSHARAKA PARTICIPANTS

This included contributions amounting to Rs. 522.54 million received from musharaka participants, namely Mr. Haji Ghani Usman and Mr. Iqbal Usman, under the musharaka agreement dated December 27, 2024. The agreement established a joint arrangement for the acquisition, management and potential development of plots FL-06 and COM-11 located in Naya Nazimabad, Karachi (refer to note 8.1.1).

During the year, pursuant to an addendum to the musharaka agreement, the Parent Company disposed of its entire 63.8% beneficial interest in plots FL-06 and COM-11 to Mr. Arif Habib (the Sponsor). The Parent Company had held the interest as the managing partner alongside co-participants Mr. Haji Ghani Usman (31.2%) and Mr. Iqbal Usman (5.0%). Upon completion of the disposal, the Parent Company also relinquished its role and authority as managing partner in accordance with the terms of the addendum.

Accordingly, up to the date of the transaction, the Parent Company derecognised the investment property, as explained in note 8.1.1, together with the corresponding musharaka contributions of Rs. 522.54 million and the participants' proportionate share of the fair value gain amounting to Rs. 7.23 million, determined based on the profit-sharing ratio agreed under the musharaka agreement.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

29. DEFERRED TAXATION - NET

Net deferred tax liability comprises of taxable / (deductible) temporary differences in respect of the following:

	Note	2026	2025
		Rupees	
Taxable temporary differences			
- Unrealised gain on investment in equity securities at fair value		6,451,473,780	4,980,917,766
- Unrealised gain on investments		1,170,615,963	466,321,914
- Unrealised gain on investment properties at fair value		-	4,270,602
- Excess tax depreciation over accounting depreciation		1,874,695	-
- Right of use assets against lease liability - net		4,287,234	23,296,742
		7,628,251,672	5,474,807,024
Deductible temporary differences			
- Excess accounting amortisation over tax amortisation		(8,447,729)	(8,897,698)
- Impairment loss on other long term investment		(20,720,000)	(21,840,000)
- Provision for doubtful debt and other receivables		(22,026,225)	(15,297,866)
- Lease liability against right of use assets		-	(29,996,252)
- Excess accounting depreciation over tax depreciation		-	(867,871)
- Unused tax losses		(745,789,804)	(423,401,394)
		(796,983,758)	(500,301,081)
		6,831,267,914	4,974,505,943
Deferred tax asset not recognised	29.1	775,310,757	457,039,021
Deferred tax liability		7,606,578,671	5,431,544,964

29.1 Deferred tax assets have not been recognised in these consolidated financial statements in respect of deductible temporary differences of the Parent Company, as it is not probable that future taxable profits under the normal tax regime will be available against which the Parent Company can utilise the benefits therefrom. This includes deferred tax asset not recognised on unused tax losses of Rs. 745.79 million (2025: Rs. 423.40 million), which will lapse after six years from the year in which the losses occurred.

29.2 Net difference of Rs. 2,133.92 million (2025: Rs. 1,335.72 million) has been recognised in the consolidated statement of profit or loss (refer note 43).

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

30.	TRADE AND OTHER PAYABLES	Note	2026	2025
			Rupees	
	Creditors	30.1	5,974,885,567	3,421,340,459
	Commission payable	30.2	347,105,222	256,636,235
	Operating and maintenance payable	30.3	123,312,692	196,999,900
	Withholding tax payable		226,419,791	303,172,186
	Future profit withheld		16,169,527	21,379,538
	Workers' Profit Participation Fund Payable		160,346,619	171,366,050
	Installments collected on behalf of the Company	30.4	-	359,769,104
	Payable against reverse repo transaction		-	228,126
	Other accrued expenses	30.5	77,785,673	299,174,234
	Other liabilities		19,867,934	25,760,601
	Advance against sale of units to sponsor	30.6	4,817,020,000	-
	Advance from customers		513,222	3,220,169
	Payable to Javedan Corporation Limited		-	266,545,000
	Contribution from consortium members	30.7	6,282,661	48,076,000
	Payable to Provident fund		2,781,491	2,210,150
			11,772,490,399	5,375,877,752
30.1	This includes amount of Rs. 548.8 million (2025: Rs. 17.26 million) payable to related parties by AHL.			
30.2	This includes amount of Rs. 200.12 million (2025: Rs. 157.84 million) payable to related parties by AHL.			
30.3	This includes payable by SEDPL to Hydrochina International Engineering Company Limited amounting to Rs. 123.30 million (2025: Rs 125.70 million) on account of operations and maintenance of plant.			
30.4	This included instalments collected by Globe Residency REIT (GRR) on behalf of the Parent Company from the sale of investment properties. During the year, the Parent Company disposed of its proportionate interest in this arrangement (refer note 15.3). Accordingly, instalments collected up to the date of disposal amounting to Rs. 687.71 million were derecognised.			
30.5	This includes Rs. 2.53 million (2025: Rs. 1.42 million) payable to Rotocast Engineering Company (Private) Limited, a related party on account of monthly expense contribution of utilities and maintenance charges.			
30.6	During the year, the Parent Company entered into a sale agreement with Mr. Arif Habib (the Sponsor) to sell its entire unit holding in Rahat Residency REIT, Garden View Apartment REIT and Gymkhana Apartment REIT for an initial aggregate consideration of Rs. 5,106.99 million. The Parent Company received an advance of Rs. 4,817.02 million against the consideration. Under the terms of the agreement, the REIT units will be transferred upon receipt of the full consideration and completion of the applicable transfer requirements. The consideration may be revised by mutual written consent of the parties based on the fair value of the REIT units prevailing on or around the date on which the full and final sale consideration is paid. The agreement remains valid until July 31, 2027, unless extended by mutual written agreement of the parties. If the transaction is not completed by that date, the agreement will terminate, and the advance received will be repaid to the purchaser.			
30.7	This represents funds received by the Parent Company from consortium members to finance the bidding process for the privatisation of Pakistan International Airlines Corporation Limited (PIACL) and incorporation related expenditures of PIA Equity Limited (PIAEL).			

31. SHORT TERM BORROWINGS

The Group maintains short-term running finance facilities with various commercial banks under mark-up arrangements to meet its working capital requirements. These facilities are generally renewable, secured against pledged marketable securities, and bear different mark-up rates. Details of the facilities available to the Group are as follows:

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

31.1 Parent Company

Running finance facilities are available from various commercial banks, under mark-up arrangements, amounting to Rs. 9,500 million (2025: Rs. 8,950 million). These facilities have various maturity dates up to February 28, 2029 and are generally renewable. These arrangements are secured against the pledge of marketable securities having margin ranging from 30% to 50%.

These running finance facilities carry mark-up at rates ranging from 1-month KIBOR plus 1.00% to 3-month KIBOR plus 1.75% per annum (2025: 3-month KIBOR plus 0.7% to 3-month KIBOR plus 1.75% per annum), calculated on a daily product basis and payable quarterly. The aggregate amount of these facilities that remained unutilised as at the reporting date amounted to Rs. 8,257.21 million (2025: Rs. 8,415 million).

The fair value of the Parent Company's investments in listed shares pledged as collateral against the above running finance under markup arrangement amounts to Rs. 15,501.53 million (2025: Rs. 26,638.61 million) as of year end.

31.2 AHL, subsidiary company

Running finance facilities are available from various commercial banks, under mark-up arrangements, amounting to Rs. 3,150 million (2025: Rs. 3,150 million). These facilities have various maturity dates up to March 31, 2027 (2025: May 31, 2026). These arrangements are secured against pledge of marketable securities. These running finance facilities carry mark-up ranging from 1-month KIBOR + 0.75% to 2.0% and 3-month KIBOR + 0.75% (2025: 1-month KIBOR + 0.5% to 1.0% and 3-month KIBOR + 0.75% to 1.5%), calculated on a daily product basis that is payable quarterly.

These arrangements are secured against pledge of marketable securities. These running finance facilities carry mark-up ranging from 1-month KIBOR + 0.75% to 2.0% and 3-month KIBOR + 0.75% (2025: 1-month KIBOR + 0.5% to 1.0% and 3-month KIBOR + 0.75% to 1.5%), calculated on a daily product basis that is payable quarterly. The aggregate amount of these facilities that remained unutilised as at the reporting date amounted to Rs.1,603.09 million (2025: Rs. 2,288.23 million).

	June 30, 2026		June 30, 2025	
	Number of securities	Amount (Rupees)	Number of securities	Amount (Rupees)
Client Securities	61,650,000	10,190,745,000	100,850,000	10,025,498,500
Other	-	-	10,000,000	127,400,000
Total	61,650,000	10,190,745,000	110,850,000	10,152,898,500

31.3 SEDPL, subsidiary company

SEDPL, a subsidiary company, has availed a short-term Running Musharakah (RM) facility of Rs. 1,000 million (2025: Nil) from Faysal Bank Limited (FBL), the entire amount of which remained unutilised as at the reporting date. The facility is secured against the following securities and is repayable in accordance with the terms of the RM over a period of one year:

- Ranking charge over all present and future current and fixed assets of the Company.
- Personal guarantee of Mr. Arif Habib, the sponsor of the Parent Company.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

32. CONTINGENCIES AND COMMITMENTS

32.1 Contingencies

Parent Company

32.1.1 During the year ended June 30, 2012, the Securities and Exchange Commission of Pakistan (SECP) issued an order under Section 22 of the Securities and Exchange Ordinance, 1969 ("the Ordinance") regarding non-compliance of orders passed by it under Section 18A of the Ordinance for depositing confiscated subscription money amounting to Rs. 3.14 million relating to fictitious applications received by the Parent Company for subscription of shares of Summit Bank Limited which were offered to general public by the Parent Company in 2007. On November 2, 2012, Appellate bench of the SECP dismissed the appeal filed by the Parent Company against the order. The Parent Company has filed a constitutional petition challenging the orders passed by the SECP before Honourable High Court of Sindh which has granted an interim stay. The petition is being contested and the Parent Company's management is confident that the petition will be decided in the Parent Company's favour.

32.1.2 The Parent Company is contesting along with other defendants four suits filed by M/s. Shafi Chemicals Industries Limited (the Plaintiffs) in the year 2002-2003 for damages jointly against Mr. Saleem Chamdia, Mr. Arif Habib, Mr. Aqeel Karim Dedhi, Mr. A. Ghaffar Usman Moosani, Mr. Shahid Ghaffar, the Pakistan Stock Exchange Limited (PSX), the Securities and Exchange Commission of Pakistan (SECP), the Central Depository Company of Pakistan Limited (CDC), Saleem Chamdia Securities (Private) Limited, Arif Habib Corporation Limited, Moosani Securities Limited and Aqeel Karim Dedhi Securities Limited. The suits are for recovery of damages against the decision of the PSX in respect of Risk Management System of its Clearing House during the year 2000. The Chief Executive Officer of the Parent Company was the Chairman of the Board of Directors of PSX during the year 2000. The Parent Company has been made party to the suits by the plaintiffs. Individual liability of respective parties and undertakings is not quantifiable.

The suit was dismissed due to non-prosecution on May 03, 2021, however, the suit was reopened and the case is pending with the Honourable High Court of Sindh.

The legal advisor of the Parent Company is of the opinion that there are reasonable grounds for a favourable decision. According to management, the suit is likely to be dismissed as these are not based on factual or legal basis and no financial liability is expected to accrue as a consequence of the said suits against the Parent Company. Accordingly, no provision has been recognised there against.

32.1.3 For tax related matters, refer note 43.3 to these consolidated financial statements.

AHL, subsidiary company

32.1.4 AHL has been contesting a demand of Rs. 49.988 million raised against its non-taxable services vide order issued on September 12, 2014 by the Assistant Commissioner, Sindh Revenue Board. AHL filed an appeal against the impugned order in the appropriate forums and, accordingly, a stay was granted to AHL against the impugned order. During the year 2018, the Appellate Tribunal Sindh Revenue Board remanded the case to the learned Commissioner (Appeals) for decision denovo on merits in terms of note / opinion recorded by the Member Technical. AHL's legal counsel is of the view that the AHL has a favorable case based on merit. Accordingly, the Group has not made any provision of the said amount in these consolidated financial statements.

SEDPL and BGPL, subsidiary companies

32.1.5 There are no material contingencies as on June 30, 2026 (2025: Nil)

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

32.2 Commitments

Parent Company

32.2.1 Parent Company has issued Corporate Guarantee, on behalf of a subsidiary company, namely Sachal Energy Development (Private) Limited (SEDPL), amounting to USD 100 million. The amount outstanding as at the year end amount to USD 10 million (2025: USD 20 million) to Industrial Commercial Bank of China in relation to a project financing agreement of SEDPL.

32.2.2 Parent Company has issued guarantee of Rs. 625 million (2025: Rs. 625 million) and Rs. 500 million (2025: Rs. 500 million) on behalf of Aisha Steel Mills Limited (ASML) - an associate company, to secure financing arrangement from Habib Metropolitan Bank Limited and Sindh Bank Limited, respectively. Parent Company has pledged 24.5 million (2025: 24.5 million) ordinary shares of Fatima Fertilizer Company Limited valued at Rs. 4,049.85 million (2025: Rs. 2,435.55 million) as at year end to Habib Metropolitan Bank Limited against this financing facility availed by ASML.

32.2.3 Parent Company has issued Corporate Guarantee on behalf of Power Cement Limited (PCL) - an associate company to the extent of Nil (2025: Rs. 847.68 million) issued to secure payment obligations of PCL. Parent Company has further issued guarantee of Rs. 1,000 million (2025: Nil) on behalf of PCL to secure financing arrangement from Askari Bank Limited. Parent Company has pledged 25 million (2025: Nil) shares of Javedan Corporation Limited valued at Rs. 3,680 million (2025: Nil) as at year end to Askari Bank Limited against this financing facility availed by PCL.

32.2.4 Parent Company has pledged 61.65 million shares (2025: 100.85 million shares) of Fatima Fertilizer Company Limited valued at Rs. 10,190.75 million (2025: Rs. 10,025.50 million) with various banks for running finance facilities obtained by Arif Habib Limited, a subsidiary company. The facility limit against which guarantee was provided as at reporting date was Rs. 3,450 million (2025: Rs. 3,150 million).

32.2.5 Parent Company has pledged the following shares with United Bank Limited (UBL): 40 million shares (2025: Nil) of Aisha Steel Mills Limited, valued at Rs. 525.60 million (2025: Nil); 10.50 million shares (2025: Nil) of Javedan Corporation Limited, valued at Rs. 1,545.60 million (2025: Nil); and 95 million shares (2025: Nil) of Power Cement Limited, valued at Rs. 2,187.85 million (2025: Nil), as security for two standby letters of credit (SBLs) of Rs. 927 million each issued by UBL.

These SBLs have been issued in favour of the Privatisation Commission of Pakistan in connection with the privatisation of Pakistan International Airlines Corporation Limited (PIACL) through a consortium led by Parent Company.

32.2.6 Parent Company has obtained letters of indemnity from the respective related parties against the guarantees issued (notes 32.2.1 to 32.2.5).

32.2.7 During the financial year 2020, the sponsor of Silkbank Limited (the "Sponsor"), exercised the option granted to purchase the Parent Company's entire investment in Silkbank Limited, comprising 2.56 billion shares. Accordingly, the Parent Company derecognised its investment in Silkbank Limited and set off the related deposits and margin against the investment. However, under the option agreement, the shares were to be transferred upon receipt of the requisite regulatory approvals.

On April 1, 2022, the Sponsor and a third party (the "Third Party") executed an Undertaking governing the transfer or sale of the relevant Silkbank Limited shares and related proceeds. The Parent Company's Letter of Confirmation subjected the 2.56 billion shares held by it to the Undertaking, while preserving its entitlement to sell up to 1,000 million shares to settle liabilities of the Third Party and the Sponsor toward Arif Habib Group. In 2024, the Third Party initiated proceedings to restrain the proposed amalgamation with United Bank Limited ("UBL"). Notwithstanding these proceedings, the amalgamation became effective on March 11, 2025, and the Parent Company received 15.78 million UBL shares free from the previous transfer restriction.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

During the year, based on a legal opinion obtained by the Parent Company supporting the Company's intended sale of the relevant shares, the Parent Company sold 6.15 million UBL shares, equivalent to 1,000 million Silkbank Limited shares, and applied the proceeds toward settlement of liabilities/obligations, with some surplus left over. As at the reporting date, the Parent Company holds 9.62 million UBL shares in its CDC account, residual sale proceeds, including mark-up earned thereon, as well as some dividends in a separate bank account in respect of the above arrangement. The Parent Company is not the beneficial owner of these shares and funds. Due to the continuing dispute between the Sponsor and the Third Party, the remaining shares and related funds will be dealt with upon resolution of the matter between the parties.

AHL, Subsidiary Company

32.2.8	Following commitments are outstanding	2026	Rupees	2025
	as at the year end:			
	- Outstanding settlements against marginal trading contracts	662,148,387		547,484,128
	- Outstanding settlements against sale/ purchase of securities in regular market - net	1,015,269,219		449,688,074
	- Financial guarantee given by a commercial bank on behalf of AHL	1,050,000,000		1,050,000,000

SEDPL, Subsidiary Company

32.2.9 SEDPL has entered into Service and Availability Agreement with Goldwind Pakistan (Private) Limited on July 1, 2019 for a period of three (03) years. SEDPL has signed the extension of Service and Availability Agreement with Goldwind Pakistan (Private) Limited dated July 1, 2022 for a period of five (05) years starting from July 1, 2022. The fee of USO 1,050,000 is agreed for the year 2026-27.

Associates

The Group's share of associates' contingent liability is Rs. 7,858.88 million (2025: Rs. 5,119.39 million).

32.3 Significant contracts of SEDPL

(a) Energy Purchase Agreement ("EPA")

The Company has entered into EPA on February 27, 2014 with Central Power Purchasing Agency ("CPPA-G") on behalf of ex-WAPDA Distribution Companies ("the Power Purchaser") for the sale of its entire energy for the term of EPA i.e. 20 years.

(b) Implementation Agreement ("IA")

The Company has entered into IA with GoP on August 11, 2014 to install wind turbines to generate and sell electricity up to 49.5 MW in Sindh Province, Pakistan.

(c) Facility Agreement

The Company has entered into Facility Agreement of USD 100 Million with ICBC on February 15, 2015.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

33.	REVENUE	Note	2026	2025
			Rupees	
	Revenue from sale of energy - net	33.1	6,061,312,442	6,594,025,201
	Equity Brokerage income - net	33.2	1,459,157,073	984,152,308
	Inter bank brokerage income - net	33.2	164,565,392	170,755,496
	Commodity brokerage income - net	33.2	42,013,976	39,003,422
	Advisory and consultancy fee - net	33.2	450,340,552	267,383,005
	Dividend income		356,083,107	354,324,130
	Mark-up income on loans to associates	33.3	44,377,290	104,972,550
	Mark-up income on bank deposits		369,794,169	467,386,983
	Mark-up income on margin financing		67,618,565	80,928,491
	Mark-up income on term finance certificates		95,585,582	10,522,059
	Unwinding of interest of debt instrument		150,050,322	129,151,996
	Guarantee Commission income	33.4	1,993,988	1,971,770
			9,262,892,458	9,204,577,411
33.1	Revenue from sale of energy - net			
	Regular energy		5,399,361,980	4,892,218,415
	Short fall energy		1,200,748,610	1,960,396,419
	Less: Sales tax		(724,975,337)	(653,545,955)
			5,875,135,253	6,199,068,879
	Late payment charges		186,177,189	394,956,322
			6,061,312,442	6,594,025,201
33.2	Revenue is net off sales tax amount in the following items			
	Equity brokerage revenue		220,512,983	148,952,282
	Inter bank brokerage revenue		24,684,809	25,613,324
	Advisory and consultancy fee		67,551,083	40,107,451
	Commodity brokerage income		1,273,121	5,849,953
			314,021,996	220,523,010
33.3	This represents mark-up income on loans extended by the Parent Company to related parties, namely Silk Islamic Development REIT and Aisha Steel mills Limited (2025: Aisha Steel Mills Limited, Javedan Corporation Limited and Fatima Fertilizers Company Limited).			
33.4	This pertains to guarantees issued by the Parent Company to related parties namely Aisha Steel Mills Limited and Power Cement Limited.			
34.	GAIN ON REMEASUREMENT OF INVESTMENTS - NET		2026	2025
			Rupees	
	Long term investment - at fair value through profit or loss		1,602,944,925	1,254,603,326
	Short term investments - at fair value through profit or loss		84,226,306	837,300,929
			1,687,171,231	2,091,904,255

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

35.	GAIN / (LOSS) ON REAL ESTATE PORTFOLIO - NET	Note	2026	Rupees	2025
	Gain / (loss) on investment property - net	8	210,751,312		(5,189,439)
	Gain on disposal of advance against purchase of investment property	15.3 & 15.4	334,185,114		-
			544,936,426		(5,189,439)

36. GAIN ON SALE OF SECURITIES - NET

This mainly includes gains on the disposal of units in Globe Residency REIT amounting to Rs. 985.62 million (2025: Rs. 13.60 million) and shares in The Bank of Punjab amounting to Rs. 774.31 million (2025: Rs. 253.46 million).

37.	COST OF ENERGY SALES	Note	2026	Rupees	2025
	Salaries, wages and benefits	37.1	100,725,874		93,989,689
	Operations and maintenance		313,476,322		303,546,537
	Travelling and transportation		25,681,781		25,569,932
	Land lease rent	24	1,744,543		1,744,543
	Import energy cost		20,429,216		24,356,286
	Consultancy services		4,382,521		4,224,018
	Communication		4,354,095		4,143,492
	Operational insurance		122,188,938		128,866,116
	Fee and subscription		3,039,551		2,675,487
	Security services		48,260,924		46,972,804
	Depreciation	4.3	1,317,118,751		1,308,058,830
	Water charges		8,826,014		10,506,323
	Other expenses		5,111,408		5,349,917
			1,975,339,938		1,960,003,974

37.1 This includes the Group's contribution to staff retirement benefits amounting to Rs. 6.12 million (2025: Rs. 24.98 million).

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

38.	ADMINISTRATIVE EXPENSES	Note	2026	2025
			Rupees	
	Salaries and benefits	38.1	1,649,167,618	1,277,095,995
	Royalty	38.2	320,000,000	320,000,000
	Printing and stationery		5,994,639	6,583,930
	Communication		45,860,586	38,798,317
	Rent, rates and taxes		14,937,322	5,226,625
	Utilities		15,322,758	12,265,699
	Legal and professional charges		10,600,629	17,273,575
	Central Depository Company and clearing house charges		80,438,185	61,200,150
	Entertainment		14,616,851	10,777,227
	Travel and conveyance		145,142,258	114,656,042
	Depreciation	4.3	123,182,246	69,640,812
	Amortisation of intangible assets	5	17,088	293,205
	Repairs and maintenance		95,830,961	83,511,056
	Insurance		23,625,475	22,809,681
	Fees and subscription		30,914,641	40,434,975
	Advertisement, business promotion and research		32,834,311	280,788,530
	Meeting expenses		2,485,000	2,238,630
	Auditors' remuneration	38.3	11,770,050	10,201,750
	Technical assistance / commission and advisory fee		3,607,085	13,008,812
	Man power services	38.4	19,940,886	18,962,864
	Consultancy charges	38.5	111,558,112	-
	Others		35,836,352	58,980,786
			2,793,683,053	2,464,748,661
38.1	This includes the Group's contribution to staff retirement benefits amounting to Rs. 18.13 million (2025: Rs. 18.05 million).			
38.1.1	Parent Company and AHL have set up provident fund for its employees. All investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.			
38.2	This represents payment made as reward to Mr. Kashif Mateen Ansari (Chief Executive Officer) of Sachal energy development (Private) limited of royalty for conceptual framework developed in 2009 approved by the chairman of the Board of Directors (BoD) during the year under the authority given by the BoD in the meeting held on September 15, 2021.			
38.3	Auditors' remuneration		2026	2025
			Rupees	
	Audit fee		7,938,981	6,879,800
	Interim and other services (certifications)		2,425,000	2,060,000
	Out of pocket		829,250	858,750
	Sales tax		576,819	403,200
			11,770,050	10,201,750
38.4	These represent charges paid by AHL to M/s. Arif Habib Consultancy (Private) Limited, its related party, in respect of recruitment services obtained for providing senior and highly qualified consultants to lead the Subsidiary Company's investment banking department.			
38.5	This includes consultancy charges incurred in connection with the proposed acquisition of Pakistan International Airlines Corporation Limited (PIACL) by the Parent Company led Consortium.			

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

39.	OTHER INCOME	Note	2026	2025
			Rupees	
	Financial assets			
	Profit on exposure deposit		32,221,827	17,952,341
	Exchange gain		2,349,076	-
	Mark-up on reverse repo transaction		34,007,683	49,458,454
			68,578,586	67,410,795
	Non financial assets			
	Liability no longer payable written off		200,216,000	-
	Gain on disposal of property, plant and equipment		20,000	-
	Gain on disposal of associate	39.1	2,018,459,474	19,683,535
	Others	39.2	3,802,859	3,416,214
			2,222,498,333	23,099,749
			2,291,076,919	90,510,544
39.1	During the year, the Parent Company disposed of 20,553,107 shares (2025: Nil) of Javedan Corporation Limited (JVDC), an equity-accounted associate, for cumulative sales proceeds of Rs. 3,014.11 million. The carrying amount of the proportionate interest in the equity-accounted investee disposed of was Rs. 998.17 million (2025: Nil). Consequently, the Parent Company's shareholding decreased from 39.52% to 34.13%. Notwithstanding the reduction in its shareholding, the Parent Company retained significant influence over the associate.			
39.2	This represents the account opening charges, annual fees deduction from clients , and profit distributions from PMEX.			
40.	FINANCE COSTS	Note	2026	2025
			Rupees	
	Mark-up on long term loans	40.1	376,777,106	667,028,439
	Mark-up on running finance under markup arrangement		97,504,079	547,378,135
	Mark-up on loan from sponsor		135,263,486	134,214,626
	Interest expense on lease	24 & 25	27,125,373	24,975,227
	Bank charges		15,186,450	18,484,883
	Amortisation of transaction cost	23	42,818,328	66,836,946
	Mark-up on Margin Trading System securities		3,116,913	2,704,431
			697,791,735	1,461,622,687
40.1	This relates to a long term loan obtained by SEDPL, a subsidiary company, as mentioned in note 23.1.			
41.	OTHER CHARGES	Note	2026	2025
			Rupees	
	Donations	41.1	54,071,261	38,300,500
	Provision for expected credit losses on trade debts	13.3.1	18,352,761	30,242,864
	Advance written off		-	37,000,000
	Exchange loss		-	2,250,844
	Loss on disposal of fixed / scrap assets		-	94,320
	Others		3,270,999	-
			75,695,021	107,888,528

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

- 41.1** Donations made to a single party exceeding Rs. 1 million or 10% of total donations, whichever is higher, are detailed below:

	Note	2026	2025
		Rupees	
Arts Council of Pakistan		-	30,000,000
Memon Health and Education Foundation		-	1,000,000
World Memon Organisation		1,415,000	-
Naya Nazimabad Foundation - related party	41.1.1	30,000,000	-
The Pakistan Initiative		9,831,500	-
Memon Education Monetary foundation		-	2,000,000
Millennium Trust for Education and Entrepreneurship		5,000,000	-
Eduljee Dinshaw Road Project Trust		-	1,000,000
Layton Rahmatulla Benevolent Trust		-	1,000,000
Lahore Businessmen Association for Rehabilitation of the Disabled		-	1,000,000
Saylani Welfare International Trust		-	1,000,000
		46,246,500	37,000,000

- 41.1.1** Mr. Arif Habib (CEO of the Parent Company) is also the director of Naya Nazimabad Foundation.

	2026	2025
	Rupees	
42. LEVIES		
Income tax - Final tax regime	22,218,843	21,598,963
Income tax - Tax on deemed rental income u/s 7E	-	389,000
	22,218,843	21,987,963

- 42.1** This represents final tax paid under section 5 (2025: section 5 and section 7E) of Income Tax Ordinance 2001 (the Ordinance), representing levy in terms of requirements of IFRIC 21 / IAS 37.

	Note	2026	2025
		Rupees	
43. INCOME TAX EXPENSE			
Current			
- for the year		2,417,255,226	1,452,722,195
- prior year	43.3.2.1	(73,335,151)	7,007,224
		2,343,920,075	1,459,729,419
Deferred	29.2	2,175,033,707	1,335,722,874
		4,518,953,782	2,795,452,293

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

43.1 The provision for current year tax represents tax on taxable income under the normal tax regime and final tax regime at the applicable rates, minimum tax per annum and super tax at the applicable rate as levied under the Ordinance. The Group computes current tax expense based on the generally accepted interpretation of the tax laws to ensure that sufficient provision for the purpose of taxation is available. According to the management, the tax provision made in these consolidated financial statements is sufficient.

43.2 Relationship between tax expense and accounting profit

	2026 (Effective tax rate %)	2025	2026 Rupees	2025
Profit before levies and income tax			20,837,216,391	13,955,140,210
Tax at the applicable tax rate at 29% (2025: 29%)	29%	29%	6,042,792,753	4,046,990,661
Tax effect of:				
Income subject to final tax regime	(2.14%)	(2.16%)	(446,809,360)	(449,931,011)
Income taxed as separate block of income	(2.75%)	(3.10%)	(572,190,234)	(645,743,302)
Excess of minimum tax over normal tax	0.32%	0.00%	66,333,311	-
Minimum tax at 1.25% (2025: 1.25%)	(0.01%)	(0.02%)	(2,750,791)	(3,393,149)
Prior year	(0.35%)	0.03%	(73,335,155)	7,007,244
Non-deductible expenses	(0.13%)	1.42%	(26,910,751)	295,905,046
Exempt income	(7.01%)	(4.99%)	(1,460,779,990)	(1,039,259,090)
Super tax	4.87%	2.83%	1,014,822,842	590,252,403
Levies	(0.11%)	(0.03%)	(22,218,844)	(6,376,509)
			4,518,953,781	2,795,452,293

43.3 Tax-Related Contingencies

43.3.1 Parent company

43.3.1.1 During the financial year 2021, the petition filed by the Parent Company against the imposition of super tax for rehabilitation of temporarily displaced persons under section 4B of the Ordinance for the tax years 2015 to 2019 in the Honourable High Court of Sindh was rejected vide order dated July 21, 2020. The Parent Company, in consultation with its legal and tax advisors, has filed an appeal against the decision of the Honourable High Court of Sindh in the Supreme Court of Pakistan.

Consequent to the High Court judgement, the tax authorities issued notices to the Parent Company and subsequently framed orders for the recovery of super tax for the relevant tax years. An appeal has been filed against these orders with the Commissioner Inland Revenue (Appeals) along with stay against recovery of demand based on certain contentious and factual grounds. Further, through an interim order dated November 26, 2020, the Honourable Supreme Court of Pakistan has ordered for no coercive action against the petitioners who deposit 50% of outstanding tax demand, accordingly the Parent Company had made the required deposit. During the year, following the enactment of the 27th constitutional amendment, all pending super tax cases before the High Courts and the Supreme Court were transferred to the Federal Constitutional Court (FCC). The FCC upheld the constitutional validity of sections 4B of the Ordinance. Pursuant to the FCC's decision, the tax authorities issued recovery orders for super tax. The Parent Company has discharged a substantial portion of the liability, except for super tax relating to zero-rated capital gains, in accordance with the FCC's order. Management is confident that the matter will ultimately be resolved with the tax authorities. However, an adequate provision has been maintained in these consolidated financial statements.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

43.3.1.2 The Government has levied a special tax from tax year 2022 and onwards on high earning persons. As per section 4C of the the Ordinance, among others, where income exceeds Rs. 500 million, super tax shall be charged at a rate of 10% of income calculated under section 4C of the Ordinance. The Parent Company has filed a constitutional petition against the imposition of such super tax on high earning persons including specified sectors in the Honourable Islamabad High Court and has obtained the stay order on its payment.

During the year, following the enactment of the 27th constitutional amendment, all pending super tax cases before the High Courts and the Supreme Court were transferred to the Federal Constitutional Court (FCC). The FCC upheld the constitutional validity of section 4C of the Ordinance. Pursuant to the FCC's decision, the tax authorities issued recovery orders for super tax. The Parent Company has discharged a substantial portion of the liability, except for super tax relating to zero-rated capital gains, in accordance with the FCC's order. Management is confident that the matter will ultimately be resolved with the tax authorities. However, an adequate provision has been maintained in these consolidated financial statements.

43.3.1.3 The deemed assessment for the tax year 2023 was subsequently modified by the Additional Commissioner Inland Revenue (AdCIR) by issuing amended assessment order (Order), demanding an additional tax of Rs. 77.87 million by mainly attempting to reclassify the Parent Company's normal business income to income from other sources. The Parent Company had filed appeal before the Appellate Tribunal Inland Revenue (ATIR) and the case has been remanded back. However, the remand back proceedings have not yet been initiated. The Parent Company, based on the legal advice, is confident that the ultimate outcome will be favourable and accordingly, no provision has been recorded in these consolidated financial statements.

43.3.1.4 The assessment for tax year 2014 was amended by the Commissioner Inland Revenue (CIR) through an amended assessment order whereby certain expenses were disallowed under section 67 of the Ordinance, resulting in a tax demand of Rs. 50.87 million. The Parent Company challenged the amended assessment before the Commissioner (Appeals), who decided the matter in favour of the Parent Company. Subsequently, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which upheld the findings of the Commissioner (Appeals). Thereafter, the tax department filed a reference before the Hon'ble High Court of Sindh, which remanded the matter to the ATIR for fresh adjudication. The case is currently pending before the ATIR. The Parent Company, based on legal advice, is confident that the ultimate outcome will be favourable and accordingly, no provision has been recognised.

43.3.2 AHL, subsidiary company

43.3.2.1 This includes an amount of Rs. 11.084 million relating to the reversal of provision for tax on deemed income under section 7E of the Income Tax Ordinance, 2001. The provision pertained to various prior tax years and was included in the opening balances as at July 01, 2025.

The reversal has been recognized pursuant to the final judgment of the Federal Constitutional Court of Pakistan, announced in May 2026 in C.P.L.A. No. 1442-K of 2022 and other connected petitions, whereby section 7E of the Income Tax Ordinance, 2001 was declared ultra vires the Constitution and, consequently, void ab initio and of no legal effect. The Court further held that all proceedings, actions, assessments, demands and notices initiated or taken pursuant to the said provision stand annulled, being without lawful authority and jurisdiction, and restrained the respondents from giving effect to the impugned provision in any manner whatsoever.

Accordingly, the related provision has been reversed during the year.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

44. EARNINGS PER SHARE - BASIC & DILUTED

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Parent Company by the weighted average number of ordinary shares in issue during the year. There is no dilutive effect on the basic earnings per shares.

	2026	2025
	----- Rupees -----	
Equity holders of the Parent Company	15,528,605,980	10,389,294,052
	----- Number -----	
Weighted average number of ordinary shares	4,216,967,470	4,216,967,470
	----- Rupees -----	
Earnings per share - basic & diluted	3.68	2.46

45. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

45.1 For the purpose of disclosure, employees are considered as executives whose basic salary exceeds twelve hundred thousand rupees in a financial year.

45.2 The aggregate amounts charged in these consolidated financial statements in respect of remuneration including benefits to the Chief Executive of the Parent Company, Directors and Executives of the Group are given below:

	Chief Executive		Directors		Executive employees	
	2026	2025	2026	2025	2026	2025
	----- (Rupees) -----					
Managerial remuneration	12,000,000	12,000,000	-	-	245,010,501	215,702,082
Gratuity and provident fund contribution	967,740	967,740	-	-	16,398,121	18,434,818
Commission / bonus	3,000,000	3,000,000	-	-	925,803,014	804,793,587
Other perquisites and benefits	600,000	600,000	-	-	24,270,264	23,710,590
Directors' Meeting fee	-	-	1,175,000	1,225,000	-	-
Total	16,567,740	16,567,740	1,175,000	1,225,000	1,211,481,900	1,062,641,077
Number of person(s)	1	1	7	7	59	53

45.2.1 Executives as mentioned above include Directors and Chief Executive of subsidiary companies. Besides above, group insurance and medical facilities under insurance coverage were provided to the above mentioned personnel.

45.2.2 Commission / bonus include an amount of Rs. 235.92 million (2025: Rs. 157.84 million) representing the commission to Mr. Muhammad Shahid Ali Habib, Chief Executive of AHL, subsidiary company. This amount is equivalent to 17% of the Profit after tax of AHL, calculated before accounting for the commission impact.

45.3 The Chief Executive has been provided with free use of Company's maintained vehicles in accordance with the Company's policy. The net book value of these vehicles are Rs. 5.79 million (2025: Rs. 7.23 million).

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

46. CASH GENERATED FROM OPERATIONS

	Note	2026	2025
		Rupees	
Profit before levies and income tax		20,837,216,391	13,955,140,210
Adjustments for:			
Depreciation	4.3	1,440,300,997	1,377,699,642
Amortisation of intangible assets	38	17,088	293,205
Mark-up income	33	(577,375,606)	(582,881,592)
Gain on remeasurement of long term investments	34	(1,602,944,925)	(1,254,603,326)
Gain on remeasurement of short term investments	34	(84,226,306)	(837,300,929)
Capital gain on sale of long term investment		(1,087,393,855)	-
Unwinding of interest income on debt instrument	33	(150,050,322)	(129,151,996)
Gain on disposal of associate	39	(2,018,459,474)	(19,683,535)
Share of profit of equity-accounted investees - net of tax	9.3	(9,563,614,393)	(6,843,256,104)
(Gain) / loss on real estate portfolio - net	35	(544,936,426)	5,189,439
Provision for staff retirement benefits	26	8,576,210	10,607,183
(Gain) / loss on sale of property, plant and equipment	39 & 41	(20,000)	94,320
Provision for expected credit losses on trade debts	41	18,352,761	30,242,864
Amortisation of land lease rent	37	1,744,543	1,744,543
Amortisation of transaction cost	40	42,818,328	66,836,946
Exchange (gain) / loss on foreign currency translation	39 & 41	(2,349,076)	2,250,844
Mark-up on reverse repo	39	(34,007,683)	(49,458,454)
Interest expense on lease	40	27,125,373	24,975,227
Finance cost	40	627,848,034	1,217,797,388
		(13,498,594,732)	(6,978,604,335)
		7,338,621,659	6,976,535,875
Effect on cashflow due to working capital change:			
Decrease in current assets			
Trade debts		1,075,029,397	(660,832,278)
Contract asset		(42,269,527)	(59,217,279)
Deposits and prepayments		(378,263,583)	(100,984,198)
Receivable under margin trading system		258,429	9,956,260
Receivable against trading of securities - net		665,273,724	(683,091,537)
Loans and advances		72,989,188	56,729,401
Other receivable		(304,758,326)	(282,232,096)
Short term investments		(1,592,613,634)	1,583,946,150
		(504,354,332)	(135,725,577)
Increase in current liabilities			
Trade and other payables		6,912,582,528	1,455,308,380
Payable against purchase of investment - net		-	(198,721,206)
		6,912,582,528	1,256,587,174
Cash generated from operations		13,746,849,855	8,097,397,472

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

47.	CASH AND CASH EQUIVALENTS	Note	2026	2025
				Rupees
	Cash and bank balances	19	7,539,901,338	4,208,883,734
	Short term borrowings	31	(2,789,696,044)	(1,396,611,538)
			4,750,205,294	2,812,272,196

48. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of Group's risk management framework. The Board is also responsible for developing and monitoring the Group's risk management policies. The Group has exposures to the following risks from the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

The risk management system devised by the Board comprises of a wide range of finely tuned groupwide organizational and procedural components and is capable of identifying events and developments impairing the going-concern status of the Group. The risk management system is designed to promote a balanced approach to risks at all organizational levels, identify and analyse the opportunities and risks at an early stage, their measurement and the use of suitable instruments to manage and monitor risks.

48.1 Credit risk

Credit risk is the risk of the financial loss that would be recognised at the reporting date if counterparties fail to meet its contractual obligations.

Credit risk management

It is the Group's policy to enter into financial contracts with reputable, diverse and creditworthy counterparties and, wherever possible or deemed necessary, obtain collaterals in accordance with internal risk management policies and investment guidelines designed for credit risk management. Management closely monitors the creditworthiness of the Group's counterparties.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly affected by the changes in economic, political or other conditions.

In order to mitigate credit risk, the Group measures loss allowances at an amount equal to lifetime Expected Credit Losses (ECLs), except for debt securities, loan to related parties, bank balances and other financial assets measured at amortised costs for which credit risk has not increased significantly since initial recognition.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Exposure to credit risk

The Group's maximum credit exposure (without taking into account collateral and other credit enhancement) at the reporting date is represented by the carrying amount of financial assets as follows:

	2026	2025
	Rupees	
Debt instrument - at fair value through` profit or loss	7,613,006,806	7,438,311,709
Debt instrument - at amortised cost	1,077,363,794	927,313,472
Trade debts	5,182,540,775	6,275,922,933
Contract asset	223,140,166	180,870,639
Deposits and prepayments	682,091,400	314,631,278
Accrued mark-up and other receivables	1,864,126,232	1,488,824,124
Receivable under margin trading system	2,416,579	2,675,008
Receivable against trading of securities - net	17,817,813	683,091,537
Long term loan to related party	280,000,000	140,000,000
Loans and advances	9,640,973	2,822,095
Long term deposits and other receivables	4,703,590	4,543,690
Cash and bank balances	7,538,624,669	4,207,609,515
	24,495,472,797	21,666,616,000

The Group does not take into consideration the value of collateral while testing financial assets for impairment. The Group considers the creditworthiness of counterparties as part of its risk management and utilize collateral under force majeure in extremely difficult situation where recovery appears to be unlikely.

Trade debts

The maximum exposure to credit risk for trade debts at the reporting date by geographic region were as follows:

	2026	2025
	Rupees	
Domestic (Pakistan)	5,182,540,775	6,275,922,933

At 30 June, the age analysis of trade debts was as follows:

	2026		2025	
	Gross	Impairment loss	Gross	Impairment loss
	(Rupees)			
Neither past due nor impaired	1,999,464,376	(6,253,392)	2,103,641,046	-
Past due 1 - 30 days	300,458,034	(1,239,542)	772,966,751	(5,544,613)
Past due 31 - 180 days	93,087,281	(11,538,407)	773,916,878	(17,634,270)
More than 180 days	3,748,759,088	(940,196,663)	3,566,273,501	(917,696,360)
	6,141,768,779	(959,228,004)	7,216,798,176	(940,875,243)

Based on the historical expenses and the assessment of the credit worthiness of the debtors, the Group management is of the view that no provision in addition to the above impairment loss, as recorded, needs to be so recorded. Apart from the above past due balances, none of the other financial assets are past due / overdue.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Credit ratings of the bank balances

As at June 30, 2026 the Group has placed funds with banks having good credit ratings. The credit ratings to respective banks have been assigned by independent credit rating agencies. At reporting date credit ratings of respective banks were as follows:

	Rating Agency	Long term	Short term
Allied Bank Limited	PACRA	AAA	A1+
Askari Bank Limited	PACRA	AAA	A1+
Bank Al Habib Limited	PACRA	AAA	A1+
Bank Alfalah Limited	PACRA	AAA	A1+
BankIslami Pakistan Limited	PACRA	AA-	A1
Bank of Punjab	PACRA	AAA	A1+
Bank Makramah Limited	VIS	A-	A2
Faysal Bank Limited	PACRA	AA+	A1+
Faysal Bank Limited	VIS	AA+	A1+
Habib Bank Limited	VIS	AAA	A1+
Habib Metropolitan Bank Limited	PACRA	AAA	A1+
JS Bank Limited	PACRA	AA	A1+
MCB Bank Limited	PACRA	AAA	A1+
MCB Islamic Bank Limited	PACRA	A+	A1
National Bank of Pakistan	PACRA	AAA	A1+
National Bank of Pakistan	VIS	AAA	A1+
Sindh Bank Limited	VIS	AA	A1+
Soneri Bank Limited	PACRA	AA	A1+
Standard Chartered Bank (Pakistan) Limited	VIS	AAA	A1+
The Bank of Khyber	PACRA	AA-	A1
The Bank of Khyber	VIS	AA-	A1
United Bank Limited	VIS	AAA	A1+
Al Baraka Bank (Pakistan) Limited	VIS	AA-	A1
Central Depository Company	VIS	A	A1
Dubai Islamic Bank Limited	VIS	AA	A1+
Meezan Bank Limited	VIS	AAA	A1+

Concentration of credit risk:

2026

2025

Rupees

Details of the concentration of credit risk are as follows:

Central Power Purchasing Agency	5,354,070,763	6,194,625,410
Real estate investment trust (REIT)	7,866,667,983	8,218,794,803
Banks and other financial institutions	7,801,260,287	4,258,602,751
Employees	14,344,563	7,365,785
Fertilizer company	1,077,363,794	927,313,472
Brokerage clients	1,033,928,649	1,728,753,662
PSX, NCCPL and PMX	674,820,279	310,663,586
Aviation	639,207,180	-
Other associates	512,302	486,202
Other counterparties and CDC	33,296,997	20,010,329
	24,495,472,797	21,666,616,000

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

48.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset or that such obligations will have to be settled in a manner disadvantageous to the Group. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of adequate funds through committed credit facilities. The Group finances its operations through equity, borrowings and working capital with a view of maintaining an appropriate mix between various sources of finance to minimize risk. Management aims to maintain flexibility in funding by keeping regular committed credit lines.

The following are the contractual maturities of financial liabilities, based on undiscounted cash flow basis:

	2026			
	Carrying amount	Contractual cash flows	Upto one year	More than one year
	(Rupees)			
Financial liabilities				
Long term loans	2,768,646,165	2,815,869,804	2,815,869,804	-
Land lease liability	13,997,600	32,810,000	1,360,000	31,450,000
Lease liability	126,800,287	148,998,551	96,239,577	52,758,974
Trade and other payables	11,546,070,608	11,546,070,608	11,546,070,608	-
Unclaimed dividend	61,209,484	61,209,484	61,209,484	-
Short term borrowings	2,789,696,044	2,789,696,044	2,789,696,044	-
Loan from Sponsor	-	-	-	-
Mark-up payable	159,427,230	159,427,230	159,427,230	-
	17,465,847,418	17,554,081,721	17,469,872,747	84,208,974

	2025			
	Carrying amount	Contractual cash flows	Upto one year	More than one year
	(Rupees)			
Financial liabilities				
Long term loans	5,622,327,837	5,682,000,000	2,841,000,000	2,841,000,000
Land lease liability	13,613,057	34,170,000	1,360,000	32,810,000
Lease liability	105,891,620	129,190,854	72,210,006	56,980,848
Trade and other payables	5,072,705,566	5,072,705,566	5,072,705,566	-
Unclaimed dividend	51,286,973	51,286,973	51,286,973	-
Short term borrowings	1,396,611,538	1,396,611,538	1,396,611,538	-
Loan from sponsor	3,301,707,946	3,301,707,946	-	3,301,707,946
Mark-up payable	118,058,516	118,058,516	118,058,516	-
	15,682,203,053	15,785,731,393	9,553,232,599	6,232,498,794

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

48.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Group is exposed to currency risk, interest rate risk and price risk.

a) Foreign exchange risk management

Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies. Currently, the Group's foreign exchange risk exposure is restricted to cash and bank balances which is denominated in foreign currency. The Group's management believes that the Group's exposure emanating from any fluctuations in the foreign currencies is not required to be hedged.

Transactional exposure in respect of non functional currency monetary Items

Monetary items in SEDPL, a subsidiary company, including financial assets and liabilities, denominated in currencies other than the functional currency are periodically translated to PKR equivalent, and the associated gain or loss is capitalized based on SECP's S.R.O. 986/(1)/2019. The foreign currency risk related to monetary items is managed as part of the Group's risk management strategy.

Financial assets	2026		2025	
	Rupees	US Dollars	Rupees	US Dollars
Cash in hand	11,115	40	11,341	40
Bank balances	11,141,321	40,094	11,377,254	40,094

The following significant exchange rates were applicable during the year:

	Average rates		Reporting date rate	
	2026	2025	2026	2025
US Dollars to Pakistan Rupee	280.21	279.34	277.88	283.53

Sensitivity analysis of above financial assets

A 10% strengthening / (weakening) of the Pakistan Rupee against various foreign currencies at reporting date would have (decreased) / increased the gain / loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as for 2025.

	Effect on Profit and loss	
	2026	2025
As at 30 June		
Effect in US Dollars	1,115,244	1,138,860

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Sachal Energy Development (Private) Limited (SEDPL) - subsidiary company

The potential currency exposures are discussed below:

i) Transactional exposure in respect of non functional currency monetary Items

Monetary items, including financial assets and liabilities, denominated in currencies other than the functional currency of SEDPL are periodically translated to PKR equivalent, and the associated gain or loss is capitalized based on SECP's S.R.O. 986/(1)/2019 dated September 02, 2019. The foreign currency risk related to monetary items is managed as part of the risk management strategy. SEDPL is also covered under the EPA to recover the forex loss under the tariff.

ii) Transactional exposure in respect of non functional currency expenditure and revenues

Certain operating and capital expenditure is incurred by SEDPL in currencies other than the functional currency. Certain receipts are received in currency other than the functional currency of SEDPL. These currency risks are managed as a part of overall risk management strategy. SEDPL does not enter into forward exchange contracts.

iii) Exposure to foreign currency risk

SEDPL is not exposed to currency risk due to the mechanism for indexation of tariff available to it. Had this mechanism been not available to SEDPL, then its exposure to currency risk would have been as follows based on notional amount:

	2026	2025
	Us Dollars	
Long term loan	10,000,000	20,000,000
Accrued markup	109,028	232,091
Operational and maintenance payable	442,695	693,417
Net exposure	10,551,723	20,925,508

The following significant exchange rates applied during the year:

	Average rates		Reporting date rate	
	2026	2025	2026	2025
	(Rupees)			
US Dollar	280.21	279.34	277.88	283.53

The exchange differences on foreign currency borrowings to the extent of construction are capitalized. Remaining exchange differences are also being capitalized based on SECP's S.R.O. 986/(1)/2019 dated September 02, 2019. The Company is also covered under the EPA to recover the forex loss under the tariff.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Sensitivity analysis

Had the mechanism for indexation of tariff not been available to SEDPL, then an increase of 1% in exchange rate at the reporting date would have decreased the consolidated profit or loss by the amounts shown below:

	Profit or loss	
	2026	2025
	Rupees	
US Dollar balances	29,321,128	59,330,093

A 1% decrease in exchange rate would have had an equal but opposite effect to the amount shown above.

b) Interest / mark-up rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of the interest rate exposure arises from financial assets and financial liabilities as stated below.

At the reporting date, the interest rate profile of the Group's significant interest-bearing financial instruments was as follows:

		Carrying amounts	
	Note	2026	2025
		Rupees	
Financial assets - variable rate instruments			
Receivable against reverse repo	17	132,931,506	332,714,627
Receivable against margin financing	17	475,060,438	270,374,543
Bank balances	19	6,114,892,336	3,909,209,611
Term deposit receipts	19	800,000,000	-
Short term debt securities	18.2	273,727,935	59,429,642
Financial liabilities			
Variable rate instruments			
Long term loans	23	2,785,500,000	5,682,000,000
Short term finances	31	2,789,696,044	1,396,611,538
Fixed rate instruments			
Land lease liability	24	13,997,600	13,613,057
Lease liability	25	126,800,287	76,913,467

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect the consolidated statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments

For cash flow sensitivity analysis of variable rate instruments a hypothetical change of 100 basis points in interest rates would have decreased / (increased) consolidated profit and other comprehensive income for the year by the amounts shown below.

	Profit and loss 100 bps	
	Increase	Decrease
	Rupees	
As at 30 June 2026		
Variable rate financial liabilities	(55,751,960)	55,751,960
Variable rate financial assets	77,966,122	(77,966,122)
As at 30 June 2025		
Variable rate financial liabilities	(70,786,115)	70,786,115
Variable rate financial assets	45,717,284	(45,717,284)

The above sensitivity is not necessarily indicative of the actual effect of changes in interest rate as those are based on management's best estimate of possible change of interest rate in future.

c) Price risk

Price risk represents the risk that the fair value of a financial instrument will fluctuate because of changes in the market prices (other than those arising from interest / mark-up rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all or similar financial instruments traded in the market. The Group is exposed to equity price risk since it has investments in quoted equity securities.

The carrying value of investments subject to equity price risk are, in almost all instances, based on quoted market prices as of the reporting date except for unquoted securities which are carried at fair value determined through valuation techniques. Market prices are subject to fluctuation and consequently the amount realised in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amount realised in the sale of a particular security may be affected by the relative quantity of the security being sold.

In addition to the above, the Group also has investments in unquoted securities, values of which are determined as mentioned in note 49.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Sensitivity analysis

The table below summarizes the Group's equity price risk as of June 30, 2026 and 2025 and shows the effects of a hypothetical 30% increase and a 30% decrease in market prices as at the year end. The selected hypothetical change does not reflect what could be considered to be the best or worst case scenarios. Accordingly, the sensitivity analysis prepared is not necessarily indication of the effect on Group's net assets of future movement in the level of PSX 100 index / trade rates.

Details of the financial instruments exposed to price risk are as follows:

	Note	2026	2025
			Rupees
Investments in unquoted equity shares	10	41,281,052	31,954,370
Investments in listed shares	10 & 18	2,519,675,233	3,549,865,111

	Fair value at year end	Hypothetical price change	Estimated fair value after hypothetical change in prices	Hypothetical increase / (decrease) in shareholders' equity	Hypothetical increase / (decrease) in profit / (loss) before tax
	----- Rupees -----				
June 30, 2026	2,560,956,285	30% increase	3,329,243,171	595,422,336	768,286,886
		30% decrease	1,792,669,400	(595,422,336)	(768,286,886)
June 30, 2025	3,581,819,481	30% increase	4,656,365,325	832,773,029	1,074,545,844
		30% decrease	2,507,273,637	(832,773,029)	(1,074,545,844)

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

48.4 Financial instruments by categories

The following table shows the carrying amount of financial assets and financial liabilities.

	Mandatorily at FVTPL	Designated at FVTPL	Financial assets/liabilities at amortized cost
Rupees			
June 30, 2026			
Financial assets measured at fair value			
Equity securities	2,495,771,082	65,185,203	-
Debt securities	7,339,278,871	273,727,935	-
Financial assets not measured at fair value			
Debt securities	-	-	1,077,363,794
Cash and bank balances	-	-	7,539,901,338
Trade debts	-	-	5,182,540,775
Long term deposits	-	-	34,218,553
Loans (long term and short term)	-	-	280,000,000
Accrued mark-up and other receivables	-	-	1,864,126,232
Deposits	-	-	682,091,400
	9,835,049,953	338,913,138	16,660,242,092
Financial liabilities not measured at fair value			
Long term loans	-	-	2,768,646,165
Land lease liability	-	-	13,997,600
Lease liability	-	-	126,800,287
Trade and other payables	-	-	11,546,070,608
Unclaimed dividend	-	-	61,209,484
Short term borrowings	-	-	2,789,696,044
Mark-up payable	-	-	159,427,230
	-	-	17,465,847,418
Rupees			
June 30, 2025			
Financial assets measured at fair value			
Equity securities	3,538,701,020	69,000,480	-
Debt securities	7,378,882,067	59,429,642	-
Financial assets not measured at fair value			
Debt securities	-	-	927,313,472
Cash and bank balances	-	-	4,208,883,734
Trade debts	-	-	6,275,922,933
Long term deposits	-	-	27,697,297
Loans (long term and short term)	-	-	106,039,022
Accrued mark-up and other receivables	-	-	1,488,824,124
Deposits	-	-	291,675,053
	10,917,583,087	128,430,122	13,326,355,635
Financial liabilities not measured at fair value			
Long term loans	-	-	5,622,327,837
Land lease liability	-	-	42,591,210
Lease liability	-	-	76,913,467
Trade and other payables	-	-	5,072,705,566
Unclaimed dividend	-	-	51,286,973
Short term borrowings	-	-	1,396,611,538
Loan from sponsor	-	-	3,301,707,946
Mark-up payable	-	-	118,058,516
	-	-	15,682,203,053

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

48.5 Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liability				Equity			Total
	Short term borrowings and sponsor loan used for cash management purpose including related accrued mark-up	Long term loan including related accrued mark-up	Lease liabilities against right-of-use assets	Land lease liability	Reserves	Unappropriated profit (reserve)	Non controlling interests	
	(Rupees)							
Balance as at July 01, 2025	4,750,440,994	5,688,264,843	76,913,467	42,591,210	4,027,402,665	42,170,680,587	2,800,556,060	59,556,849,826
Changes from financing cash flows								
Proceeds from loan	3,622,000,000	-	-	-	-	-	-	3,622,000,000
Repayment of loan	(6,923,707,946)	(2,847,500,000)	-	-	-	-	-	(9,771,207,946)
Lease rentals paid	-	-	(126,346,646)	(1,360,000)	-	-	-	(127,706,646)
Dividend paid	-	-	-	-	-	(4,216,967,470)	-	(4,216,967,470)
Distribution by subsidiaries to non-controlling interest	-	-	-	-	-	-	(394,581,141)	(394,581,141)
Total changes from financing activities	(3,301,707,946)	(2,847,500,000)	(126,346,646)	(1,360,000)	-	(4,216,967,470)	(394,581,141)	(10,888,463,203)
Other changes								
Interest expense	235,884,478	376,777,106	27,125,373	-	-	-	-	639,786,957
Interest paid	(158,948,564)	(412,344,308)	-	-	-	-	-	(571,292,872)
Addition to lease liability	-	-	114,351,976	-	-	-	-	114,351,976
Termination / modifications to lease liabilities	-	-	5,777,964	-	-	-	-	5,777,964
Amortisation of land lease rent	-	-	-	1,744,543	-	-	-	1,744,543
Transaction cost relating to long term loan	-	42,818,328	-	-	-	-	-	42,818,328
Impact of revaluation of foreign liability	-	(49,000,000)	-	-	-	-	-	(49,000,000)
Changes in running finance - net	1,393,084,506	-	-	-	-	-	-	1,393,084,506
Total loan related other changes	1,470,020,420	(41,748,874)	147,255,313	1,744,543	-	-	-	1,577,271,402
Total equity related other changes	-	-	-	-	(7,835,000)	16,682,862,021	767,437,786	17,442,464,807
Balance as at June 30, 2026	2,918,753,468	2,799,015,969	97,822,134	42,975,753	4,019,567,665	54,636,575,138	3,173,412,705	67,688,122,832

	Liability				Equity			Total
	Short term borrowings and sponsor loan used for cash management purpose including related accrued mark-up	Long term loan including related accrued mark-up	Lease liabilities against right-of-use assets	Land lease liability	Reserves	Unappropriated profit (reserve)	Non controlling interests	
	(Rupees)							
Balance as at July 01, 2024	2,118,233,803	8,349,262,153	105,732,306	43,581,663	4,027,402,665	34,805,458,414	2,364,303,954	51,813,974,958
Changes from financing cash flows								
Repayment of loan	-	(2,807,750,000)	-	-	-	-	-	(2,807,750,000)
Lease rentals paid	-	-	(54,441,062)	(9,280,000)	-	-	-	(63,721,062)
Dividend paid	-	-	-	-	-	(2,951,877,229)	-	(2,951,877,229)
Distribution by subsidiaries to non-controlling interest	-	-	-	-	-	-	(303,567,580)	(303,567,580)
Total changes from financing activities	-	(2,807,750,000)	(54,441,062)	(9,280,000)	-	(2,951,877,229)	(303,567,580)	(6,126,915,871)
Other changes								
Interest expense	684,297,192	667,028,439	18,430,223	6,545,004	-	-	-	1,376,300,858
Interest paid	(784,762,174)	(712,862,695)	-	-	-	-	-	(1,497,624,869)
Addition to lease liability	-	-	7,192,000	-	-	-	-	7,192,000
Amortisation of land lease rent	-	-	-	1,744,543	-	-	-	1,744,543
Transaction cost relating to long term loan	-	66,836,946	-	-	-	-	-	66,836,946
Impact of revaluation of foreign liability	-	125,750,000	-	-	-	-	-	125,750,000
Acquisition of equity interest in subsidiary	-	-	-	-	-	(52,753,471)	(8,586,216)	(61,339,687)
Changes in running finance - net	2,732,672,173	-	-	-	-	-	-	2,732,672,173
Total loan related other changes	2,632,207,191	146,752,690	25,622,223	8,289,547	-	(52,753,471)	(8,586,216)	2,751,531,964
Total equity related other changes	-	-	-	-	-	10,369,852,873	748,405,902	11,118,258,775
Balance as at June 30, 2025	4,750,440,994	5,688,264,843	76,913,467	42,591,210	4,027,402,665	42,170,680,587	2,800,556,060	59,556,849,826

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

49. FAIR VALUE MEASUREMENTS

A number of the Group's accounting policies and disclosure require the measurement of fair values, for both financial, if any and non-financial assets and financial liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group management engage independent external experts / valuers to carry out valuation of its non-financial assets (i.e. Investment Property) and financial assets where prices are not quoted or readily available in the market. Involvement of external valuers is decided upon by management. Selection criteria include market knowledge, relevant experience, reputation, independence and whether professional standards are maintained.

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 categorised 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).

Fair values of financial assets that are traded in active markets are based on quoted market prices. For all other financial instruments the Group determines fair values using valuation techniques unless the instruments do not have a market / quoted price in an active market and whose fair value cannot be reliably measured.

Valuation techniques used by the Group include discounted cash flow model for valuation of unquoted equity securities. Assumptions and inputs used in valuation techniques include risk-free rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the balance sheet date that would have been determined by market participants acting at arm's length.

Valuation models for valuing securities for which there is no active market requires significant unobservable inputs and a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued and selection of appropriate discount rates, etc.

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.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

The fair values of financial assets and liabilities, together with the carrying amounts shown in the consolidated statement of financial position, are as follows:

June 30, 2026						
	Carrying amount		Fair value			
	Mandatorily/ designated at FVTPL	Financial assets at amortized cost	Financial liabilities at amortized cost	Level 1	Level 2	Level 3
Financial assets measured at fair value	(Rupees)					
Equity securities	2,560,956,285	-	-	2,519,675,233	-	41,281,052
Debt securities	7,613,006,806	-	-	-	4,515,421,806	3,097,585,000
Financial assets not measured at fair value						
Debt Securities	-	1,077,363,794	-	-	-	-
Cash and bank balances	-	7,539,901,338	-	-	-	-
Trade debts	-	5,182,540,775	-	-	-	-
Deposits	-	682,091,400	-	-	-	-
Loans (long term and short term)	-	280,000,000	-	-	-	-
Accrued mark-up and other receivables	-	1,864,126,232	-	-	-	-
	10,173,963,091	16,626,023,539	-			
Financial liabilities not measured at fair value						
Long term loans	-	-	2,768,646,165	-	-	-
Land lease liability	-	-	13,997,600	-	-	-
Lease liability	-	-	126,800,287	-	-	-
Trade and other payables	-	-	11,546,070,608	-	-	-
Unclaimed dividend	-	-	61,209,484	-	-	-
Short term borrowings	-	-	2,789,696,044	-	-	-
Mark-up payable	-	-	159,427,230	-	-	-
	-	-	17,465,847,418			

June 30, 2025						
	Carrying amount		Fair value			
	Mandatorily/ designated at FVTPL	Financial assets at amortized cost	Financial liabilities at amortized cost	Level 1	Level 2	Level 3
Financial assets measured at fair value	(Rupees)					
Equity securities	3,607,701,500	-	-	3,575,747,130	-	31,954,370
Debt securities	7,438,311,709	-	-	1,834,845,792	2,845,723,318	2,757,742,599
Financial assets not measured at fair value						
Debt Securities	-	927,313,472	-	-	-	-
Cash and bank balances	-	4,208,883,734	-	-	-	-
Trade debts	-	6,456,793,572	-	-	-	-
Deposits	-	319,372,350	-	-	-	-
Loans (long term and short term)	-	106,039,022	-	-	-	-
Accrued mark-up and other receivables	-	1,488,824,124	-	-	-	-
	11,046,013,209	13,507,226,274	-			
Financial liabilities not measured at fair value						
Long term loans	-	-	5,622,327,837	-	-	-
Land lease liability	-	-	42,591,210	-	-	-
Lease liability	-	-	76,913,467	-	-	-
Trade and other payables	-	-	5,072,705,566	-	-	-
Unclaimed dividend	-	-	51,286,973	-	-	-
Short term borrowings	-	-	1,396,611,538	-	-	-
Mark-up payable	-	-	118,058,516	-	-	-
	-	-	12,380,495,107			

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	Unlisted debt instruments		Unlisted equity instruments	
	2026	2025	2026	2025
	Rupees			
Balance at beginning of the year	2,757,742,599	2,798,170,611	31,954,370	24,850,127
Investment acquired during the year	-	159,909,608	404,950	-
Transfer from Loan and Advances	-	2,786,293,676	-	-
Transfer from Level 3 to Level 1	(144,895,970)	-	-	-
Investment disposed during the year	(478,446,629)	-	-	-
Total gains / (loss) recognised in consolidated statement of profit or loss on remeasurement of investment	963,185,000	(2,986,631,296)	8,921,732	7,104,243
Balance at end of the year	3,097,585,000	2,757,742,599	41,281,052	31,954,370

Fair value of financial instruments not measured at fair values have not been disclosed as these are either short term in nature or repriced periodically. Accordingly, the management is of the view that the carrying amount of these instruments approximate their fair values.

- 49.1** The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the consolidated statement of financial position, as well as the significant unobservable inputs used.

Type	Date of valuation	Valuation approach and assumptions
Equity securities unquoted	June 30, 2026	AHL, the subsidiary Company has valued this investment on fair value basis using the discounted cashflow technique. The valuation model considers the present value of future cash flow of investee company, ISE Towers REIT Management Company Limited (ISE) discounted using a risk-adjusted discount rate which is taken at 15.30%. The cash flow projection include specific estimates for 5 years from the balance sheet date. The fair value is categorised in a Level 3 fair value hierarchy as it involves significant unobservable inputs, including the risk adjusted discount rates.
Term Finance Certificates (TFC)	June 30, 2026	This investment is valued using market comparison approach. The fair value is determined considering trade notes quoted by MUFAP.
Silk Islamic Development REIT (SIDR)	June 30, 2026	The Parent Company has valued this investment on fair value basis using the discounted cashflow technique, considering the progress on the project. This method considers the present value of all future proceeds from SIDR, discounted using a risk adjusted discount rate which is taken at 18.91%. The cash flow projections include specific estimates for the entire life of the project which is estimated to be 9 years from the reporting date. Further, discounting due to lack of marketability factor (DLOM) is taken on the present value of all future proceeds. The fair value is categorised in a Level 3 fair value hierarchy as it involves significant unobservable inputs, including the risk adjusted discount rates and DLOM.
Naya Nazimabad Apartment REIT (NNAR)	June 30, 2026	The Parent Company has valued this investment on fair value basis using the discounted cashflow technique, considering the progress on the project. This method considers the present value of all future proceeds from NNAR, discounted using a risk adjusted discount rate which is taken at 18.91%. The cash flow projections include specific estimates for the entire life of the project which is estimated to be 6 years from the reporting date. The fair value is categorised in a Level 3 fair value hierarchy as it involves significant unobservable inputs, including the risk adjusted discount rates. Subsequent to the year end, NNAR was listed on the Pakistan Stock Exchange at a strike price that was broadly in line with the fair value determined as at June 30, 2026.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Type	Date of valuation	Valuation approach and assumptions
Rahat Residency REIT (RRR)	June 30, 2026	The Parent Company has valued this investment on fair value basis using the discounted cashflow technique, considering the progress on the project. This method considers the present value of all future proceeds from RRR, discounted using a risk adjusted discount rate which is taken at 18.91%. The cash flow projections include specific estimates for the entire life of the project which is estimated to be 4 years from the reporting date. The fair value is categorised in a Level 3 fair value hierarchy as it involves significant unobservable inputs, including the risk adjusted discount rates.
Garden View Apartment REIT ("GVAR") [Formerly Park View Apartment REIT ("PVAR")]	June 30, 2026	The Parent Company has valued this investment on fair value basis using the assumption that the primary asset of GVAR comprises parcels of land, these parcels have undergone valuation by an independent third-party valuer as of June 30, 2026. Using the assessed fair value of land as a basis, the Parent Company has computed the proportionate fair value of its investment in GVAR. Their fair value was determined using sales comparison approach which falls under level 2 fair value hierarchy as it relies on inputs other than quoted prices for identical assets.
Gymkhana Apartment REIT ("GAR")	June 30, 2026	The Parent Company has valued this investment on fair value basis using the assumption that the primary asset of GAR comprises parcels of land, these parcels have undergone valuation by an independent third-party valuer as of June 30, 2026. Using the assessed value of land as a basis, the Parent Company has computed the proportionate fair value of its investment in GAR. Their fair value was determined using sales comparison approach which falls under level 2 fair value hierarchy as it relies on inputs other than quoted prices for identical assets.

49.2 Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements of the following together with a quantitative sensitivity analysis.

Type	Unobservable inputs	Range of inputs	Sensitivity of the inputs to fair value
Silk Islamic Development REIT (SIDR)	Risk-adjusted discount rate	17.91% - 19.91% (18.91%)	1% increase in the risk adjusted discount rate would result in decrease in fair value by Rs. 54.60 million; 1% decrease in the risk adjusted discount rate would result in increase in fair value by Rs. 58.80 million as at June 30, 2026.
Naya Nazimabad Apartment REIT (NNR)	Risk-adjusted discount rate	17.91% - 19.91% (18.91%)	1% increase in the risk adjusted discount rate would result in decrease in fair value by Rs. 61.10 million; 1% decrease in the risk adjusted discount rate would result in increase in fair value by Rs. 64.92 million as at June 30, 2026.
Rahat Residency REIT (RRR)	Risk-adjusted discount rate	17.91% - 19.91% (18.91%)	1% increase in the risk adjusted discount rate would result in decrease in fair value by Rs. 23.00 million; 1% decrease in the risk adjusted discount rate would result in increase in fair value by Rs. 24.50 million as at June 30, 2026.
Equity securities unquoted	Long term growth rate	5%	The higher the long term growth, the higher the fair value.
Level 3	Cost of equity	15%	The higher the long term return on equity, the lower the fair value.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

50. CAPITAL MANAGEMENT

50.1 The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence, sustain future development of the business, 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 Board of Directors monitors the return on capital, which the Group defines as net profit after taxation divided by total shareholders' equity. The Board of Directors also monitors the level of dividend to ordinary shareholders. There were no changes in Group's approach to capital management during the year and the Group is not subject to externally imposed capital requirements.

50.2 The Capital adequacy level of AHL as required by CDC is calculated as follows:

	2026	2025
	Rupees	
Total assets	10,901,957,802	7,177,154,031
Less: total liabilities	(8,452,585,482)	(5,251,410,303)
Less: revaluation reserves (created upon revaluation of fixed assets)	-	(7,835,000)
Capital adequacy level	2,449,372,320	1,917,908,728

While determining the value of the total assets of the TREC holder, notional value of the TRE certificate as at year ended as determined by Pakistan Stock Exchange has been considered.

51. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprises of the Group companies, directors and their close family members, major shareholders of the Group, key management personnel and staff provident fund. Transactions with related parties are carried out at rates agreed under the agreement / contract.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The Group considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, Non-executive Director and Departmental Heads to be its key management personnel. Remuneration and benefits to executives of the Group are in accordance with the terms of the employment while contribution to the provident fund is in accordance with staff service rules. Remuneration of chief executive, directors and executives (key management personnel) are disclosed in note 45.2 to these consolidated financial statements.

Transactions with related parties during the year other than those disclosed elsewhere in these consolidated financial statements are given below:

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

51.1	Name of the related party	Transactions during the year	2026 Rupees	2025
Associates				
Fatima Fertilizer Company Limited	Dividend received	1,914,001,236	2,288,001,443	
	Brokerage commission earned on sale and purchase of securities	1,275,694	13,848,293	
Safe Mix Concrete Limited	Dividend income	17,270,045	13,816,036	
Aisha Steel Mills Limited	Loan extended	500,000,000	4,650,000,000	
	Loan repaid	500,000,000	4,728,103,657	
	Markup on loan	1,315,913	68,432,941	
	Guarantee commission	1,127,175	1,126,265	
Power Cement Limited	Guarantee commission	866,813	847,680	
	Markup on loan	-	1,445,966	
Javedan Corporation Limited	Mark-up income on loan	-	7,989,044	
	Brokerage commission earned on sale and purchase of securities	57,608	276,000	
	Loan extended	-	795,400,000	
	Loan obtained	-	995,400,000	
	Dividend income	752,665,535	602,132,428	
Associates by viture of common directorship				
PIA Equity Limited	Advance for right issue	6,316,112,800	-	
Globe Residency REIT	Dividend income	213,335,402	156,331,040	
	Markup on loan	7,146,066	6,056,007	
	Loan extended	345,440,099	67,868,302	
	Advance extended	67,409,197	241,844,892	
Rahat Residency REIT	Loan extended	-	100,000,000	
	Loan recovered	100,000,000	-	
	Markup on loan	2,802,877	2,402,630	
	Dividend income	28,000,000	-	
Silk Islamic Development REIT	Loan extended	140,000,000	40,000,000	
	Markup on loan	33,112,433	18,645,309	
	Advance extended	97,722,400	-	
Signature Residency REIT	Dividend income	26,659,792	-	
Naya Nazimabad Apartment REIT	Advance extended	-	49,623,000	
Rotocast Engineering Company (Private) Limited	Payment of rent and sharing of utilities, insurance and maintenance charges	90,761,876	69,132,773	
Others				
Arif Habib Securities Limited - Employees Provident Fund	Contribution paid	3,945,635	3,976,706	
Arif Habib Limited - Provident Fund	Contribution paid	11,724,492	10,410,735	
Arif Habib Equity (Private) Limited	Brokerage Commission Earned	610,770	3,791,393	

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Name of the related party	Transactions during the year	2026	2025
		Rupees	
Key management personnel			
Mr. Arif Habib (CEO of the Parent Company)	Dividend paid	3,355,551,386	2,325,297,371
	Brokerage commission earned	2,892,604	1,247,871
	Loan obtained	3,622,000,000	7,826,200,000
	Loan repaid	6,923,707,946	5,324,492,054
	Markup on loan charged	43,542,466	140,903,288
	Advance received		
	against sale of units	4,817,020,000	-
	Proceeds against sale of investment property	1,309,191,312	-
	Proceeds against sale of advance	1,294,961,844	-
	Proceeds against sale of debt securities	505,000,000	-
Mr. Asadullah Khawaja (Director of Parent Company)	Dividend Paid	1,060,060	567,042
	Meeting fee paid	200,000	250,000
Ms. Zeba Bakhtiar (Director of Parent Company)	Dividend Paid	1,000	700
	Meeting fee paid	200,000	250,000
Mr. Khawaja Najam Ud Din Roomi (Director of Parent Company)	Dividend Paid	2,730,000	1,911,000
	Meeting fee paid	325,000	225,000
Zafar Alam (Chairman of subsidiary company)	Brokerage Commission earned	999,859	1,865,570
	Meeting fee paid	300,000	250,000
Key management personnel compensation			
Muhammad Shahid Ali (CEO of Subsidiary Company)	Brokerage commission earned	19,048,359	16,031,929
Muhammad Haroon (Director of subsidiary company)	Brokerage commission earned	-	453,611
	Meeting fee paid	-	200,000
Sharmin Shahid (Director of subsidiary company)	Brokerage commission earned	1,741,017	3,833,706
	Meeting fee paid	200,000	200,000

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Name of the related party	Transactions during the year	2026	2025
		Rupees	
Nida Ahsan (Director of subsidiary company)	Brokerage commission earned	10,921,665	6,789,232
	Meeting fee paid	-	150,000
Abdus Samad Habib (Director of Parent Company)	Dividend paid	10,060	7,042
	Meeting fee paid	200,000	250,000
	Brokerage commission earned	3,294,363	3,828,210
Kashif Habib (Director of Parent Company)	Dividend paid	352,900	247,030
	Meeting fee paid	325,000	300,000
	Brokerage commission earned	295,873	500,875
Mr. Nasim Beg (Director of Parent Company)	Dividend paid	20,780	14,546
	Meeting fee paid	200,000	250,000
	Commission paid	11,339,907	-
Mr. Muhammad Ejaz (Director of Parent Company)	Dividend paid	1,210	847
	Meeting fee paid	175,000	200,000
Mr. Kashif Mateen Ansari (Director of Subsidiary Company)	Dividend paid	226,767,455	226,767,455
	Royalty paid	320,000,000	320,000,000
Mr. Ahsan Mehnti (Director of Subsidiary Company)	Commission Paid	1,087,532	2,517,039
Aamir Hafeez (CFO of Parent Company)	Brokerage commission earned	16,302	-
Irfan Moton (Director of Subsidiary Company)	Meeting fee paid	150,000	-
Sohail Salat (Director of Subsidiary Company)	Meeting fee paid	300,000	300,000
Alamgir Sheikh (Director of Subsidiary Company)	Brokerage commission earned	41,735	-
	Meeting fee paid	300,000	-
Mr. Mohsin Madni (Ex-CFO of Parent Company and Ex-Director of Subsidiary Company)	Brokerage commission earned	-	1,407,754
Remuneration of chief executive officer, directors and key management personnel and executives			
- Salaries and other benefits		1,210,683,779	1,059,806,259
- Contribution to provident funds		9,724,560	10,089,580
- Gratuity (Provision)		7,641,301	9,312,978

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

51.2	Name of the related party	Balance as at	2026	2025
			Rupees	
	Fatima Fertilizer Company Limited	Trade payable	1,812,348	-
		Trade receivable	-	2,819,994
	Javedan Corporation Limited	Trade receivable	-	1,550,506
		Trade payable	14,724,532	-
		Payable against land consideration	-	266,545,000
	Aisha Steel Mills Limited	Markup receivable	-	722,192
		Guarantee commission receivable	281,250	274,282
	Power Cement Limited	Guarantee commission receivable	231,052	211,920
	Associates by virtue of common directorship			
	Rotocast Engineering Company (Private) Limited	Payable against monthly expense		
		Contribution	2,528,492	1,421,508
		Trade receivable	1,405	68,469
	Arif Habib Equity (Private) Limited	Trade receivable	-	63,387,271
		Trade payable	189,741,225	-
	Silk Islamic Development REIT	Long term loan	280,000,000	140,000,000
		Advance for purchase in investment property	138,321,380	40,598,980
		Markup receivable	70,759,112	37,646,679
	Globe Residency REIT (GRR)	Working capital loan	-	106,039,022
		Advance for purchase in investment property	-	1,199,849,511
		Markup receivable	-	7,511,235
	Rahat Residency REIT (RRR)	Loan	-	100,000,000
		Markup receivable	-	2,402,630
		Receivable against land consideration	176,630,000	651,630,000
	Naya Nazimabad Apartment REIT (NNR)	Advance for purchase in investment property	-	72,385,500

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

Name of the related party	Balance as at	2026	2025
		Rupees	
Others			
Arif Habib Provident Fund Trust	Employees' contribution payable	2,781,491	-
Chief executive, directors and Key management personnel			
Mr. Arif Habib (CEO of the Parent Company)	Trade receivable	-	34,643
	Mark-up payable	92,126,330	-
	Loan from sponsor	-	3,301,707,946
Mr. Zafar Alam (Chairman of subsidiary company)	Trade payable	4,102,062	292,130
Mr. Muhammad Shahid Ali (CEO of Subsidiary Company)	Trade payable	327,572,371	10,402,597
Mr. Muhammad Haroon (Ex-Director of subsidiary company)	Trade payable	-	2,557,913
Ms. Sharmin Shahid (Director of subsidiary company)	Trade receivable	3,439	11,970,058
	Trade payable	-	-
Ms. Nida Ahsan (Ex-Director of subsidiary company)	Trade receivable	4,887	606,116
	Trade payable	24,341	24,341
Mr. Ahsan Mehnti (Director of Subsidiary Company)	Commission Payable	2,719,367	1,087,532
Mr. Mohsin Madni (Ex-CFO Parent Company & Ex-Director Subsidiary Company)	Trade payable	-	3,925,501
Mr. Abdus Samad Habib (Director of Parent Company)	Trade receivable	-	7,983,025
	Trade payable	114,013	-
Mr. Kashif Habib (Director of Parent Company)	Trade receivable	-	200,244
Mr. Muhammad Sohail Salat (Director of Subsidiary Company)	Trade receivable	2,699	2,699
Aamir Hafeez (CFO of Parent Company)	Trade payable	1,771	-
Alamgir Sheikh (Director of Subsidiary Company)	Trade payable	814,242	-

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

51.3 In addition to the above, during the year, the Parent Company made payments to Arif Habib Group in connection with the settlement of liabilities and obligations arising from the arrangement referred to in note 32.2.7.

51.4 In addition to above the status of outstanding balances with related parties as at June 30, 2026 is included in the respective notes to these consolidated financial statements. These are settled in the ordinary course of business.

52. SEGMENT INFORMATION

For management purposes, the Group is organized into following major business segments:

Capital market operations	Principally engaged in trading of equity securities and maintaining strategic and trading portfolios.
Brokerage	Principally engaged in brokerage, underwriting, corporate consultancy, research and corporate finance services.
Energy Development	Principally engaged in energy development.
Others	Others includes assets of RCPL

	2026				
	Capital market operations	Brokerage	Energy Development	Others	Consolidated
	(Rupees)				
Revenue	518,777,160	2,538,013,617	6,161,471,105	44,630,576	9,262,892,458
Gain on remeasurement of investments - net	1,640,940,670	46,230,561	-	-	1,687,171,231
Gain on real estate portfolio - net	544,936,426	-	-	-	544,936,426
Gain on sale of investments - net	1,858,837,945	1,171,196,766	-	-	3,030,034,711
	4,563,492,201	3,755,440,944	6,161,471,105	44,630,576	14,525,034,826
Cost of energy sales	-	-	(1,975,339,938)	-	(1,975,339,938)
Administrative expenses	(335,562,835)	(1,973,933,568)	(443,990,127)	(40,196,523)	(2,793,683,053)
	4,227,929,366	1,781,507,376	3,742,141,040	4,434,053	9,756,011,835
Other income	199,783,868	66,229,510	2,801,208	2,022,262,333	2,291,076,919
	4,427,713,234	1,847,736,886	3,744,942,248	2,026,696,386	12,047,088,755
Finance cost and other charges	(171,988,357)	(168,171,152)	(433,276,925)	(50,322)	(773,486,756)
	4,255,724,877	1,679,565,734	3,311,665,323	2,026,646,064	11,273,601,999
Share of profit from equity accounted associates - net of tax	9,563,614,393	-	-	-	9,563,614,393
Segment results	13,819,339,270	1,679,565,734	3,311,665,323	2,026,646,064	20,837,216,391
Income tax and levies	(4,005,827,811)	(502,565,632)	(30,355,573)	(2,423,609)	(4,541,172,625)
Profit after tax	9,813,511,459	1,177,000,102	3,281,309,750	2,024,222,455	16,296,043,766

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

	2025				
	Capital market operations	Brokerage	Energy Development	Others	Consolidated
	(Rupees)				
Revenue	617,296,781	1,805,543,207	6,739,164,403	42,573,020	9,204,577,411
Gain on remeasurement of investments - net	2,083,850,188	8,054,067	-	-	2,091,904,255
Loss on real estate portfolio - net	(5,189,439)	-	-	-	(5,189,439)
Gain on sale of investments - net	633,775,730	1,090,569,455	-	-	1,724,345,185
	3,329,733,260	2,904,166,729	6,739,164,403	42,573,020	13,015,637,412
Cost of energy sales	-	-	(1,960,003,974)	-	(1,960,003,974)
Administrative expenses	(452,296,358)	(1,513,391,388)	(456,594,579)	(42,466,336)	(2,464,748,661)
	2,877,436,902	1,390,775,341	4,322,565,850	106,684	8,590,884,777
Other income	225,493	67,410,795	167,262	22,942,749	90,746,299
	2,877,662,395	1,458,186,136	4,322,733,112	23,049,433	8,681,631,076
Finance cost and other charges	(704,451,036)	(122,226,718)	(743,023,188)	(46,028)	(1,569,746,970)
	2,173,211,359	1,335,959,418	3,579,709,924	23,003,405	7,111,884,106
Share of profit from equity accounted associates - net of tax	6,843,256,104	-	-	-	6,843,256,104
Segment results	9,016,467,463	1,335,959,418	3,579,709,924	23,003,405	13,955,140,210
Income tax and levies	(2,391,468,173)	(372,119,885)	(52,882,061)	(970,137)	(2,817,440,256)
Profit after tax	6,624,999,290	963,839,533	3,526,827,863	22,033,268	11,137,699,954

	2026				
	Capital market operations	Brokerage	Energy Development	Others	Consolidated
	(Rupees)				
Other information					
Segment assets	10,909,488,662	10,836,059,276	20,866,204,211	71,765,494	42,683,517,643
Investment in equity accounted associates	49,800,152,164	-	-	-	49,800,152,164
	60,709,640,826	10,836,059,276	20,866,204,211	71,765,494	92,483,669,807
Segment liabilities	14,716,731,867	8,423,098,169	3,291,131,308	6,185,484	26,437,146,828
Capital expenditure	5,075,848	75,965,225	6,761,298	820,445	88,622,816
Depreciation and amortisation	39,605,935	72,771,529	1,326,946,643	993,978	1,440,318,085
Expenses other than depreciation and amortisation	(295,956,900)	(1,901,162,039)	(1,092,383,422)	(39,202,545)	(3,328,704,906)

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

	2025				
	Capital market operations	Brokerage	Energy Development	Others	Consolidated
	(Rupees)				
Other information					
Segment assets	15,999,188,483	7,102,460,099	22,168,711,724	37,979,626	45,308,339,932
Investment in equity accounted associates	31,315,641,617	-	-	-	31,315,641,617
	<u>47,314,830,100</u>	<u>7,102,460,099</u>	<u>22,168,711,724</u>	<u>37,979,626</u>	<u>76,623,981,549</u>
Segment liabilities	<u>11,944,870,593</u>	<u>5,185,449,520</u>	<u>6,274,279,107</u>	<u>3,775,547</u>	<u>23,408,374,767</u>
Capital expenditure	<u>2,536,746</u>	<u>54,529,640</u>	<u>3,036,969</u>	<u>984,000</u>	<u>61,087,355</u>
Depreciation and amortisation	<u>18,409,987</u>	<u>40,905,009</u>	<u>1,317,777,023</u>	<u>904,828</u>	<u>1,377,699,624</u>
Expenses other than depreciation and amortisation	<u>(433,886,371)</u>	<u>(1,472,486,379)</u>	<u>(1,099,118,753)</u>	<u>(41,561,508)</u>	<u>(3,047,053,011)</u>

Reconciliations of reportable segment revenues, profit or loss

	2026	2025
	Rupees	
Operating revenues		
Total revenue for reportable segments	13,824,496,390	13,723,458,436
Elimination of inter-segment revenue	(4,561,603,932)	(4,518,881,025)
Consolidated revenue	<u>9,262,892,458</u>	<u>9,204,577,411</u>
Profit or loss		
Total profit or loss after tax for reportable segments	48,944,703,561	28,283,701,672
Elimination of inter-segment revenue / expense	(32,648,659,795)	(17,146,001,718)
Consolidated profit after tax	<u>16,296,043,766</u>	<u>11,137,699,954</u>

52.1 CAPACITY AND PRODUCTION

	2026	2025
	Megawatt hours	
Sachal Energy Development (Private) Limited		
Annual benchmark energy	136,500	136,500
Actual energy delivered	<u>122,062</u>	<u>98,312</u>

- 52.1.1** Actual energy delivered has remained below annual benchmark energy due to monthly actual wind speed being less than the monthly benchmark wind speed as per energy purchase agreement.

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

		2026	2025
	Note	Rupees	
53. SHARIAH COMPLIANCE STATUS DISCLOSURE			
Consolidated statement of financial position			
- Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	28	-	529,770,710
- Interest or mark-up accrued on conventional loan or advance		160,351,014	115,243,532
- Long-term and short-term Shariah compliant Investments	9, 10 & 18	51,411,837,145	34,915,984,774
- Shariah-compliant bank deposits, bank balances, and TDRs	19	2,222,085,984	245,211,632
Consolidated statement of profit and loss			
- Revenue earned from Shariah compliant business segment		7,198,163,652	7,417,492,023
- Break-up of late payments or liquidated damage	33.1	186,177,189	394,956,322
- Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates	34 & 9.3	12,528,869,578	4,364,151,478
- Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs		114,435,651	137,842,923
- Exchange gain on actual currency		11,004	235,755
- Exchange gains earned using conventional derivative financial instruments		-	-
- Profit paid on Islamic mode of financing		-	-
- Total Interest earned on any conventional loan or advance		-	132,652,550
Breakup of other income excluding gain on foreign currency translation			
- Profit on exposure deposit - non shariah		32,221,827	17,952,341
- Mark-up on reverse repo transaction - non shariah		34,007,683	49,458,454
- Liability no longer payable written off - shariah		200,216,000	-
- Gain on disposal property, plant and equipment - shariah		20,000	-
- Gain on disposal of associate - shariah		2,018,459,474	19,683,535
- Others - shariah		3,802,859	3,416,214

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

53.1 Relationship with Shariah-compliant financial institutions

Islamic Banks

Names of the Parent Company and its subsidiaries shariah compliant financial institutions	Arrangement
BankIslami Pakistan Limited	Bank account
Bank Makramah Limited	Bank account
Faysal Bank Limited	Bank account Term Deposit Receipt (TDR) Running Musharaka
MCB Islamic Bank Limited	Bank account
National Bank of Pakistan	Bank account
Al Baraka Bank (Pakistan) Limited	Bank account
Dubai Islamic Bank Limited	Bank account
Meezan Bank Limited	Bank account

Takaful operators

The Group has no relationship with takaful operators.

54. NUMBER OF EMPLOYEES

Parent Company:

Number of employees as at June 30

Average number of employees

Subsidiary Company, AHL:

Number of employees as at June 30

Average number of employees

Subsidiary Company, RCPL:

Number of employees as at June 30

Average number of employees

Subsidiary Company, BGPL:

Number of employees as at June 30

Average number of employees

Subsidiary Company, SEDPL:

Number of employees as at June 30

Average number of employees

2026

2025

26	25
25	24
210	179
179	166
13	16
15	15
3	3
3	3
62	53
57	53

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2026

55. NON ADJUSTING EVENT AFTER REPORTING DATE

The Board of Directors of the Parent Company proposed a cash dividend of Rs. 1.25 (2025: Re. 1) per share amounting to Rs. 5,271.21 million (2025: Rs. 4,216.97 million) at its meeting held on September 30, 2026 for the approval of the members at the annual general meeting to be held on October 28, 2026. These consolidated financial statements for the year ended June 30, 2026 do not include the effect of the proposed final cash dividend which will be accounted in the year ending June 30, 2027.

The Board of Directors of AHL proposed a final cash dividend of Rs. 12.5 (2025: Rs. 10) per share amounting to Rs. 816.75 million (2025: Rs. 653.40 million) at its meeting held on August 21, 2026 which was approved by the members at the annual general meeting held on September 25, 2026. These consolidated financial statements for the year ended June 30, 2026 do not include the effect of the proposed final cash dividend which will be accounted in the year ending June 30, 2027.

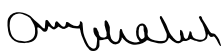
The Board of Directors of SEDPL proposed a final cash dividend of Rs. 6 (2025: Rs. 5) per share amounting to Rs. 1,920 million (2025: Rs. 1,600 million) at its meeting held on August 18, 2026 which was approved by the members at the annual general meeting held on September 15, 2026. These consolidated financial statements for the year ended June 30, 2026 do not include the effect of the proposed final cash dividend which will be accounted in the year ending June 30, 2027.

56. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation.

57. DATE OF AUTHORISATION FOR ISSUE

These consolidated financial statements have been authorised for issue on September 30, 2026 by the Board of Directors of the Parent Company.



Chief Executive Officer



Director



Chief Financial Officer

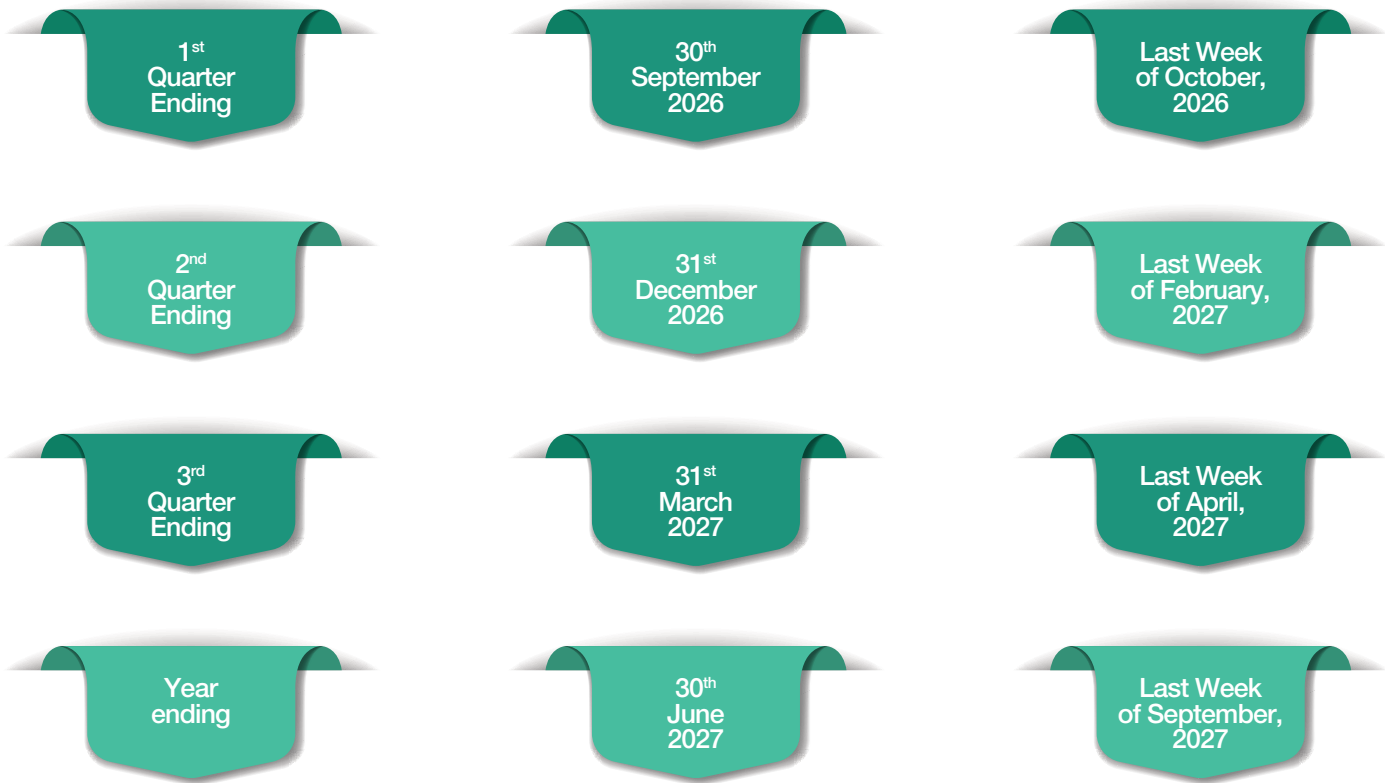
This page is intentionally blank

Corporate Calendar of Major Events

RESULTS

The Company follows the period of 1st July to 30th June as the Financial Year.

For the Financial Year ending on 30th June 2027, Financial Results will be announced as per the following tentative schedule:



ISSUANCE OF ANNUAL REPORT

21 days before AGM i.e. on or before 07th October 2026.

32nd ANNUAL GENERAL MEETING

The 32nd Annual General Meeting of the Shareholders of Arif Habib Corporation Limited (“the Company”) will be held on 28 October, 2026 at 12:00 p.m. at the PSX Auditorium, Stock Exchange Building, Stock Exchange Road, Karachi.

CASH DIVIDEND

A final Cash Dividend for the year ended 30th June 2026 at Rs. 1.25 per share i.e. 125% is recommended by the Board of Directors. Subject to the approval by members in the Annual General Meeting, the date of entitlement of cash dividend shall be day end of 20th October 2026, and the company expects to pay the final dividend on or before 11th November 2026, being the statutory limit of 10 working days from the date of General Meeting in which the dividend is approved.

Shareholders' Information

REGISTERED & CORPORATE OFFICE

Arif Habib Centre
23, M.T. Khan Road Karachi-74000
Tel: (021) 32460717-9 Fax No: (021) 32429653, 32468117
Email: info@arifhabibcorp.com Website: www.arifhabibcorp.com

SHARE REGISTRAR OFFICE

CDC Share Registrar Services Limited
CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi
Tel: (021) 111-111-500 Toll Free:0800-23275
Fax: (021) 34326053
URL: www.cdcrsl.com
Email: info@cdcrsl.com

LISTING ON STOCK EXCHANGE

The equity shares of Arif Habib Corporation Limited (AHCL / the Company) are listed on Pakistan Stock Exchange (PSX).

STOCK CODE

The stock code for dealing in equity shares of the Company at the stock exchanges is AHCL.

INVESTOR SERVICE CENTRE

AHCL share department is operated by CDC Share Registrar Services Limited. It also functions as an Investor Service Centre managed by a well-experienced team of professionals and is equipped with the necessary infrastructure in terms of computer facilities and comprehensive set of systems and procedures for conducting the Registration function. Team is headed by Mr. Abdus Samad at Registrar office and Company Secretary at AHCL Registered office. For assistance, queries, complaints and redressal of grievances, shareholders may contact either the registered office or the Share Registrar office.

CONTACT PERSONS:

Mr. Manzoor Raza
Tel: (021) 38280905
Email: manzoor.raza@arifhabibcorp.com

Mr. Nadeem Javed Ashraf
Tel: (92-21) 111-111-500 (Ext 3411)
Email: nadeem_ashraf@cdcrsl.com

STATUTORY COMPLIANCE

During the year the Company has complied with all applicable provisions, filed all returns/forms and furnished all the relevant information as required under the Companies Act, 2017 and allied laws and rules, the Securities and Exchange Commission of Pakistan (SECP) Regulations and the Listing Regulations.

BOOK CLOSURE DATES

The Share transfer books of the company will remain closed from 21st October 2026 to 28th October 2026 (both days inclusive). Transfers received in order at the office of our registrar: M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi, by the close of business on Tuesday, 20th October 2026 will be treated in time for determination of entitlement to cash dividend and to attend and vote at the AGM.

LEGAL PROCEEDINGS

No case has been filed by shareholders against the Company for non-receipt of share / dividend.

GENERAL MEETINGS & VOTING RIGHTS

Pursuant to Section 132 of the Companies Act, 2017 AHCL holds a General Meeting of Shareholders at least once a year. Every shareholder has a right to attend the General Meeting. The notice of such meeting is sent to all the shareholders at least 21 days before the meeting and also published in at least one English and one Urdu newspaper having circulation in all provinces.

PROXIES

Pursuant to Section 137 of the Companies Act, 2017 and according to the Memorandum and Articles of Association of the Company, every shareholder of the Company who is entitled to attend and vote at General Meeting of the Company can appoint another member as his/her proxy to attend and vote at the meeting.

Every notice calling a General Meeting of the Company contains a statement that shareholder entitled to attend and vote is entitled to appoint a proxy. The instrument appointing proxy, duly signed by the shareholder should be deposited at the office of the Share Registrar of the Company not less than 48 hours before the meeting.

WEB PRESENCE

The website of the company has been redesigned to give an investor friendly look. Further, the website has been updated in accordance with statutory guidelines issued by regulator from time to time. Updated information about the Company and its affiliates can be accessed at AHCL web site, www.arifhabibcorp.com.

SHAREHOLDING PATTERN

The shareholding pattern of the equity share capital of the Company as on 30th June 2026 along with categories of shareholders are given on page # 40 of this report.

Notice of Thirty Second Annual General Meeting

Notice of Thirty Second Annual General Meeting

Notice is hereby given that the Thirty Second Annual General Meeting (AGM) of the Shareholders of Arif Habib Corporation Limited (the Company) will be held on Wednesday, 28th October 2026 at 12:00 p.m. at PSX Auditorium, Stock Exchange Building, Stock Exchange Road, Karachi to transact the following business:

Ordinary Business

- 1) To confirm minutes of the Extra Ordinary General Meeting held on 10th April 2026.
- 2) To receive, consider and adopt annual audited financial statements of the Company together with the Directors' and the Auditors' Reports thereon for the year ended 30th June 2026 together with the Audited Consolidated Financial Statements of the Company and the Auditors' Reports thereon for the year ended 30th June 2026.

In accordance with Section 223 of the Companies Act, 2017, and pursuant to SRO 389(I)/2023 dated 21st March 2023, as well as the approval granted by shareholders at the AGM held on 28th October 2023, the financial statements of the Company have been uploaded to the Company's website and can be downloaded via the following weblink or QR code :

<https://www.arifhabibcorp.com/financialsnapshots.php>



- 3) To appoint the Auditors for the year ending 30th June 2027 and fix their remuneration. The Board of Directors has recommended for reappointment of M/s. A. F. Ferguson & Co., Chartered Accountants as external auditors.
- 4) To consider and approve final Cash Dividend for the year ended 30th June 2026 at 125% of the face value of Re.1/- per share i.e. Rs. 1.25, as recommended by the Board of Directors.

Special Business

- 5) To approve the following in connection with transactions with related parties :
 - i ratification and approval of related parties transactions / arrangements / agreements / balances as disclosed in audited financial statements for the year ended 30th June 2026
 - ii authorize the Board of Directors of the Company to approve those transactions with related parties (if executed) during the financial year ending 30th June 2027 or upto the next annual general meeting, which require approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017

by passing the following special resolutions with or without modification:

Resolved that, the transactions / arrangements / agreements / balances with related parties as disclosed in the audited financial statements for the year ended 30th June 2026 be and are hereby approved.

Further resolved that, the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties for the financial year ending 30th June 2027 or upto the next annual general meeting.

Further resolved that, the transactions approved by the Board shall be deemed to have been approved by the shareholders u/s 207 and / or 208 of the Companies Act, 2017 (if triggered) and shall be placed before the shareholders in the next annual general meeting for their formal ratification / approval u/s 207 and / or 208 of the Companies Act, 2017 (if required).

- 6) To consider and if deemed fit, to pass the following Special Resolutions with or without modification(s):

Investment in Associated Companies & Associated Undertakings

Resolved that, the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, for renewal of following unutilized limits of equity investment, and sanctioned limits of loans / advances / guarantees etc. in associated companies and associated undertakings, for which approval has been sought in previous general meeting(s), as mentioned in detail in the Annexure-B of statement under Section 134(3), for a period upto next annual general meeting, unless specifically approved for a longer period, and shall be renewable thereon for further period(s) as specified.

Sr.	Name of Associated Companies & Undertakings	----- Amount in million -----	
		Renewal Requested	
		Unutilized Equity Portion	Sanctioned Loan/ Advance/ Guarantee etc.
		PKR	PKR / USD
1	Javedan Corporation Limited	2,059	* PKR 4,132
2	Arif Habib Limited	500	PKR 6,500
3	Fatima Fertilizer Company Limited	2,800	PKR 2,000
4	Rotocast Engineering Company (Private) Limited	300	PKR 500
5	Arif Habib Dolmen REIT Management Limited	1,000	PKR 500
6	Aisha Steel Mills Limited	2,624	PKR 8,039 plus USD 80
7	Power Cement Limited	3,121	PKR 1,500 plus USD 49
8	Sachal Energy Development (Private) Limited	754	PKR 1,000 plus USD 100
9	Safe Mix Concrete Limited	200	PKR 250
10	PIA Equity Limited	* PKR 33,684	
11	REIT Schemes under management of Arif Habib Dolmen REIT Management Limited	* PKR 11,567	

Further resolved that, the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 that:

- * Unutilized investment limits of Rs. 500 million, Rs. 33,684 million and Rs. 11,567 million for Javedan Corporation Limited, PIA Equity Limited and the REIT Schemes under management of Arif Habib Dolmen REIT Management Limited respectively (associated companies), be and are hereby approved to be continue to be utilized in any form / nature of investment including equity, loans, advances, running finance, guarantee, indemnity, pledge of shares, etc.

Further resolved that, the Chief Executive and/or any two directors jointly and/or any one director and Chief Financial Officer / Company Secretary jointly, be and are hereby authorized to take and do, and/or cause to be taken or done, any/all necessary actions, deeds and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company's funds as above, as and when required at the time of investment, including but not limited to negotiating and executing any necessary agreements/documents, and any ancillary matters thereto.

Any Other Business

- 7) To consider any other business with the permission of the Chair.

A Statement under Section 134(3) of the Companies Act 2017 pertaining to the special businesses is being sent to the shareholders along with this notice.

By order of the Board

Manzoor Raza
Company Secretary

Karachi: 7th October 2026

Notes:

1. Share transfer books of the Company will remain closed from 21st October 2026 to 28th October 2026 (both days inclusive). Transfers received in order at the office of our registrar: M/s. CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi [AHCL's Share Registrar (CDCSRSL)], by the close of business on Tuesday, 20th October 2026 will be treated in time for the determination of entitlement of shareholders to cash dividend and to attend and vote at the AGM.
2. A member entitled to attend and vote at the meeting may appoint another member as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
3. Procedure including the guidelines as laid down in Circular No. I- Reference No. 3(5-A) Misc/ARO/LES/96 dated 26th January 2000 issued by Securities & Exchange Commission of Pakistan:
 - i. Members, proxies or nominees shall authenticate their identity by showing their original national identity card or original passport and bring their folio numbers at the time of attending the meeting.
 - ii. In the case of corporate entity, Board of Directors' resolution/power of attorney and attested copy of the CNIC or passport of the nominee shall also be produced (unless provided earlier) at the time of meeting.
 - iii. In order to be effective, the proxy forms must be received at the registered office of the Company not later than 48 hours before the meeting, duly signed and stamped and witnessed by two persons with their names, address, CNIC numbers and signatures.
 - iv. In the case of individuals, attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - v. In the case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted along with proxy form.

4. Online Participation in the Annual General Meeting

In order to maximize the member's participation, the Company is convening this AGM via video link in addition to holding physical meeting with shareholders. Accordingly, those members and participants who desire online participation in the AGM are requested to register themselves by sending an email along with following particulars and valid copy of both sides of their CNIC at corporate.affairs@arifhabibcorp.com with subject of 'Registration for AHCL AGM 2026' not less than 48 hours before the time of the meeting:

Name of Shareholder	CNIC No.	Folio No. / CDC Account No.	Cell No.	Email Address

Video Link to join the AGM will be shared with only those Members whose emails, containing all the required and correct particulars, are received at corporate.affairs@arifhabibcorp.com. The Shareholders can also provide their comments and questions for the agenda items of the AGM on this email address and WhatsApp Number 0311-2706624.

5. Provision of Video Link Facility:

If the Company receives a demand (at least 7 days before the date of meeting) from shareholder(s) holding an aggregate 10% or more shareholding residing in any other city, to participate in the meeting through video link, the Company will arrange video link facility in that city.

Shareholders, who wish to participate through video-link facility, are requested to fill in Video Link Facility Form available at Company's website and send a duly signed copy to the Registered Address of the Company. It may be noted that no person other than the member or proxy holder can attend the meeting through video link facility.

6. Vote Casting In-Person or Through Proxy

Polling booth will be established at the place of physical gathering of the AGM for voting.

7. E-Voting / Postal Ballot

Members are hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 read with Sections 143-144 of the Companies Act, 2017 and SRO 2192(1)/2022 dated 5th December 2022, members will be allowed to exercise their right to vote for the special business(es) in accordance with the conditions mentioned therein. Following options are being provided to members for voting:

i) E-Voting Procedure

- (a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on 20th October 2026.
- (b) The web address, login details and password will be communicated to members via email. The security codes will be communicated to members through SMS and email from web portal of the e-voting service provider.
- (c) Identity of the members intending to cast vote through E-Voting shall be authenticated through electronic signature or authentication for login.
- (d) E-Voting lines will start from 23rd October 2026, 9:00 a.m. and shall close on 27th October 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.

ii) Postal Ballot

- (a) Members may alternatively opt for voting through postal ballot. Ballot Paper shall also be available for download from the website of the Company at www.arifhabibcorp.com or use the same as annexed to this Notice and published in newspapers.
- (b) The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at Arif Habib Centre, 23 M. T. Khan Road, Karachi (Attention of the Company Secretary) OR through the registered email address of shareholder at chairman.generalmeeting@arifhabibcorp.com with subject of 'Postal Ballot for AHCL AGM 2026' by Tuesday, 27th October 2026 before 5:00 p.m. The signature on the ballot paper shall match with the signature on CNIC. A postal ballot received after this time / date shall not be considered for voting.
- (c) Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman shall be the deciding authority.

Note:

In accordance with the Regulation 11 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 the special business to be transacted in the meeting (Agenda # 6 pertaining to approval for Investments in associates under section 199 of the Companies Act, 2017), and to undertake other responsibilities as defined in Regulation 11A of the Regulations. Qualification & experience are mentioned on their website (www.uhy-hnco.com/) in detail.

8. Payment of Cash Dividend through Electronic Mode (Mandatory):

Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive cash dividends (if any) directly into their bank account, shareholders are requested to provide their IBAN by filling the Electronic Mode Dividend Form available at Company's website containing prescribed details and send it duly signed along with a copy of CNIC to AHCL's Share Registrar (CDCSRSL), in case of physical shares. In case of book-entry securities, respective shareholders must get their respective records including IBAN updated as per the Electronic Mode Dividend Form with their Broker/Participant/CDC account services.

In the absence of a members' valid bank account details and / or IBAN, the Company will be constrained to withhold the payment of dividend (if any) to such members in accordance with the requirements of the Companies (Distribution of Dividends) Regulations, 2017 read with Section 243(2)(a) of the Companies Act, 2017, till provision of prescribed details.

9. Withholding Tax on Dividend

Dividend income on shares is liable to deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:-

- For Filers [persons whose names are appearing in Active Taxpayers List (ATL)] : 15%
- For Non-filers [persons whose names are not appearing in ATL] : 30%

Shareholders are advised to make sure that their names (and/or the name of their joint holders) are appearing in latest ATL provided on the website of FBR, otherwise they (and/or joint holders) shall be treated as non-filers and tax on their cash dividend income (if any) will be deducted at the rate of 30% instead of 15%.

10. Withholding Tax on Dividend in Case of Joint Account Holders

In order to enable the Company to follow the directives of the regulators to determine shareholding proportion in case of Joint account, all shareholders who hold shares with Joint shareholders, are requested to provide shareholding proportions of Principal shareholder and Joint Holder(s) in respect of shares held by them to AHCL's Share Registrar (CDCSRSL), in writing, as follows:

Folio / CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC #	Shareholding Proportion (%)	Name and CNIC #	Shareholding Proportion (%)

NOTE: In the event of non-receipt of the information by 20th October 2026, each shareholder entitled to cash dividend will be assumed to have equal proportion of shareholding with respective jointholder(s) and the tax will be deducted accordingly.

11. Unclaimed dividends

Shareholders, who by any reason, could not claim their previous dividends are advised to contact AHCL's Share Registrar (CDCSRSL) to collect/enquire about their unclaimed dividend, if any. The details of the dividend declared by the Company which have remained due for more than three years are available on the Company's website.

12. Distribution of Annual Report

The audited financial statements of the Company together with the auditors' report, directors' report and the chairman's review report for the year ended 30th June 2026 (Annual Report) are available on the Company's website (www.arifhabibcorp.com) in addition to annual and quarterly financial statements of prior years. In compliance with section 223(6) of Companies Act 2017, the Company has electronically transmitted the Annual Report via email to shareholders whose email addresses are registered with AHCL's Share Registrar (CDCSRSL). For shareholders without a registered email address, printed AGM notices, along with the weblink and QR code to download the Annual Report, have been dispatched. Hard copies of the Annual Report will be provided free of cost to any shareholder upon request, delivered to their registered address within one week of receiving such a request. For the convenience of shareholders, a "Standard Request Form for provision of Annual Audited Accounts" is also available on the Company's website.

13. Prohibition on Distribution of Gifts and Shareholder Conduct :

In compliance with Section 185 of the Companies Act, 2017 and S.R.O. 452(I)/2025 issued by SECP, shareholders are hereby informed that no gifts, in any form, shall be distributed at or in connection with the general meeting. Shareholders are also advised to observe decorum and meeting etiquette as prescribed in SECP's Guidelines for Professional Conduct in General Meetings.

14. Provision of Information by Shareholders :

To comply with various statutory requirements, and to avoid any non-compliance of law or any inconvenience in future, all shareholders are hereby advised to coordinate / update their records with their respective Participant / CDC Investor Account Services / AHCL's Share Registrar (CDCSRSL) in connection with following :

- Submission of copies of their valid / updated CNIC / NTN Certificate / Zakat Declaration (Exemption) Form / Tax Exemption Certificate.
- Convert their physical shares into scrip less form, which will also facilitate the shareholders having physical shares in many ways, including safe custody, efficient trading and convenience in other corporate actions.
- Provision of mandatory registration details in terms of Section 119 of the Companies Act, 2017 and Regulation 47 of the Companies Regulations, 2024, including mobile number / landline number and email address (if available).
- Promptly notify any change in mailing address, email address and mobile number by writing to the office of AHCL's Share Registrar (CDCSRSL).

Statement under section 134(3) of the Companies Act, 2017

This statement sets out the material facts concerning the Special Business given in Agenda item No. 5 and Agenda No. 6 of the Notice to be transacted at the Annual General Meeting of the Company. Directors of the Company have no interest in the special businesses, except in their capacity as sponsor / director / shareholder.

Statement under section 134(3) of the Companies Act, 2017

ANNEXURE - A (AGENDA # 5)

Approval of transactions with related parties

In compliance with applicable laws, related party transactions are approved by the Board as recommended by the Audit Committee on a quarterly basis. As common directors may be deemed to be interested in certain related party transactions due to their directorship and / or shareholding in the associated companies / related parties, the Board, in order to promote transparency, is seeking shareholders' approval for related party transactions / arrangements / agreements / balances as disclosed in the audited financial statements for the year ended 30th June 2026.

Authorization for the Board of Directors to approve those transactions with related parties (if executed) conducted during the financial year ending 30th June 2027 and thereafter upto the next Annual General Meeting, which require approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017

The Company shall be conducting transactions with its related parties during the aforementioned period as per the approved policy with respect to 'transactions with related parties'. Being the directors of multiple companies, many or majority of the Directors may be deemed to be treated as interested in transactions with related parties due to their common directorships and/or shareholding. In order to promote good corporate governance and transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time, including transactions (if executed) triggering approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017, for the year ending 30th June 2027 and thereafter upto the next annual general meeting, which transactions shall be deemed to be approved by the Shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification (if required). The Directors are interested in the resolution to the extent of their shareholding and / or common directorships in such related parties.

ANNEXURE - B (AGENDA # 6)

Statement under Section 134(3) of the Companies Act, 2017, in compliance with Regulation 4(2) of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, for decision to make investment under the authority of a resolution passed earlier pursuant to provisions of Section 208 of the Companies Ordinance, 1984 (Repealed) / Section 199 of the Companies Act, 2017 is not implemented either fully or partially:

The Company in its previous general meetings had sought approvals under section 208 of the Companies Ordinance, 1984 (repealed) / section 199 of the Companies Act, 2017 for investments in the following Associated Companies and Associated Undertakings in which investment has not been made so far, either fully or partially. Approval of renewal of unutilized portion of equity investments and sanctioned limit of loans, advances, running finance and corporate guarantee etc. are also hereby sought for the companies / undertakings as per following details for a period upto next annual general meeting, unless specifically approved for a longer period. The investments may involve transactions with related parties, directors, or substantial shareholders of the companies / schemes. Consequently, the directors of the Company may be deemed interested in these investments to the extent and in their capacity as directors or shareholders or unitholders of the companies / schemes involved. Separate approval under Agenda # 5 is being sought from shareholders for such transactions, if executed, which would be deemed as approved by shareholders under Sections 207 and/or 208 of the Companies Act, 2017. Directors of the Company have no interest in the investee companies / schemes except in their capacity as sponsor / director / shareholder of associates. In the 26th AGM held in 2020, the already approved respective limits for long-term loans / running finance were approved to be consolidated, and accordingly the Company may utilise the consolidated limit at its discretion for extending long-term loans and / or running finance and / or advances; provided that sum of respective natures of investments so extended does not exceed the already approved investment limit in the aggregate. Provided further that the limit so utilised to the extent of extending long term loan shall be exhausted and shall not be renewable in next general meeting(s). In the 29 AGM held in 2023, the already approved unutilized limits for equity investment in various REIT Schemes under management of Arif Habib Dolmen REIT Management Limited were approved to be merged and utilized in any form / nature of investment including equity, loans, advances, running finance, guarantee, indemnity, pledge of shares etc. Provided further that the limit so utilised to the extent of making equity investment and / or extending long term loan shall be exhausted and shall not be renewable in next general meeting(s):

Any amount not specified in a particular currency is to be read and understood as PKR

1. Name of associated company / undertaking: Javedan Corporation Limited

S No.	Description	Investment in securities	INVESTMENT IN THE NATURE OF	
			FUNDED FACILITY	UNFUNDED FACILITY
a	total investment approved;	9,586,637,639	2,731,550,000	*1,400,000,000
b	amount of investment made to date;	7,527,993,473	-	900,000,000
c	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of long-term loans and / or running finance and / or advances, and availed as & when needed in the interest of the shareholders	Facility is in the nature of Guarantee / indemnity / pledge of shares etc. and availed as & when needed in the interest of the shareholders
d	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		FY2026	FY2025
i	Earnings per share		10.14	4.11
ii	Net Profit		3,863,636,000	1,564,934,000
iii	Shareholders Equity		30,239,968,000	25,381,822,000
iv	Total Assets		45,570,938,000	41,347,275,000
v	Break-up value		79.40	66.64
	Proposed renewal of limits for future investments:	Unutilised 2,058,644,167	Sanctioned 2,731,550,000	Sanctioned *1,400,000,000

*Approval of limit of Rs. 1,400 million includes a limit of Rs. 1,000 million valid for a period up to 3 years, which may be utilised in any form or nature of investment, including equity, loans, advances, running finance, guarantee, indemnity, pledge of shares, etc.

2. Name of associated company / undertaking : Arif Habib Limited

S No.	Description	Investment in securities	INVESTMENT IN THE NATURE OF	
			FUNDED FACILITY	UNFUNDED FACILITY
a	total investment approved;	3,807,676,000	2,500,000,000	4,000,000,000
b	amount of investment made to date;	3,307,630,636	-	3,700,000,000
c	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of long-term loans and / or running finance and / or advances, and availed as & when needed in the interest of the shareholders	Facility is in the nature of Guarantee / indemnity / pledge of shares etc. and availed as & when needed in the interest of the shareholders
d	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		FY2026	FY2025
i	Earnings per share		18.01	14.99
ii	Net profit		1,177,028,592	979,261,988
iii	Shareholders Equity		2,449,372,320	1,925,743,728
iv	Total Assets		10,901,957,802	7,177,154,031
v	Break-up value		37.49	29.47
	Proposals for renewal for future investments:	Unutilised 500,045,364	Sanctioned 2,500,000,000	Sanctioned 4,000,000,000

3. Name of associated company / undertaking : Fatima Fertilizer Company Limited

S No.	Description	Investment in securities	INVESTMENT IN THE NATURE OF	
			FUNDED FACILITY	UNFUNDED FACILITY
a	total investment approved;	8,349,905,302	2,000,000,000	-
b	amount of investment made to date;	5,549,942,481	-	-
c	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of long-term loans and / or running finance and / or advances, and availed as & when needed in the interest of the shareholders	-
d	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		FY2026	FY2025
i	Earnings per share		21.70	18.93
ii	Net profit		45,562,440,000	39,746,348,000
iii	Shareholders Equity		185,052,950,000	152,179,011,000
iv	Total Assets		352,819,123,000	331,345,366,000
v	Break-up value		88.12	72.47
	Proposed renewal of limits for future investments:	Unutilised 2,799,962,821	Sanctioned 2,000,000,000	Sanctioned -

4. Name of associated company / undertaking : Rotocast Engineering Company (Private) Limited

S No.	Description	Investment in securities	INVESTMENT IN THE NATURE OF	
			FUNDED FACILITY	UNFUNDED FACILITY
a	total investment approved;	300,000,000	500,000,000	-
b	amount of investment made to date;	-	-	-
c	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of long-term loans and / or running finance and / or advances, and availed as & when needed in the interest of the shareholders	-
d	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		FY2025	FY2024
i	Earnings / (loss) per share		6.35	(7.82)
ii	Net profit / (loss)		63,528,566	(78,195,194)
iii	Shareholders Equity		6,095,725,542	5,924,101,885
iv	Total Assets		6,779,008,095	6,789,317,492
v	Break-up value		609.57	592.41
	Proposed renewal of limits for future investments:	Unutilised 300,000,000	Sanctioned 500,000,000	Sanctioned -

5. Name of associated company / undertaking : Arif Habib Dolmen REIT Management Limited (AHDRML)

S No.	Description	Investment in securities	INVESTMENT IN THE NATURE OF	
			FUNDED FACILITY	UNFUNDED FACILITY
a	total investment approved;	1,000,000,000	500,000,000	-
b	amount of investment made to date;	-	-	-
c	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of long-term loans and / or running finance and / or advances, and availed as & when needed in the interest of the shareholders	-
d	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		FY2025	FY2024
i	Earnings / (loss) per share		3.38	(3.39)
ii	Net profit / (loss)		67,671,529	(67,849,551)
iii	Shareholders Equity		520,846,307	453,174,778
iv	Total Assets		1,487,293,087	1,327,045,953
v	Break-up value		26.04	22.66
	Proposed renewal of limits for future investments:	Unutilised 1,000,000,000	Sanctioned 500,000,000	Sanctioned -

6. Name of associated company / undertaking : Aisha Steel Mills Limited

S No.	Description	Investment in securities	INVESTMENT IN THE NATURE OF	
			FUNDED FACILITY	UNFUNDED FACILITY
a	total investment approved;	9,023,747,251	2,539,206,765	PKR 5,500,000,000 plus USD 80,000,000
b	amount of investment made to date;	6,400,085,811	-	PKR 1,125,000,000
c	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of long-term loans and / or running finance and / or advances, and availed as & when needed in the interest of the shareholders	Facility is in the nature of Guarantee / indemnity / pledge of shares etc. and availed as & when needed in the interest of the shareholders
d	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		FY2026	FY2025
i	Earnings / (loss) per share - basic diluted		0.99 0.97	(1.55) (1.55)
ii	Net profit / (loss)		981,149,000	(1,351,854,000)
iii	Shareholders Equity		25,828,143,000	20,616,113,000
iv	Total Assets		51,789,414,000	38,756,457,000
v	Break-up value		27.76	22.17
	Proposed renewal of limits for future investments:	Unutilised 2,623,661,440	Sanctioned 2,539,206,765	Sanctioned PKR 5,500,000,000 plus USD 80,000,000

7. Name of associated company / undertaking : Power Cement Limited

S No.	Description	Investment in securities	INVESTMENT IN THE NATURE OF	
			FUNDED FACILITY	UNFUNDED FACILITY
a	total investment approved;	8,970,805,058	1,000,000,000	PKR 500,000,000 plus *USD 49,000,000
b	amount of investment made to date;	5,849,422,112	-	PKR 1,000,000,000 i.e., USD 3,618,387 equivalent
c	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of long-term loans and / or running finance and / or advances, and availed as & when needed in the interest of the shareholders	Facility is in the nature of Guarantee / indemnity / pledge of shares etc. and availed as & when needed in the interest of the shareholders
d	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		FY2026	FY2025
i	Earnings per share - basic diluted		2.86 2.72	0.44 0.44
ii	Net profit / (loss)		3,784,470,000	814,996,000
iii	Shareholders Equity		24,014,746,000	23,529,257,000
iv	Total Assets		47,400,245,000	47,680,009,000
v	Break-up value		8.98	6.25
	Proposed renewal of limits for future investments:	Unutilised 3,121,382,946	Sanctioned 1,000,000,000	Sanctioned PKR 500,000,000 plus *USD 49,000,000

*Approval of limit of USD 49 million includes the following:
Limit of any currency equivalent to USD 38 million
Limits of PKR equivalent to USD 11 million

8. Name of associated company / undertaking : Sachal Energy Development (Private) Limited

S No.	Description	Investment in securities	LOANS & ADVANCES IN THE NATURE OF:	
			FUNDED FACILITY	UNFUNDED FACILITY
a	total investment approved;	3,500,000,000	1,000,000,000	USD 100,000,000
b	amount of investment made to date;	2,746,465,560	-	USD 10,000,000
c	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of long-term loans and / or running finance and / or advances, and availed as & when needed in the interest of the shareholders	Facility is in the nature of Guarantee / indemnity / pledge of shares etc. and availed as & when needed in the interest of the shareholders
d	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		FY2026	FY2025
i	Earnings per share		10.25	11.02
ii	Net profit		3,281,251,077	3,526,865,819
iii	Shareholders Equity		17,575,794,527	15,894,543,450
iv	Total Assets		20,865,633,687	22,168,108,852
v	Break-up value		54.92	49.67
	Proposed renewal of limits for future investments:	Unutilised 753,534,440	Sanctioned 1,000,000,000	Sanctioned USD 100,000,000

9. Name of associated company / undertaking: Safe Mix Concrete Limited

S No.	Description	Investment in securities	LOANS & ADVANCES IN THE NATURE OF:	
			RUNNING FINANCE	CORPORATE GUARANTEE
a	total investment approved;	303,861,499	250,000,000	-
b	amount of investment made to date;	103,563,499	-	-
c	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of running finance and availed as & when needed in the interest of the shareholders	-
d	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		FY2026	FY2025
i	Earnings per share		5.01	4.11
ii	Net profit		125,266,763	102,713,641
iii	Shareholders Equity		495,487,527	433,798,959
iv	Total Assets		1,332,857,453	982,637,141
v	Break-up value		19.82	17.35
	Proposed renewal of limits for future investments:	Unutilised 200,298,000	Sanctioned 250,000,000	Sanctioned -

10. Name of associated company / undertaking : PIA Equity Limited ("PIAEL")

S No.	Description	Investment in securities	LOANS & ADVANCES IN THE NATURE OF:	
			FUNDED FACILITY	UNFUNDED FACILITY
a	total investment approved;	*41,699,998,440		
b	amount of investment made to date;	*8,016,111,240	-	-
c	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of long-term loans and / or running finance and / or advances, and availed as & when needed in the interest of the shareholders	Facility is in the nature of Guarantee / indemnity / pledge of shares etc. and availed as & when needed in the interest of the shareholders
d	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :		FY2026	FY2025
i ii iii iv v	Earnings per share Net profit Shareholders Equity Total Assets Break-up value		PIAEL was incorporated on 9 th January 2026, therefore 'not applicable'.	
	Proposed renewal of limits for future investments:	Unutilised **PKR 33,683,887,200		

* This includes initial equity investment (subscription) amounting to Rs.1,699,998,440/- made in PIA Equity Limited by the Company.

** This limit can be utilised in any form or nature of investment, including equity, loans, advances, running finance, guarantee, indemnity, pledge of shares, etc.

11. Name of associated company / undertaking : REIT Schemes under management of Arif Habib Dolmen REIT Management Limited (AHDRML)

S No.	Description	Investment in securities	LOANS & ADVANCES IN THE NATURE OF:	
			FUNDED FACILITY	UNFUNDED FACILITY
a	total investment approved;	16,315,248,438		
b	amount of investment made to date;	4,747,844,752	280,000,000	-
		REIT wise detail in Annexure B-1	REIT wise detail in Annexure B-1	No corporate guarantee provided to date
c	reasons for not having made complete investment so far where resolution required it to be implemented in specified time; and	Waiting for an appropriate time in the interest of the shareholders for complete utilisation	Facility is in the nature of long-term loans and / or running finance and / or advances, and availed as & when needed in the interest of the shareholders	Facility is in the nature of Guarantee / indemnity / pledge of shares etc. and availed as & when needed in the interest of the shareholders
d	material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :	Details relating to existing REIT Schemes under management is disclosed in Annexure B-1		
	Proposed renewal of limits for future investments:	Unutilised *PKR 11,567,403,686		

*This limit can be utilised in any form or nature of investment, including equity, loans, advances, running finance, guarantee, indemnity, pledge of shares, etc.

ANNEXURE B-1

Particulars	GLOBE RESIDENCY REIT (GRR)	SILK ISLAMIC DEVELOPMENT REIT (SIDR)	NAYA NAZIMABAD APARTMENT REIT (NNAR)	PAKISTAN CORPORATE CBD REIT (PCCR)
-------------	----------------------------------	--	---	---

b) amount of investment made to date;

Investment in securities	288,496,165	600,000,000	763,750,000	None
Loans / Advance / RF	None	280,000,000	None	None

d) material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :

Current audited accounts	FY 2026	FY 2023 - FY 2026	FY 2025	FY 2025
Earnings / (loss) per unit	4.13	Audit in progress	4.14	-
Net profit / (loss)	378,181,000		1,216,650,000	(98,585,000)
Unitholders' Equity	2,069,811,000		3,520,586,000	7,955,709,000
Total Assets	6,840,011,000		13,164,454,000	8,008,019,000
Break-up value	14.78		11.98	-
Last year audited accounts	FY 2025	FY 2022	FY 2024	FY 2024
Earnings / (loss) per unit	3.85	(0.02)	(1.99)	-
Net profit / (loss)	539,225,000	(4,607,000)	(587,294,000)	16,779,000
Unitholders' Equity	1,981,630,000	2,995,393,000	2,303,936,000	7,163,273,000
Total Assets	5,618,750,000	4,104,947,000	10,694,937,000	7,198,366,000
Break-up value	14.15	9.98	7.84	-

Particulars	RAHAT RESIDENCY REIT (RRR)	Garden View Apartment REIT (Formerly PARKVIEW APARTMENT REIT)	Hill View Apartment REIT (Formerly Meezan Center REIT)	Gymkhana Apartment REIT (GAR)
-------------	----------------------------------	--	---	-------------------------------------

b) amount of investment made to date;

Investment in securities	500,000,000	1,262,136,440	None	1,200,000,000
Loans / Advance / RF	None	None	None	None

d) material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :

Current audited accounts	FY 2025	FY 2025	FY 2025	FY 2025
Earnings / (loss) per unit	1.85	(0.21)	(0.13)	8.80
Net profit / (loss)	92,660,000	(44,226,000)	(17,224,000)	1,056,079,000
Unitholders' Equity	530,602,000	2,075,407,000	1,306,557,000	2,009,762,000
Total Assets	2,829,270,000	2,312,526,000	1,334,432,000	7,166,854,000
Break-up value	10.61	9.62	10.02	16.75
Last year audited accounts	FY 2024	FY 2024	FY 2024	FY 2024
(Loss) / earnings per unit	(0.40)	(0.17)	8.21	-
Net (loss) / profit	(20,205,000)	(37,234,000)	1,069,927,000	(246,317,000)
Unitholders' Equity	437,942,000	2,119,632,000	1,323,780,000	953,683,000
Total Assets	2,422,798,000	2,314,694,000	1,515,586,000	6,298,122,000
Break-up value	8.76	9.83	10.15	-

Particulars	DOLMEN CITY REIT (DCR)	SILK WORLD ISLAMIC REIT (SWIR)	SAPPHIRE BAY ISLAMIC DEVELOPMENT REIT (SBIDR)	SIGNATURE RESIDENCY REIT (SRR)
-------------	------------------------	--------------------------------	---	--------------------------------

b) amount of investment made to date;

Investment in securities	None	None	None	133,462,147
Loans / Advance / RF	None	None	None	None

d) material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :

Current audited accounts	FY 2025	FY 2025	FY 2025	FY 2025
Earnings / (loss) per unit	3.60	(0.20)	(0.44)	3.03
Net profit / (loss)	7,991,911,000	(121,081,000)	(328,915,000)	99,835,000
Unitholders' Equity	76,511,143,000	5,261,656,000	9,700,406,000	400,785,000
Total Assets	77,460,870,000	6,090,560,000	14,016,422,000	1,364,832,000
Break-up value	34.41	8.90	10.06	12.14
Last year audited accounts	FY 2024	FY 2024	FY 2024	FY 2024
Earnings / (loss) per unit	3.66	(0.24)	1.34	(0.51)
Net profit / (loss)	8,140,055,000	(142,499,000)	287,059,000	(16,697,000)
Unitholders' Equity	73,189,002,000	5,382,737,000	7,112,876,000	300,950,000
Total Assets	74,054,969,000	6,055,030,000	9,722,681,000	1,529,741,000
Break-up value	32.91	9.11	10.61	9.12

Particulars	Taj Boulevard	DHA Dolmen Lahore REIT	Imperial Development REIT	Sky Garden REIT
-------------	---------------	------------------------	---------------------------	-----------------

b) amount of investment made to date;

Investment in securities	None	None	None	None
Loans / Advance / RF	None	None	None	None

d) material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :

Current audited accounts	FY 2026	FY 2026	FY 2026	FY 2026
Earnings / (loss) per unit	*Not applicable	*Not applicable	*Not applicable	*Not applicable
Net profit / (loss)				
Unitholders' Equity				
Total Assets				
Break-up value	*Not applicable	*Not applicable	*Not applicable	*Not applicable
Last year audited accounts				
Earnings / (loss) per unit				
Net profit / (loss)				
Unitholders' Equity				
Total Assets				
Break-up value				

Particulars	Riphah Medical City REIT	ARD Ravi Global REIT Fund	Muslim Hybrid REIT	CBD Hospitality REIT
-------------	--------------------------	---------------------------	--------------------	----------------------

b) amount of investment made to date;

Investment in securities	None	None	None	None
Loans / Advance / RF	None	None	None	None

d) material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :

Current audited accounts	FY 2026	FY 2026	FY 2026	FY 2026
Earnings / (loss) per unit	*Not applicable	*Not applicable	*Not applicable	*Not applicable
Net profit / (loss)				
Unitholders' Equity				
Total Assets				
Break-up value				
Last year audited accounts	FY 2025	FY 2025	FY 2025	FY 2025
Earnings / (loss) per unit	*Not applicable	*Not applicable	*Not applicable	*Not applicable
Net profit / (loss)				
Unitholders' Equity				
Total Assets				
Break-up value				

Particulars	Imarat Residences REIT	First ABAD REIT
-------------	------------------------	-----------------

b) amount of investment made to date;

Investment in securities	None	None
Loans / Advance / RF	None	None

d) material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company :

Current audited accounts	FY 2026	FY 2026
Earnings / (loss) per unit	*Not applicable	*Not applicable
Net profit / (loss)		
Unitholders' Equity		
Total Assets		
Break-up value		
Last year audited accounts	FY 2025	FY 2025
Earnings / (loss) per unit	*Not applicable	*Not applicable
Net profit / (loss)		
Unitholders' Equity		
Total Assets		
Break-up value		

*The required financial information is presently unavailable as the relevant projects and arrangements remain at preliminary stages of development and implementation, including execution of the respective trust deeds, completion of the requisite registration formalities, commencement of the underlying projects and transfer of the relevant properties to the respective REIT schemes. Accordingly, the projects have not yet reached a stage where the requisite financial and operational information has been generated for disclosure.

سیکریٹریل طریقوں پر عمل درآمد

جائزہ سال کے دوران کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تحت سیکریٹریل اور ادارتی ضوابط کی مکمل پاس داری کی گئی۔

ملحقہ پارٹیوں کے سودے:

لسٹنگ ریگولیشنز کی پاس داری کرتے ہوئے کمپنی نے ملحقہ پارٹیوں کے ساتھ تمام سودے آڈٹ کیٹی اور بورڈ کے روبرو ان کے جائزے اور منظوری کے لیے پیش کیے۔ ان سودوں کو آڈٹ کیٹی اور بورڈ آف ڈائریکٹرز نے اپنے متعلقہ اجلاسوں میں منظور کیا۔ ملحقہ پارٹیوں کے ساتھ سودوں کی تفصیل آڈٹ شدہ مالیاتی گوشواروں کے نوٹ نمبر 43 میں پیش کی گئی ہے۔

اعتراف

ڈائریکٹرز کمپنی کے تمام اسٹیک ہولڈرز کے مسلسل اعتماد اور سرپرستی پر ان کے شکر گزار ہیں۔ ہم اپنے کاروباری شراکت داروں، بینکاروں اور مالیاتی اداروں کے اعتماد اور بھروسے پر ان کے لیے ستائش اور تشکر ریکارڈ پر لانا چاہتے ہیں۔ ہم وزارت مالیات، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، کمپنیشن کمیشن آف پاکستان، سینٹرل ڈیپازٹری کمپنی آف پاکستان اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کے مسلسل تعاون اور رہنمائی پر ان کے شکر گزار ہیں جن کے تعاون کی وجہ سے کمپنی طویل سفر طے کر کے آج اس مقام تک پہنچی ہے۔ سال کے دوران ہم کمپنی کے ملازمین کی ان تھک محنت کا اعتراف کرتے ہیں۔ انتہائی اہم معاملات میں انتظامیہ کی تائید اور رہنمائی کے لیے آڈٹ کیٹی اور دیگر کمیٹیوں کے ممبران کے فعال کردار اور ان کی قابل قدر معاونت بھی قابل تعریف ہے۔

برائے ومنجانب بورڈ


جناب کاشف حبیب
ڈائریکٹر


جناب عارف حبیب
چیف ایگزیکٹو

کراچی: 30 ستمبر 2026

حصص داری کی ساخت:

کپنی کے حصص پاکستان اسٹاک ایکسچینج میں لسٹڈ ہیں۔ 30 جون 2026 کو کپنی کے 16,976 حصص یافتگان تھے۔ حصص داری کی تفصیلی ساخت اور کپنی کی حصص داری کی اقسام بشمول ڈائریکٹرز اور ایگزیکٹو کی ملکیت میں حصص کی تعداد، اگر کوئی ہو، تو وہ منسلک گوشوارہ نمبر III میں پیش کی گئی ہے۔

مالیاتی اور کاروباری جھلکیاں:

مالیاتی اور کاروباری اعداد و شمار اختصاری شکل میں ”گزشتہ چھ سالوں کی مالیاتی اور کاروباری جھلکیاں ایک نظر میں“ کے عنوان سے صفحہ نمبر 65 پر دیئے گئے ہیں۔

ریٹائرمنٹ فنڈز سے سرمایہ کاری:

کپنی کے تحت اسٹاف پراویڈنٹ فنڈز سے کی گئی سرمایہ کاری کی مالیت ان کے 30 جون 2026 تک کے متعلقہ آڈٹ شدہ مالیاتی گوشواروں کے مطابق 80.69 ملین روپے ہے۔

آڈٹ کمیٹی:

ادارتی نظم و ضبط کے ضابطے کے تحت آڈٹ کمیٹی نے تسلسل کے ساتھ اپنے فرائض کو بورڈ کی تعین کردہ ذمہ داریوں کے مطابق انجام دیا۔ کمیٹی کی تشکیل اور اس کی ذمہ داریوں کے نمایاں خدوخال اس رپورٹ کے ساتھ منسلک کیے گئے ہیں۔

آڈیٹرز:

موجودہ بیرونی آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس 28 اکتوبر 2026 کو منعقد ہونے والے اجلاس عام کے اختتام پر ریٹائر ہو جائیں گے اور اہلیت کے باعث انہوں نے 30 جون 2027 کو ختم ہونے والے سال کے لئے اپنی دوبارہ تقرری کی پیشکش کی ہے۔ بیرونی آڈیٹرز کو انسٹیٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (ICAP) کے کوالٹی کنٹرول ریویو پروگرام میں تسلی بخش ریٹنگ حاصل ہے۔ آڈٹ کمیٹی کی تجویز پر بورڈ نے باہمی طے شدہ معاوضہ پر میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی 30 جون 2027 کو ختم ہونے والے سال کے لئے بطور آڈیٹرز دوبارہ تقرری کی سفارش کی ہے۔ اس سلسلے میں 28 اکتوبر 2026 کو ہونے والے اجلاس عام میں حصص یافتگان سے منظوری لی جائے گی۔

ڈائریکٹرز کی معاوضہ پالیسی:

عارف حبیب کارپوریشن لمیٹڈ کے نان ایگزیکٹو ڈائریکٹرز اور آزاد ڈائریکٹرز بورڈ آف ڈائریکٹرز اور بورڈ کی کسی ذیلی کمیٹی کے اجلاس میں حاضر ہونے پر بورڈ کی وقتاً فوقتاً منظور کردہ شرح کے مطابق معاوضہ طلب کر سکتے ہیں۔

کسی ڈائریکٹر کو سونپی گئی اضافی خدمات کے عوض معاوضے کا تعین بورڈ آف ڈائریکٹرز مارکیٹ کے معیار اور کام کے دائرہ کار کے مطابق طے کرتا ہے اور اس کے لیے کمپنی کے لیے آرٹیکلز آف ایسوسی ایشن کی پاس داری کی جاتی ہے۔ معاوضے کی سطح ذمے داری اور مہارت کے مطابق اور مناسب ہوتی ہے۔ تاہم کسی بھی آزاد ڈائریکٹر کا معاوضہ اس سطح کا نہیں ہوگا جسے اس کی آزادی پر تصفیہ تصور کیا جائے۔

چیف ایگزیکٹو آفیسر بورڈ کا واحد ایگزیکٹو ڈائریکٹر ہے۔ چیف ایگزیکٹو، ڈائریکٹرز اور ایگزیکٹوز کے معاوضے کے پیکج کی تفصیلات منسلک آڈٹ شدہ انفرادی مالیاتی گوشواروں کے نوٹ نمبر 36 میں پیش کی گئی ہیں۔ نان ایگزیکٹو ڈائریکٹرز کو ادائیگی کی جانے والی میٹنگ فیس سے متعلق تفصیلات منسلک آڈٹ شدہ انفرادی مالیاتی گوشواروں کے نوٹ نمبر 36.2 میں پیش کی گئی ہیں۔

بورڈ کے اجلاس میں حاضری:

ان افراد کے نام جو مالیاتی سال کے دوران کمپنی کے ڈائریکٹر رہے، مع بورڈ اور کمیٹیوں کے اجلاسوں میں ان کی حاضری سے متعلق بیان کو گوشوارہ نمبر I-1 میں منسلک کیا گیا ہے۔

ڈائریکٹرز اور اعلیٰ عہدے داران کی کمپنی کے حصص میں خرید و فروخت:

تمام ڈائریکٹرز بشمول چیف ایگزیکٹو، چیف فنانشل آفیسر اور کمپنی کے اعلیٰ عہدے داران کو کمپنی سیکریٹری کی جانب سے مطلع کر دیا گیا تھا کہ اگر انہوں نے بذات خود یا ان کے شریک حیات نے کمپنی کے حصص میں کوئی خرید و فروخت کی ہے تو تحریری طور پر ان سودوں کی قیمت، حصص کی تعداد و قسم اور لین دین کی نوعیت کی تفصیلات سودے کے 7 دن کے اندر کمپنی سیکریٹری کو ارسال کر دیں۔

ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، کمپنی سیکریٹری اور ان کے شریک حیات اور کم عمر فیملی ممبران کی کمپنی کے حصص میں لین دین سے متعلق بیان کو گوشوارہ نمبر II-1 میں منسلک کیا گیا ہے۔ گوشوارہ نمبر II-2 میں دیئے گئے منکشفات کے علاوہ کسی بھی ایسے ملازم جس کی بنیادی سالانہ تنخواہ 3,600,000 روپے سے زیادہ ہو، اس نے کمپنی کے حصص میں کوئی لین دین نہیں کی۔ سالانہ رپورٹوں میں حصص کی خرید و فروخت منکشف کیے جانے کے لیے تنخواہ کی اس سطح کو کمپنی کے بورڈ نے طے کیا ہے۔

بورڈ/کمیٹیوں کی تشکیل:

کل آٹھ ڈائریکٹرز میں سے سات ڈائریکٹرز مرد ہیں جبکہ ایک ڈائریکٹر خاتون ہیں۔ موجودہ بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی تشکیل مندرجہ ذیل ہے:

بورڈ آف ڈائریکٹرز	قسم	آڈٹ کمیٹی	انسانی وسائل اور معاوضہ کمیٹی	سرمایہ کاری اور خطرات سے نمٹنے کی کمیٹی	نامزدگی کمیٹی
خواجہ نجم الدین رومی	آزاد	چیئرمین	-	-	-
محترمہ زیبا بختیار	آزاد	-	چیئر پرسن	-	-
جناب اسد اللہ خواجہ (چیئرمین)	نان ایگزیکٹیو	-	-	-	-
جناب نسیم بیگ	نان ایگزیکٹیو	-	ممبر	ممبر	-
جناب عبدالصمد حبیب	نان ایگزیکٹیو	-	-	ممبر	ممبر
جناب کاشف حبیب	نان ایگزیکٹیو	ممبر	ممبر	ممبر	-
جناب محمد اعجاز	نان ایگزیکٹیو	ممبر	-	-	-
جناب عارف حبیب (چیف ایگزیکٹیو)	ایگزیکٹیو	-	ممبر	چیئرمین	چیئرمین

بورڈ نے سسٹین ایبلٹی کمیٹی کے فرائض موجودہ ہیومن ریسورس اینڈ ریسورسز کمیشن کمیٹی کو تفویض کر دیے ہیں۔

بورڈ کی تشکیل میں تبدیلیاں اور ڈائریکٹرز کا انتخاب:

کپنیز ایکٹ، 2017 کی دفعہ 161 کے مطابق، 22 ستمبر 2025 کو ہونے والے غیر معمولی اجلاس عام میں منتخب ہونے والے آٹھ ڈائریکٹرز کی تین سالہ مدت ستمبر 2028 میں مکمل ہوگئی۔ 30 جون 2026 کو ختم ہونے والے مالی سال کے دوران بورڈ میں کوئی عارضی خالی آسامی نہیں آئی۔

AHCL، جو پاکستان اسٹاک ایکسچینج پر درج کمپنی ہے، کارپوریٹ گورننس کے اعلیٰ ترین معیارات پر کاربند ہے۔ بورڈ اور انتظامیہ فہرست شدہ کمپنیوں کے لیے مقرر کردہ کارپوریٹ گورننس کوڈ پر مکمل توجہ اور ذمہ داری کے ساتھ عمل کرتے ہیں، تاکہ اپنی ذمہ داریاں شفافیت، جوابدہی اور انصاف کے ساتھ ادا کی جاسکیں۔

بورڈ اس بات کی توثیق کرتا ہے کہ کمپنی کی باقاعدہ اکاؤنٹس کی کتب برقرار رکھی گئی ہیں اور مناسب اکاؤنٹنگ پالیسیز کو مستقل طور پر اپنایا گیا ہے، سوائے اُن جگہوں کے جہاں نئے یا ترمیم شدہ معیارات اس کے برعکس تقاضا کرتے ہیں (جیسا کہ آڈٹ شدہ مالی بیانات کے نوٹ نمبر 2.5 میں ظاہر کیا گیا ہے)۔ مالی بیانات بین الاقوامی مالیاتی رپورٹنگ معیارات (جیسا کہ پاکستان میں قابل اطلاق ہیں) کے مطابق تیار کیے گئے ہیں، جن میں محتاط فیصلہ سازی اور معقول تخمینے استعمال کیے گئے ہیں، اور یہ کمپنی کی مالی حیثیت، کارکردگی، کیش فلو اور ایکویٹی میں تبدیلیوں کی درست اور منصفانہ عکاسی کرتے ہیں۔ اندرونی کنٹرولز، بشمول مالی کنٹرولز، بہتر طریقے سے ڈیزائن کیے گئے ہیں، مؤثر انداز میں نافذ کیے گئے ہیں اور باقاعدگی سے مانیٹر کیے جاتے ہیں۔ کمپنی پریکٹسز، ڈیویژنل، لیویز یا ملازمین کے ریٹائرمنٹ بینیفٹس کے حوالے سے کوئی واجبات باقی نہیں ہیں۔

AHCL اپنی سرمایہ کاری میں حصے داری کی بنیاد پر اسٹریٹجک انویسٹمنٹس کی کمپنیوں کے بورڈز میں ڈائریکٹرز نامزد کرتا ہے۔ جہاں قابل اطلاق ہو، نامزد افراد اور نمائندگان سرمایہ کاری والی کمپنیوں کے مینجمنٹ کے ساتھ بزنس پلانز اور بجٹ پر فعال طور پر مشاورت کرتے ہیں، اور کارکردگی طے شدہ اہداف کے مطابق جانچی جاتی ہے۔ پیش رفت کا باقاعدہ جائزہ لیا جاتا ہے تاکہ یہ یقینی بنایا جاسکے کہ گروپ کے اسٹریٹجک مقاصد کے ساتھ ہم آہنگی برقرار رہے۔

بورڈ کمپنی کی ایک چلتی کاروباری حیثیت (Going Concern) کے طور پر جاری رہنے کی مکمل صلاحیت پر اپنے بھرپور اعتماد کا اعادہ کرتا ہے۔ کارپوریٹ گورننس کی بہترین روایات سے کوئی اہم انحراف پیش نہیں آیا۔ اے ایچ سی ایل نے ہمیشہ گورننس میں اعلیٰ معیار قائم کرنے کی کوشش کی ہے، جن میں سے کئی اقدامات اس وقت بھی رضا کارانہ طور پر اختیار کیے گئے جب وہ ریگولیٹری تقاضے بھی نہیں بنے تھے۔

مادیت کے لائحہ عمل کا نفاذ:

بورڈ آف ڈائریکٹرز کمپنی کے تمام مادی / اہمیت کے حامل معاملات کی کڑی نگرانی کرتا ہے۔ عام طور پر ان تمام معاملات کو مادی سمجھا جاتا ہے جو پالیسی کے مطابق کمپنی کی کارکردگی اور منافع کو نمایاں طور پر متاثر کر سکتے ہوں خواہ وہ انفرادی معاملات ہوں یا اجتماعی معاملات۔

کارپوریٹ سماجی ذمہ داری اور ماحولیاتی، سماجی اور گورننس:

آغاز سے ہی عارف حبیب گروپ کا یقین رہا ہے کہ کاروبار کو منافع سے بڑھ کر ایک مقصد کی خدمت کرنی چاہیے۔ ذمہ دار اور پائیدار ترقی ہماری بنیادی سوچ کا مرکز رہی ہے، جو ہمیں ان کمیونٹیز اور ماحول کے ساتھ دیکھ بھال، ذمہ داری اور حساسیت کے ساتھ پیش آنے کی رہنمائی کرتی ہے جن سے ہمارا تعلق پڑتا ہے۔

ہمارے CSR پروگرام تعلیم، صحت، ماحولیات، کمیونٹی ویلفیئر، کھیلوں اور فلاحی کاموں جیسے شعبوں میں با معنی تعاون فراہم کرتے ہیں۔ ایسے شعبے جہاں ہم حقیقی اور دیر پا اثرات پیدا کر سکتے ہیں۔ ہم اپنے ملازمین اور اسٹیک ہولڈرز کی فلاح و بہبود کو بھی مرکز میں رکھتے ہیں، تاکہ ان کی حفاظت، ترقی اور خوشحالی کو یقینی بنایا جاسکے۔

ہماری اقدار کے مطابق، ہم نے اپنے کاروبار میں ESG اصولوں کو شامل کیا ہے تاکہ یہ یقینی بنایا جاسکے کہ پائیداری اور حکمرانی ترقی کے ساتھ ساتھ چلیں۔ توانائی کی کارکردگی، بچت اور ذمہ دارانہ بجلی کا استعمال ہماری روزمرہ کی سرگرمیوں کا لازمی حصہ ہیں، جبکہ ہم وسائل کے استعمال اور ماحولیاتی اثرات کو کم کرنے والی قابل تجدید توانائی اور تحقیق میں مواقع کو فعال طور پر اپناتے ہیں۔

شفافیت اور جوابدہی ہماری گورننس پالیسیوں کی بنیاد ہیں، کیونکہ ہم مسلسل قومی معیشت کے حوالے سے اپنی ذمہ داریوں کو پورا کرتے ہیں اور کارپوریٹ طرز عمل کے اعلیٰ ترین معیارات کو برقرار رکھتے ہیں۔

آئندہ کے لیے، ہم پاکستان کی ترقی کی کہانی کو مزید مضبوط کرنے کے لیے اپنے لوگوں، معیشت اور ماحول میں دوبارہ سرمایہ کاری کرنے کے لیے پرعزم ہیں۔ اس یقین کے ساتھ کہ اصل ترقی وہی ہے جو منافع اور پائیداری کے درمیان توازن قائم کرے۔ گروپ کی کمپنیوں کی شراکتیں صفحہ نمبر 73 پر تفصیل سے بیان کی گئی ہیں۔

ملازمین کی فلاح و بہبود ہماری افرادی قوت سے متعلق حکمت عملی کا مرکزی حصہ ہے۔ سال کے دوران گروپ کے ملازمین نے مختلف ترقیاتی پروگراموں میں شرکت کی، جبکہ بہتر ہیلتھ انشورنس، ذہنی صحت کے اقدامات اور آگاہی مہمات نے مزید ہمارے "لوگوں کو مقدم رکھنے" کے نقطہ نظر کو مضبوط کیا۔ سسٹیشن کی منصوبہ بندی اور قیادت کی ترقی سے متعلق اقدامات بدستور اعلیٰ صلاحیت کے حامل باصلاحیت افراد کی نشاندہی اور انہیں مستقبل کی انتظامی ذمہ داریوں کے لیے تیار کرنے پر مرکوز ہیں۔

صنعتی مساوات اور اجرت میں شفافیت بدستور اہم ترجیحات ہیں۔ اس وقت ہمارے بورڈ میں خواتین کی نمائندگی 12.5 فیصد ہے، اور ہم خواتین کے لیے مضبوط قیادت کی تیاری اور اجرت میں مساوات کا ایک باضابطہ فریم ورک قائم کرنے کے لیے مسلسل اقدامات کر رہے ہیں۔ کمپنی SECP کے صنعتی اجرت کے فرق کی رپورٹنگ سے متعلق سرکلر کی تعمیل کے لیے بھی فعال اقدامات کر رہی ہے۔

صنعتی اجرت کا فرق ایک عالمی چیلنج ہے، جو پیشہ ورانہ شعبوں میں عدم توازن، تجربے میں فرق اور نظامی تعصبات سمیت متعدد عوامل کے نتیجے میں پیدا ہوتا ہے۔ اس مسئلے کو حل کرنا منصفانہ معاوضہ، شمولیت اور پائیدار ترقی کو یقینی بنانے کے لیے نہایت اہم ہے۔ ریگولیٹری تقاضوں اور بین الاقوامی بہترین طریقہ کار سے ہم آہنگ ہو کر AHCL شفافیت کو بہتر بنانے، اجرت میں مساوات کو فروغ دینے اور تنوع و شمولیت کے لیے اپنے وسیع تر عزم کو مزید مضبوط کرنے کی کوشش کر رہی ہے۔

ان اقدامات کے ذریعے AHCL اپنے سب سے قیمتی اثاثے اپنے لوگوں کو مزید مضبوط بنانے کا عمل جاری رکھے ہوئے ہے اور پاکستان میں پسندیدہ آجری بننے اور انسانی سرمائے کی ترقی کے لیے ایک مثالی معیار قائم کرنے کے عزم پر قائم ہے۔

کمپنی کے صنعتی اجرت کے فرق کی ایک جھلک ذیل میں پیش کی گئی ہے:

اوسط صنعتی اجرت کا فرق	-6.71%
درمیانی صنعتی اجرت کا فرق	-38.19%

سرمایہ کا انتظام اور روانیت:

کپنی کی پالیسی ہے کہ سرمائے کی مستحکم سطح برقرار رکھی جائے تاکہ سرمایہ کاروں، قرض دہندگان اور مارکیٹ کا اعتماد بحال رہے، کاروبار میں پائیدار ترقی ہو، کپنی کی چلتے ہوئے ادارے کی حیثیت کا تحفظ ہو، تاکہ وہ اپنے حصص یافتگان کو بہتر منفعت اور دیگر شراکت داروں کو فوائد فراہم کیے جاسکے اور سرمائے کی ساخت کی بہترین سطح کو برقرار رکھتے ہوئے سرمائے کی لاگت کم کی جاسکے۔

بورڈ آف ڈائریکٹرز سرمائے پر منافع کی نگرانی کرتے ہیں جسے کپنی خالص منافع بعد از ٹیکس کہتی ہے اور اسے کل حصص یافتگان کی ملکیت کے لحاظ سے تقسیم کیا جاتا ہے۔ اگرچہ کپنی نے حالیہ برسوں میں کچھ سرمایہ جاتی ڈھانچے کی تنظیم نو (Capital Restructuring) کی پہل کی ہے، جن میں اسکیم آف اریجنٹس کے تحت حصص کا اجرا اور حصص کی ذیلی تقسیم شامل ہیں، تاہم اس کے سرمایہ جاتی نظم و نسق کے مجموعی طریقہ کار میں کوئی تبدیلی نہیں آئی ہے اور کپنی کسی بیرونی سرمائے کے تقاضوں کی تابع نہیں ہے۔

ہمارے لوگ اور ثقافت:

AHCL میں ہمارے لوگ پائیدار ترقی اور طویل مدتی قدر پیدا کرنے کی بنیاد ہیں۔ ہمیں ان کی وابستگی اور قابلیت پر فخر ہے اور ہم تربیت، اعتراف خدمات اور شفاف کارکردگی کے انتظام کے ذریعے ان کی ترقی میں مسلسل سرمایہ کاری کر رہے ہیں۔ ہمارا پختہ یقین ہے کہ ہمارے کاروبار کی مضبوطی ایک ایسی افرادی قوت پر منحصر ہے جو حالات کے مطابق خود کو ڈھالنے والی، جوابدہ اور مسلسل ترقی کرنے والی ہو۔

ہم ایک متنوع، مساوی اور جامع کام کی جگہ کو فروغ دینے کے لیے پُر عزم ہیں، جہاں ہر فرد کو اپنی صلاحیتیں بروئے کار لانے اور ترقی کرنے کے یکساں مواقع حاصل ہوں۔ ہماری بھرتی کے طریقہ کار میں مسلسل بہتری لائی جا رہی ہے تاکہ مختلف پس منظر سے تعلق رکھنے والے باصلاحیت افراد کو راغب کیا جاسکے، بالخصوص خواتین کی شرکت میں اضافے پر خصوصی توجہ دی جا رہی ہے، جبکہ کیریئر کی ترقی کا جائزہ شفاف معیارات کی بنیاد پر لیا جاتا ہے۔ سال کے دوران تنوع، مساوات اور شمولیت (DEI) سے متعلق ورکشاپس کے انعقاد کے لیے منصوبے تیار کیے گئے تاکہ جامع سوچ کو فروغ دیا جاسکے، جبکہ موجودہ عمل بلونگ اور شکایات کے ازالے کے طریقہ کار کا بھی جائزہ لیا گیا اور انہیں مناسب قرار دیا گیا۔

کے مضبوط نظام موجود ہیں جو کمپنی کے اثاثوں، وسائل، ساکھ اور حصص یافتگان کے مفادات کا تحفظ کر سکیں۔ آغاز سے ہی کمپنی نے شعبوں اور کمپنیوں میں تنوع (Diversification) کی ایک منظم پالیسی پر عمل کیا ہے جو بنیادی تجزیے اور ویلیو انویسٹمنگ کے اصولوں پر مبنی ہے۔ خطرات کا نظم و نسق سیکورٹیز کے انتخاب میں احتیاط، کسی ایک جگہ زیادہ انحصار سے گریز، مناسب کو لیٹرل اور کیش فلو کی صلاحیت کو یقینی بنانے اور کاؤنٹر پارٹی کی گنجائش کو پرکھنے کے ذریعے کیا جاتا ہے۔ کمپنی نے اپنے نمائندگان کے فعال کردار کے ذریعے کیپیٹل مارکیٹ کے ڈھانچے کو مضبوط بنانے میں بھی حصہ ڈالا ہے۔

اسٹریٹجک سرمایہ کاری کے لیے رسک مینجمنٹ کے طریقہ کار ہر منصوبے کی نوعیت کے مطابق ترتیب دیے جاتے ہیں۔ فیصلے خطرات اور مواقع کے جامع تجزیے کے بعد کیے جاتے ہیں، جن میں بنیادی توجہ مضبوط گورننس، واضح پالیسیوں اور طریقہ کار، مسلسل نگرانی، موثر مینجمنٹ انفارمیشن سسٹمز اور مضبوط اندرونی کنٹرولز پر دی جاتی ہے۔ انتظامیہ رسک اور کمپلائنس کا منظم جائزہ لیتی ہے، جس میں فنانشل رپورٹنگ، کارپوریٹ سماجی ذمہ داری، دیانت داری، ضابطہ اخلاق اور ریگولیٹری تقاضے شامل ہوتے ہیں۔ آپریشنل رسکس کو کم کرنے کے لیے سرمایہ کاری سے پہلے تفصیلی جانچ، تجربہ کار ماہرین کے ذریعے انویسٹی کمپنیوں کے بورڈز میں فعال نمائندگی، بجٹ اور اندرونی کنٹرولز کا اطلاق، اور کارکردگی کے مسلسل جائزے کیے جاتے ہیں، جبکہ ضرورت پڑنے پر ڈائریکٹمنٹ (سرمایہ نکالنے) کا فیصلہ کیا جاتا ہے۔ نگرانی کو مزید مضبوط کرنے کے لیے بورڈ کی انویسٹمنٹ کمیٹی تمام اسٹریٹجک سرمایہ کاریوں کی جانچ اور مانیٹرنگ کرتی ہے، جسے بروقت مینجمنٹ رپورٹنگ کی معاونت حاصل ہوتی ہے۔ رسک مینجمنٹ سے متعلق تفصیلی معیاری اور مقداری انکشافات مالی بیانات کے نوٹ نمبر 40 میں پیش کیے گئے ہیں۔

ایک انویسٹمنٹ ہولڈنگ کمپنی کے طور پر، AHCL اپنی سرمایہ کاری وصول کرنے والی کمپنیوں میں ذمہ دار کاروباری طریقہ کار کو بھی فروغ دیتی ہے۔ اگرچہ یہ براہ راست مینوفیکچرنگ میں شامل نہیں ہے، ہم اپنی پورٹ فولیو کمپنیوں کو فعال طور پر اس بات کی ترغیب دیتے ہیں کہ وہ ماحولیاتی، سماجی اور گورننس (ESG) اصولوں کو اپنی سرگرمیوں میں شامل کریں، جن میں ماحولیاتی خطرات میں کمی، کمیونٹی کی شمولیت اور پائیدار عمل شامل ہیں۔ ہم مزید تنوع، مساوات اور شمولیت (DE&I) کی وکالت کرتے ہیں اور ایسی پالیسیوں کو فروغ دیتے ہیں جو صنفی مساوات کو بہتر بنائیں اور قیادت کے عہدوں پر خواتین کی زیادہ شمولیت کو یقینی بنائیں۔

بجٹ میں برآمدی اور تعمیراتی شعبوں کے لیے بعض ٹیکس مراعات متعارف کرائی گئی ہیں۔ اگرچہ یہ ایک خوش آئند اقدام ہے، تاہم سرمایہ کاری کی حوصلہ افزائی، معاشی نمو میں معاونت اور معیشت میں ان شعبوں کے کردار کو مزید مضبوط بنانے کے لیے مزید اقدامات کی ضرورت ہوگی۔ بیرونی قرضوں کی ادائیگی کی ضروریات میں بھی مالی سال 2026 کے 26.5 بلین امریکی ڈالر سے کم ہو کر مالی سال 2027 میں 21.5 بلین امریکی ڈالر رہنے کی توقع ہے۔ مجموعی طور پر معاون مالیاتی پالیسی اور IMF پروگرام کے تحت مسلسل روابط اس سمت کو مزید تقویت فراہم کر سکتے ہیں۔ تاہم، مستقبل کا منظر نامہ جغرافیائی سیاسی پیش رفت اور عالمی توانائی کی قیمتوں کے حوالے سے حساس رہے گا، جبکہ SBP کی پیش گوئیاں فی بیرل 80 ڈالر کی تیل کی قیمت کے مفروضے پر مبنی ہیں۔

کپنی کی سرمایہ کاری کمپنیاں اور کاروبار سال میں مستحکم بنیاد کے ساتھ داخل ہو رہے ہیں، جنہیں کھاد اور بروکریج کے شعبوں کی مسلسل مضبوط کارکردگی، ریل اسٹیٹ اور بجلی کے شعبوں کی مستحکم کارکردگی، جبکہ سیمنٹ اور اسٹیل کے شعبوں کے بہتر ہوتے امکانات سے معاونت حاصل ہے۔

گروپ ایسے شعبوں میں حکمت عملی کے مواقع تلاش کرنے کا عمل جاری رکھے ہوئے ہے جو اس کے موجودہ پورٹ فولیو کی تکمیل کرتے ہوں اور طویل مدتی ترقی کی صلاحیت رکھتے ہوں۔ ترقی اور قدر میں اضافے پر مسلسل توجہ کے ساتھ کپنی اپنی کارکردگی میں مستقل اور پائیدار بہتری لانے کے لیے پُر اعتماد ہے۔

خطرات سے نمٹنا:

ایک جامع رسک مینجمنٹ نظام، جو بورڈ نے ترتیب دیا ہے، نافذ العمل ہے تاکہ تنظیمی اور طریقہ کار سے متعلق کنٹرولز کو یکجا کیا جاسکے، جو ان خطرات کی نشاندہی، جانچ اور نظم کرتے ہیں جو کپنی کے چلتے ہوئے ادارے کی حیثیت کو نقصان پہنچا سکتے ہیں۔ یہ فریم ورک خطرات کے حوالے سے متوازن رویہ اختیار کرنے کو فروغ دیتا ہے، اس بات کو یقینی بناتے ہوئے کہ مواقع اور خطرات کو ابتدائی مرحلے میں پہچانا جائے، مؤثر طریقے سے ناپا جائے اور موزوں اقدامات اور کنٹرولز کے ذریعے ان کا حل نکالا جائے۔

ایک سرمایہ کاری پر مبنی کپنی کے طور پر، AHCL نے اپنی سرمایہ کاری کی حکمت عملی کے مطابق رسک مینجمنٹ کے طریقہ کار کو ترقی دی ہے۔ کاروباری خطرات کا سالانہ جائزہ لیا جاتا ہے تاکہ یہ یقینی بنایا جاسکے کہ خطرات کی نشاندہی، نگرانی اور اندرونی کنٹرول

61,583 ٹن برآمدات شامل تھیں، جو گزشتہ سال کے مقابلے میں 73 فیصد اضافے کی نمائندگی کرتی ہیں۔ پیداوار میں 64 فیصد اضافہ ہوا اور یہ 266,476 ٹن رہی، جبکہ آمدنی میں 61 فیصد اضافہ ہوا اور یہ 54,235.22 ملین روپے تک پہنچ گئی۔

فروخت کے زیادہ حجم کے باعث مجموعی منافع کی شرح میں بہتری آئی اور یہ گزشتہ سال کی 4.94 فیصد کے مقابلے میں بڑھ کر 10.89 فیصد ہو گئی۔ نتیجتاً، ASML نے 1,755.66 ملین روپے کا قبل از ٹیکس منافع حاصل کیا، جبکہ گزشتہ سال 1,666.30 ملین روپے کا قبل از ٹیکس خسارہ ہوا تھا، یہ عملی اور مالیاتی کارکردگی میں نمایاں بہتری کی عکاسی کرتا ہے۔

سِمَنٹ اور تعمیرات سے متعلقہ:

پاور سِمَنٹ لمیٹڈ نے مالی سال 2026 کے دوران مضبوط ترقی کا مظاہرہ کیا، اور بعد از ٹیکس منافع گزشتہ سال کے 815 ملین روپے کے مقابلے میں بڑھ کر 3,784.47 ملین روپے ہو گیا۔ خالص فروخت میں 15 فیصد اضافہ ہوا اور یہ 33,978.97 ملین روپے رہی، جبکہ مجموعی منافع میں 44 فیصد اضافہ ہوا اور یہ 12,085.96 ملین روپے تک پہنچ گیا۔ یہ بہتری زیادہ تر سیلات، قیمتوں کے بہتر حصول، عملی کارکردگی میں بہتری اور ایندھن و بجلی کے بہتر امتزاج کی بدولت حاصل ہوئی۔ کم پالیسی ریٹس، اسپانسر کی معاونت اور قرضوں کی جزوی ادائیگی کے باعث مالیاتی اخراجات میں 40 فیصد کمی ہوئی۔ سال کے دوران کمپنی نے اپنے 7.5 میگاواٹ کے ونڈ پاور کے پیداواری منصوبے کے آپریشن کا آغاز بھی کیا، جس سے توانائی کی کارکردگی اور لاگت کے انتظام سے متعلق اقدامات مزید مضبوط ہوئے۔ ان اقدامات نے منافع کی شرح کو مزید بہتر بنانے کے ساتھ پاور سِمَنٹ کو پائیدار ترقی کے لیے مضبوط بنیاد فراہم کی ہے۔

سیف مکس کنکریٹ لمیٹڈ کی کارکردگی مستحکم رہی اور اس نے سال کے دوران مناسب منافع رپورٹ کیا۔

مستقبل کی پیش بینی:

مالی سال 2027 میں پالیسی سپورٹ مجموعی طور پر برقرار رہنے کی توقع ہے، جس سے معاشی شرح نمو میں بہتری کے امکانات کو تقویت ملے گی۔ اسٹیٹ بینک آف پاکستان (SBP) نے اصل جی ڈی پی کی شرح نمو 3.5 فیصد سے 4.5 فیصد کے درمیان رہنے کی پیش گوئی کی ہے، جبکہ ترسیلات زر میں مسلسل اضافے کے باعث کرنٹ اکاؤنٹ خسارہ جی ڈی پی کے 0 فیصد سے 1 فیصد کے اندر رہنے کی توقع ہے، اور ترسیلات زر 44 بلین امریکی ڈالر سے تجاوز کرنے کی متوقع ہیں۔ مالی سال 2027 کے

AHCL نے سال کے دوران AHL سے 485.59 ملین روپے کا منافع منقسمہ حاصل کیا۔

ہوائی توانائی (وینڈ پاور):

سچل انرجی ڈویلپمنٹ (پرائیویٹ) لمیٹڈ (SEDPL)، جو AHCL کا وینڈ پاور پراجیکٹ ہے، نے مالی سال 2026 کے دوران اپنی مضبوط عملی کارکردگی برقرار رکھی جس میں پلانٹ کی دستیابی کا تناسب 99 فیصد سے زیادہ رہا ہے۔ ہوائی رفتار مقررہ معیاری سطح سے کم رہنے کے باوجود، منصوبے نے مجموعی طور پر 122.06 GWh توانائی پیدا کی، جبکہ مقررہ معیار 136.50 GWh تھا۔ SEDPL نے اپنے مالیاتی واجبات اور قرض کی ادائیگی کی ذمہ داریاں بروقت پوری کرنا جاری رکھیں۔ کمرشل آپریشنز کی تاریخ (COD) سے اب تک کمپنی نے قابل اطلاق مارک اپ سمیت قرض کی اٹھارہ اقساط کامیابی سے ادا کی ہیں۔ SEDPL نے بعد از ٹیکس 3,281.25 ملین روپے منافع کمایا، جبکہ گزشتہ سال یہ منافع 3,526.87 ملین روپے تھا۔

AHCL نے سال کے دوران SEDPL سے 1,373.23 ملین روپے کا منافع منقسمہ حاصل کیا۔

ریئل اسٹیٹ:

جاویدان کارپوریشن لمیٹڈ (JCL) نے سال کے دوران نیا ناظم آباد میں مضبوط پیش رفت برقرار رکھی۔ عارف حبیب گروپ کے شفافیت اور دستاویزی عمل کے عزم کو برقرار رکھتے ہوئے، منصوبے ریٹ (REIT) اسٹرکچرز کے تحت آگے بڑھتے رہے اور تعمیرات شیڈول کے مطابق جاری رہیں۔ اہم سنگ میل میں بزنس انکلیو کا آغاز، راحت ریزیڈنسی فیز II میں کمرشل دکانوں کا قبضہ حوالگی، اور اپارٹمنٹس کی تعمیر میں مسلسل پیش رفت شامل ہیں، جنہوں نے نیا ناظم آباد کی حیثیت کو کراچی کی نمایاں ماسٹر پلانڈ کمیونٹی کے طور پر مزید مضبوط کیا۔ JCL نے بعد از ٹیکس 3,910.73 ملین روپے کا مجموعی منافع کمایا، جو 10.27 روپے فی حصص آمدنی کے برابر ہے۔

AHCL نے اپنی ریئل اسٹیٹ سرمایہ کاری سے 752.67 ملین روپے کا منافع منقسمہ حاصل کیا ہے۔

اسٹیل:

عائشہ اسٹیل ملز لمیٹڈ (ASML) نے مالی سال 2026 کا اختتام 257,144 ٹن کی فروخت کے ساتھ کیا، جس میں

بڑھ کر 290,887.50 ملین روپے ہوگئی، جبکہ گزشتہ سال یہ 264,443.19 ملین روپے تھی۔ بعد ازیں ٹیکس منافع 15 فیصد بڑھ کر 45,562.44 ملین روپے ہوگیا، جبکہ گزشتہ سال یہ 39,746.35 ملین روپے تھا۔

شیخوپورہ پلانٹ کے علاوہ دیگر تمام پلانٹس نے اپنے پیداواری اہداف حاصل کیے۔ امریکہ-ایران تنازع کے باعث گیس کی فراہمی میں تعطل کے نتیجے میں شیخوپورہ پلانٹ تقریباً ڈھائی ماہ بند رہا۔ انتظامیہ نے اس بندش کی مدت کو پلانٹ کی آپریٹنگ کارکردگی بہتر بنانے کے لیے اندرونی بہتریوں، ترامیم اور مشینری کی مکمل مرمت پر صرف کیا۔

AHCL نے سال کے دوران FATIMA سے 1,914 ملین روپے کا منافع منقسمہ حاصل کیا۔

مالی خدمات:

مستقل معاشی اصلاحات، میکرو اسٹیمک استحکام اور سرمایہ کاروں کی بڑھتی ہوئی شمولیت کے باعث مالی سال 2026 پاکستان کی کیپٹل مارکیٹس کے لیے ایک اور مضبوط سال ثابت ہوا، جس کے دوران KSE-100 انڈیکس میں 43.5 فیصد اضافہ ہوا اور یہ ریکارڈ 180,302 پوائنٹس پر بند ہوا۔ عارف حبیب لمیٹڈ (AHL)، جو AHCL کا کارپوریٹ بروکر بیج ہاؤس ہے، نے مضبوط نتائج پیش کیے اور بنیادی آپریشنز سے اپنی اب تک کی سب سے زیادہ آمدنی حاصل کی۔ بعد ازیں ٹیکس منافع میں گزشتہ سال کے مقابلے میں 20 فیصد اضافہ ہوا اور یہ 1,177.03 ملین روپے رہا، جبکہ بروکر بیج، انویسٹمنٹ بینکنگ اور ایڈوائزی خدمات سے حاصل ہونے والی آمدنی میں 46 فیصد اضافہ ہوا اور یہ 2,084.99 ملین روپے تک پہنچ گئی۔ بروکر بیج سے حاصل ہونے والی آمدنی 1,634.65 ملین روپے رہی، جبکہ انویسٹمنٹ بینکنگ سے حاصل ہونے والی آمدنی تقریباً 450.34 ملین روپے رہی۔ اس کارکردگی کو AHL کے ڈیجیٹل اور ریٹیل کلائنٹ بیس میں مسلسل توسیع، بڑے حجم کی بلاک ٹرانزیکشنز اور IPO، انضمام وصول اور ڈیٹ کیپٹل مارکیٹس میں ایڈوائزی مینڈیٹس کے بڑھتے ہوئے پورٹ فولیو سے معاونت حاصل ہوئی۔ فی حصص آمدنی بڑھ کر 18.01 روپے ہوگئی، جبکہ کمپنی کو بروکر بیج، انویسٹمنٹ بینکنگ اور ریسرچ کے شعبوں میں نمایاں کارکردگی پر معروف مقامی اور بین الاقوامی اداروں کی جانب سے اعزازات اور اعتراف کا سلسلہ بھی جاری رہا۔ بورڈ نے 12.50 روپے فی حصص، یعنی 125 فیصد کے حساب سے حتمی نقد ڈیویڈنڈ کی تجویز دی، جس کی مجموعی مالیت 816.75 ملین روپے بنتی ہے۔

کنسورشیم کو 135 ارب پاکستانی روپے کے عوض PIACL میں 75 فیصد کنٹرولنگ ایکویٹی حصص کے حصول کے لیے کامیاب بولی دہندہ قرار دیا گیا۔ کامیاب بولی کے بعد، حصول حصص کے لیے کنسورشیم نے ایک خصوصی مقصد کی کمپنی، پی آئی اے ایکویٹی لمیٹڈ (PIAEL) قائم کی اور نجکاری کمیشن سمیت دیگر متعلقہ فریقوں کے ساتھ لین دین کے معاہدے طے کیے۔

شیر پر چیز اینڈ سبسکرپشن ایگریمنٹ (SPSA) کے تحت طے شدہ پیشگی شرائط پوری ہونے کے بعد، لین دین کی پہلی تکمیل عمل میں آئی اور 29 جون 2026 کو PIACL کا انتظامی کنٹرول PIAEL کو منتقل کر دیا گیا۔

لین دین کی دستاویزات کی شرائط کے مطابق، کنسورشیم نے مقررہ مدت کے اندر پاکستان انٹرنیشنل ایئر لائنز کارپوریشن لمیٹڈ (PIACL) میں حکومت پاکستان کے باقی ماندہ 25 فیصد ایکویٹی حصص حاصل کرنے کا اختیار استعمال کیا۔ اضافی حصص کے حصول کے لیے درکار بقیہ مراحل کی تکمیل پر PIAEL کام کر رہی ہے۔ اس سے PIACL پر کنسورشیم کی ملکیت اور کنٹرول مزید مستحکم ہوں گے۔

یہ لین دین کمپنی کے لیے ایک اسٹریٹجک (حکمت عملی پر مبنی) سرمایہ کاری کا موقع ہے اور اس کے اس مقصد کے عین مطابق ہے جس کے تحت ایسے اقدامات میں حصہ لیا جائے جو شیر ہولڈرز کے لیے طویل مدتی قدر و منافع پیدا کرنے کی صلاحیت رکھتے ہوں۔ کنسورشیم، مستحکم نظم و نسق، عملیاتی بہتری، مالیاتی نظم و ضبط اور ایسے ترویقاتی اقدامات کے ذریعے PIACL کی تبدیلی میں معاونت پر توجہ مرکوز کیے ہوئے ہے، جن کا مقصد ایئر لائن کی کارکردگی اور مسابقت کو بہتر بنانا ہے۔

سرمایہ کاری شدہ کمپنیوں کی کارکردگی:

ہماری سرمایہ کاری کمپنیوں کا مختصر جائزہ درج ذیل ہے:

کھاد:

فاطمہ فریڈاٹرز کمپنی لمیٹڈ (FATIMA) نے سال کے دوران اپنی شاندار آپریشنل اور مالیاتی کارکردگی کو برقرار رکھا۔ جون 2026 کو ختم ہونے والے بارہ مہینوں کے دوران کھاد کی فروخت 12 فیصد اضافے کے ساتھ kMT 2,927 تک پہنچ گئی، جبکہ گزشتہ سال کے اسی عرصے میں یہ kMT 2,611 تھی۔ اس کے نتیجے میں فروخت سے حاصل ہونے والی آمدنی 10 فیصد

اینڈسٹریل ایسوسی ایشن آف پاکستان کے دوسرے جائزے کی تکمیل ہوئی، جس کے نتیجے میں بالترتیب تقریباً 1.1 بلین امریکی ڈالر اور 220 ملین امریکی ڈالر کی رقم جاری کی گئیں۔ مجموعی معاشی استحکام میں بہتری کی عکاسی کرتے ہوئے، فچ ریٹنگز نے پاکستان کی طویل مدتی غیر ملکی کرنسی کی جاری کنندہ ڈیفالٹ ریٹنگ 'B' پر برقرار رکھتے ہوئے تناظر کو مستحکم قرار دیا۔

مالیاتی نتائج:

مالی سال 2025-26 کے لیے، عارف حبیب کارپوریشن لمیٹڈ (AHCL) نے بعد از ٹیکس منافع 15,528.61 ملین روپے (جو سرپرست کمپنی کے مالکان سے منسوب کیا جاتا ہے) رپورٹ کیا، جو گذشتہ سال 10,389.30 ملین روپے تھا۔ اس کے نتیجے میں فی حصص آمدنی 3.68 روپے رہی، جو کہ گذشتہ سال 2.46 روپے فی حصص تھی، یہ ہماری سرمایہ کاری کی گئی کمپنیوں کی کارکردگی میں نمایاں بہتری کی عکاسی کرتی ہے۔ انفرادی طور پر، عارف حبیب کارپوریشن لمیٹڈ (AHCL) کا بعد از ٹیکس منافع 44,480.63 ملین روپے رہا، جو 10.55 روپے فی حصص آمدنی کے مساوی ہے، جبکہ فی حصص قیمت عرفی ایک (1) روپیہ تھی، یعنی یہ رقم فی حصص قیمت عرفی کے 10.55 گنا کے برابر ہے۔ یہ گذشتہ سال ریکارڈ کردہ 23,672.43 ملین روپے (restated) بعد از ٹیکس منافع جو کہ 5.61 روپے (restated) کی فی حصص آمدنی کے برابر ہے کے مقابلے میں ایک قابل ذکر بہتری ہے۔ منافع میں اضافہ کا بنیادی سبب منافع منقسمہ اور سرمایہ کاری پر حاصل کردہ اور غیر حاصل کردہ منافع ہیں۔ کمپنی کی ایکویٹی 100 ارب روپے سے تجاوز کر گئی ہے۔

بورڈ نے 30 جون 2026 کو ختم ہونے والے مالی سال کے لیے 1 روپیہ عرفی قیمت کے ہر حصص پر 125 فیصد یعنی 1.25 روپے فی حصص حتمی نقد منافع منقسمہ کا اعلان کرنے کی سفارش کی ہے۔ یہ منافع منقسمہ ان حصص یافتگان کے لیے دستیاب ہوگا جن کے نام 20 اکتوبر 2026 کو دفتری اوقات کے اختتام پر حصص یافتگان کے رجسٹر میں موجود ہوں گے۔

پاکستان انٹرنیشنل ایئر لائنز کی نجکاری

کمپنی نے، عارف حبیب کارپوریشن لمیٹڈ (AHCL) کی قیادت میں قائم کنسورشیم کے ایک رکن کی حیثیت سے، پاکستان انٹرنیشنل ایئر لائنز کارپوریشن لمیٹڈ (PIACL) کی نجکاری کے حکومتی عمل میں حصہ لیا اور زیر جائزہ سال کے دوران حصول کے عمل میں ایک اہم سنگ میل حاصل کیا۔

ڈائریکٹرز رپورٹ

عارف حبیب کارپوریشن لمیٹڈ-2026

بورڈ آف ڈائریکٹرز 30 جون 2026 کو اختتام پذیر ہونے والے مالیاتی سال کیلئے عارف حبیب کارپوریشن لمیٹڈ کی سالانہ رپورٹ بشمول آڈٹ شدہ مالیاتی گوشوارے اور آڈیٹرز رپورٹ پیش کرتے ہوئے پُر مسرت ہیں۔

بنیادی سرگرمیاں:

عارف حبیب کارپوریشن لمیٹڈ (AHCL) عارف حبیب گروپ کی ہولڈنگ کمپنی ہے، جسکی سرمایہ کاری مختلف النوع شعبوں میں پھیلی ہوئی ہے جن میں کھاد، مالی خدمات، توانائی، سیمنٹ، اسٹیل، ریل اسٹیٹ، حصص مارکیٹ اور ہوابازی (ایوی ایشن) شامل ہیں۔

معیشت:

مالی سال 2026 کے دوران پاکستان کی معاشی کارکردگی مجموعی طور پر حوصلہ افزا رہی، جسے بیرونی ذرائع سے مسلسل مالیاتی آمد، شرح مبادلہ میں استحکام اور صنعتی سرگرمیوں میں بہتری سے تقویت ملی۔ جی ڈی پی کی شرح میں 3.7 فیصد اضافہ ہوا، جس سے مالی سال 2025 سے دوران شروع ہونے والی معاشی بحالی کا تسلسل برقرار رہا، جبکہ ترسیلات زر میں 9 فیصد اضافہ ہوا اور یہ 41.6 بلین امریکی ڈالر تک پہنچ گئیں، جس سے بیرونی کھاتے کو مسلسل معاونت حاصل ہوئی۔ 30 جون 2026 کو روپے کی قدر 278.16 پاکستانی روپے فی امریکی ڈالر رہی، جو گزشتہ سال کی اسی مدت کے مقابلے میں مضبوط تھی، جب یہ 283.76 پاکستانی روپے فی امریکی ڈالر تھی۔

سال کے دوران اوسط افراط زر کی شرح 7.1 فیصد رہی، جبکہ مالی سال 2025 میں یہ 4.5 فیصد تھی۔ سال کے اختتام کی جانب جغرافیائی سیاسی پیش رفت اور تیل کی بلند قیمتوں کے باعث افراط زر کے دباؤ میں اضافہ ہوا۔ اس صورتحال کے پیش نظر، اسٹیٹ بینک آف پاکستان نے متوازن اور محتاط مانیٹری پالیسی اختیار کرتے ہوئے دسمبر 2025 میں پالیسی ریٹ میں کمی کی، جبکہ اپریل 2025 میں اسے دوبارہ بڑھایا، اور سال کے اختتام پر پالیسی ریٹ 11.5 فیصد رہا۔ پاکستان کی IMF کے ساتھ شراکت داری بھی طے شدہ پروگرام کے مطابق جاری رہی، جس کے تحت ایکسٹینڈڈ فنڈ فیسلٹی کے تیسرے جائزے اور ریسانٹنس

Form of Proxy 32nd Annual General Meeting

The Company Secretary
Arif Habib Corporation Limited
Arif Habib Centre
23, M.T. Khan Road
Karachi.

I / we _____ of _____ being a member(s)
of Arif Habib Corporation Limited holding _____ ordinary shares as per
CDC A/c. No. _____ hereby appoint Mr./Mrs./Miss _____
_____ of (full address) _____

_____ or failing him/her
Mr./Mrs./Miss _____ of (full address) _____

(being member of the company) as my/our Proxy to attend, act vote for me/us and on my/our behalf at
the Thirty Second Annual General Meeting of the Company to be held on 28th October 2026
and/or any adjournment thereof.

Signed this _____ day of _____ 2026.

Witnesses:

1. Name : _____
Address : _____
CNIC No. : _____
Signature : _____

2. Name : _____
Address : _____
CNIC No. : _____
Signature : _____

Signature on

Revenue Stamp

NOTES:

1. A member entitled to attend and vote at the meeting may appoint another member as his / her proxy who shall have such rights as respects attending, speaking and voting at the meeting as are available to a member.
2. Proxy shall authenticate his/her identity by showing his/her original CNIC / passport and bring folio number at the time of attending the meeting.
3. In order to be effective, the proxy Form must be received at the registered office of the company not later than 48 hours before the meeting duly signed and stamped and witnessed by two persons with their signature, name, address and CNIC number given on the form.
4. In the case of individuals attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy Form.
5. In the case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted alongwith proxy Form.

پراکسی فارم

تیسواں سالانہ جنرل اجلاس

کمپنی سیکریٹری

عارف حبیب کارپوریشن لمیٹڈ

عارف حبیب سینٹر

23، ایم ٹی خان روڈ

کراچی۔

میں مسما / مسما ساکن ضلع بٹنیت ممبر

عارف حبیب کارپوریشن لمیٹڈ، حامل (تعداد) عمومی/خصوصی حصص بمطابق سی ڈی سی اکاؤنٹ

مسما / مسما ساکن کو، بصورت دیگر مسما / مسما

ساکن کو بطور مختار (پراکسی) مقرر کرتا ہوں تاکہ وہ میری جگہ اور میری طرف سے کمپنی کے تیسواں سالانہ اجلاس عام جو بتاریخ 28 اکتوبر 2026

بروز بدھ منعقد ہو رہا ہے میں، یا ان کے کسی ملتوی شدہ اجلاس میں ووٹ ڈالے۔

گواہان:

1

2

نام:-----

نام:-----

پتہ:-----

پتہ:-----

شناختی کارڈ نمبر:-----

شناختی کارڈ نمبر:-----

دستخط:-----

دستخط:-----

دستخط
ریونیو اسٹیٹمپ

نوٹ:

- وہ رکن جسے اجلاس میں شرکت یا ووٹ کا حق حاصل ہے وہ کسی ناگزیر صورت حال میں اپنی جگہ کسی دوسرے ممبر کو یہ حق دے سکتا ہے کہ وہ رکن اس کی پراکسی استعمال کرتے ہوئے اسکے بجائے اجلاس میں شریک ہو سکتا ہے خطاب کر سکتا ہے یا ووٹ کا اندراج کر سکتا ہے۔
- پراکسی ثابت کرنے کے لئے اسے اپنا اصل شناختی کارڈ یا پاسپورٹ اور فوٹیو نمبر کو دکھانا لازمی ہے تاکہ اجلاس میں شرکت کی اجازت سے قبل اسکی شناخت کی جاسکے۔
- منوثر بنانے کے لئے، پراکسی فارم کمپنی کے رجسٹرڈ دفتر پر اجلاس سے کم از کم 48 گھنٹے قبل وصول ہونا لازمی ہیں۔ فارم میں تمام مطلوبہ معلومات، رکن کے دستخط اور مہر، نیز دو گواہان کی بنیادی معلومات یعنی نام پتے، دستخط اور شناختی کارڈ نمبر کا اندراج ضروری ہے۔
- انفرادی رکن کی صورت میں اصل اور پراکسی کے شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول منسلک کرنا لازمی ہے۔
- پراکسی کے کارپوریٹ ہونے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد، پاور آف اٹارنی، شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول، پراکسی فارم کے ساتھ منسلک کرنا لازمی ہے۔



ARIF HABIB CORPORATION LIMITED

BALLOT PAPER FOR VOTING THROUGH POST / EMAIL

For the Special Business at the Annual General Meeting to be held on Wednesday, 28th October 2026 at 12:00 p.m. at PSX Auditorium, Stock Exchange Building, Stock Exchange Road, Karachi as well as through electronic means.

Designated email address of the Chairman at which the duly filled in ballot paper may be sent:

chairman.generalmeeting@arifhabibcorp.com

Name of shareholder / Joint shareholder(s) / Proxy Holder(s)	
Registered Address:	
Folio /CDC Participant / Investor ID with sub-account No.	
Number of shares held	
CNIC / Passport No. (in case of foreigner) (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government):	
Name of Authorized Signatory:	
CNIC / Passport No. (in case of foreigner) of Authorized Signatory – (copy to be attached)	

I/we hereby exercise my/our vote in respect of the following resolution(s) through postal ballot by conveying my/our assent or dissent to the following resolution(s) by placing tick (✓) mark in the appropriate box below:

Sr. No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1.	Agenda item no. 5 To approve the following in connection with transactions with related parties : - i ratification and approval of related parties transactions / arrangements / agreements / balances as disclosed in audited financial statements for the year ended 30th June 2026 - ii authorize the Board of Directors of the Company to approve those transactions with related parties (if executed) during the financial year ending 30th June 2027 or upto the next annual general meeting, which require approval of shareholders u/s 207 and / or 208 of the Companies Act, 2017 by passing the following special resolutions with or without modification: Resolved that, the transactions / arrangements / agreements / balances with related parties as disclosed in the audited financial statements for the year ended 30th June 2026 be and are hereby approved. Further resolved that, the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties for the financial year ending 30th June 2027 or upto the next annual general meeting. Further resolved that, the transactions approved by the Board shall be deemed to have been approved by the shareholders u/s 207 and / or 208 of the Companies Act, 2017 (if triggered) and shall be placed before the shareholders in the next annual general meeting for their formal ratification / approval u/s 207 and / or 208 of the Companies Act, 2017 (if required).			

2.	Agenda item no. 6 To consider and if deemed fit, to pass the following Special Resolutions with or without modification(s): Investment in Associated Companies & Associated Undertakings Resolved that, the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, for renewal of following unutilised limits of equity investment, and sanctioned limits of loans / advances / guarantees etc. in associated companies and associated undertakings, for which approval has been sought in previous general meeting(s), as mentioned in detail in the Annexure-B of statement under Section 134(3), for a period upto next annual general meeting, unless specifically approved for a longer period, and shall be renewable thereon for further period(s) as specified. <table><tr><th rowspan="4">Sr.</th><th rowspan="4">Name of Associated Companies & Undertakings</th><th colspan="2">Amount in million</th></tr><tr><th colspan="2">Renewal Requested</th></tr><tr><th>Unutilized Equity Portion</th><th>Sanctioned Loan/ Advance/ Guarantee etc.</th></tr><tr><th>PKR</th><th>PKR / USD</th></tr><tr><td>1.</td><td>Javedan Corporation Limited</td><td>2,059</td><td>*PKR 4,132</td></tr><tr><td>2.</td><td>Arif Habib Limited</td><td>500</td><td>PKR 6,500</td></tr><tr><td>3.</td><td>Fatima Fertilizer Company Limited</td><td>2,800</td><td>PKR 2,000</td></tr><tr><td>4.</td><td>Rotocast Engineering Co. (Pvt.) Limited</td><td>300</td><td>PKR 500</td></tr><tr><td>5.</td><td>Arif Habib Dolmen REIT Management Limited</td><td>1,000</td><td>PKR 500</td></tr><tr><td>6.</td><td>Aisha Steel Mills Limited</td><td>2,624</td><td>PKR 8,039 plus USD 80</td></tr><tr><td>7.</td><td>Power Cement Limited</td><td>3,121</td><td>PKR 1,500 plus USD 49</td></tr><tr><td>8.</td><td>Sachal Energy Development (Pvt.) Limited</td><td>754</td><td>PKR 1,000 plus USD 100</td></tr><tr><td>9.</td><td>Safe Mix Concrete Limited</td><td>200</td><td>PKR 250</td></tr><tr><td>10.</td><td>PIA Equity Limited</td><td colspan="2">*PKR 33,684</td></tr><tr><td>11.</td><td>REIT Schemes under management of Arif Habib Dolmen REIT Management Limited</td><td colspan="2">*PKR 11,567</td></tr></table> Further resolved that, the consent and approval be and is hereby accorded under Section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 that: - * Unutilized investment limits of Rs. 500 million, Rs. 33,684 million and Rs. 11,567 million for Javedan Corporation Limited, PIA Equity Limited and the REIT Schemes under management of Arif Habib Dolmen REIT Management Limited respectively (associated companies), be and are hereby approved to be continue to be utilized in any form / nature of investment including equity, loans, advances, running finance, guarantee, indemnity, pledge of shares, etc.	Sr.	Name of Associated Companies & Undertakings	Amount in million		Renewal Requested		Unutilized Equity Portion	Sanctioned Loan/ Advance/ Guarantee etc.	PKR	PKR / USD	1.	Javedan Corporation Limited	2,059	*PKR 4,132	2.	Arif Habib Limited	500	PKR 6,500	3.	Fatima Fertilizer Company Limited	2,800	PKR 2,000	4.	Rotocast Engineering Co. (Pvt.) Limited	300	PKR 500	5.	Arif Habib Dolmen REIT Management Limited	1,000	PKR 500	6.	Aisha Steel Mills Limited	2,624	PKR 8,039 plus USD 80	7.	Power Cement Limited	3,121	PKR 1,500 plus USD 49	8.	Sachal Energy Development (Pvt.) Limited	754	PKR 1,000 plus USD 100	9.	Safe Mix Concrete Limited	200	PKR 250	10.	PIA Equity Limited	*PKR 33,684		11.	REIT Schemes under management of Arif Habib Dolmen REIT Management Limited	*PKR 11,567		No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
Sr.	Name of Associated Companies & Undertakings			Amount in million																																																						
				Renewal Requested																																																						
				Unutilized Equity Portion	Sanctioned Loan/ Advance/ Guarantee etc.																																																					
		PKR	PKR / USD																																																							
1.	Javedan Corporation Limited	2,059	*PKR 4,132																																																							
2.	Arif Habib Limited	500	PKR 6,500																																																							
3.	Fatima Fertilizer Company Limited	2,800	PKR 2,000																																																							
4.	Rotocast Engineering Co. (Pvt.) Limited	300	PKR 500																																																							
5.	Arif Habib Dolmen REIT Management Limited	1,000	PKR 500																																																							
6.	Aisha Steel Mills Limited	2,624	PKR 8,039 plus USD 80																																																							
7.	Power Cement Limited	3,121	PKR 1,500 plus USD 49																																																							
8.	Sachal Energy Development (Pvt.) Limited	754	PKR 1,000 plus USD 100																																																							
9.	Safe Mix Concrete Limited	200	PKR 250																																																							
10.	PIA Equity Limited	*PKR 33,684																																																								
11.	REIT Schemes under management of Arif Habib Dolmen REIT Management Limited	*PKR 11,567																																																								

	Further resolved that, the Chief Executive and/or any two directors jointly and/or any one director and Chief Financial Officer / Company Secretary jointly, be and are hereby authorized to take and do, and/or cause to be taken or done, any/all necessary actions, deeds and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the investment of the Company's funds as above, as and when required at the time of investment, including but not limited to negotiating and executing any necessary agreements/documents, and any ancillary matters thereto.			
--	---	--	--	--

NOTES:

1. Duly filled postal ballot should be sent to the Chairman of Arif Habib Corporation Limited through post at Arif Habib Centre, 23, M.T. Khan Road, Karachi, Pakistan (Attention of the Company Secretary) **OR** through the registered email address of shareholder at chairman.generalmeeting@arifhabibcorp.com
2. Copy of CNIC / Passport No. (in case of foreigner) should be enclosed with the postal ballot form.
3. Postal ballot forms through post or email should reach the Chairman by **Tuesday, 27th October 2026 before 5:00 p.m.** Any postal ballot received after this date and time, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC / Passport No. (in case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.
6. This postal Poll paper is also available for download from the website of Arif Habib Corporation Limited at <https://arifhabibcorp.com/announcement.php> Shareholders may download the ballot paper from website or use the same ballot paper as published in newspapers.

Signature of shareholder(s)/ Proxy Holder(s)/Authorized Signatory
(In case of corporate entity, please affix company stamp)

Place: _____

Date: _____



Arif Habib Corp

Arif Habib Centre
23, M. T. Khan Road
Karachi-74000
Tel: +92 21 32460717-19
Fax: +92 21 32468117, 32429653
Company website: www.arifhabibcorp.com
Group website: www.arifhabib.com.pk