

# Thal Limited

## 2024

### Annual Report





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# Corporate Information

## Board Of Directors

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Rafiq M. Habib  
Chairman - Non-Executive Director

Muhammad Tayyab Ahmad Tareen  
Chief Executive Officer

Aliya Saeeda Khan  
Independent Director

Khayam Husain  
Independent Director

Mohamedali R. Habib  
Non-Executive Director

Imran Ali Habib  
Non-Executive Director

Salman Burney  
Non-Executive Director

## Chief Financial Officer

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Shahid Saleem

## Company Secretary

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Sameer Amlani

## Audit Committee

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Khayam Husain  
Chairperson - Independent

Mohamedali R. Habib  
Member

Imran Ali Habib  
Member

Salman Burney  
Member

## Human Resources & Remuneration Committee

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Aliya Saeeda Khan  
Chairperson - Independent

Mohamedali R. Habib  
Member

Salman Burney  
Member

Muhammad Tayyab Ahmad Tareen  
Member

## External Auditors

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A.F. Ferguson & Co.  
Chartered Accountants  
(a member firm of the PwC network)

## Legal Advisors

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A.K. Brohi & Co., Karachi

Fazle Ghani Advocates, Karachi

K.A. Wahab & Co., Karachi

## Credit Rating

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By VIS Credit Rating Company Limited  
Medium to Long-term rating AA (Double A) :  
Short-term rating A-1+ (A-One Plus) :

## Tax Advisors

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EY Ford Rhodes  
Chartered Accountants

## Bankers

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Al Baraka Bank (Pakistan) Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
Bank of Punjab  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Standard Chartered Bank (Pakistan) Limited  
Telenor Microfinance Bank Limited  
United Bank Limited

## Registered Office

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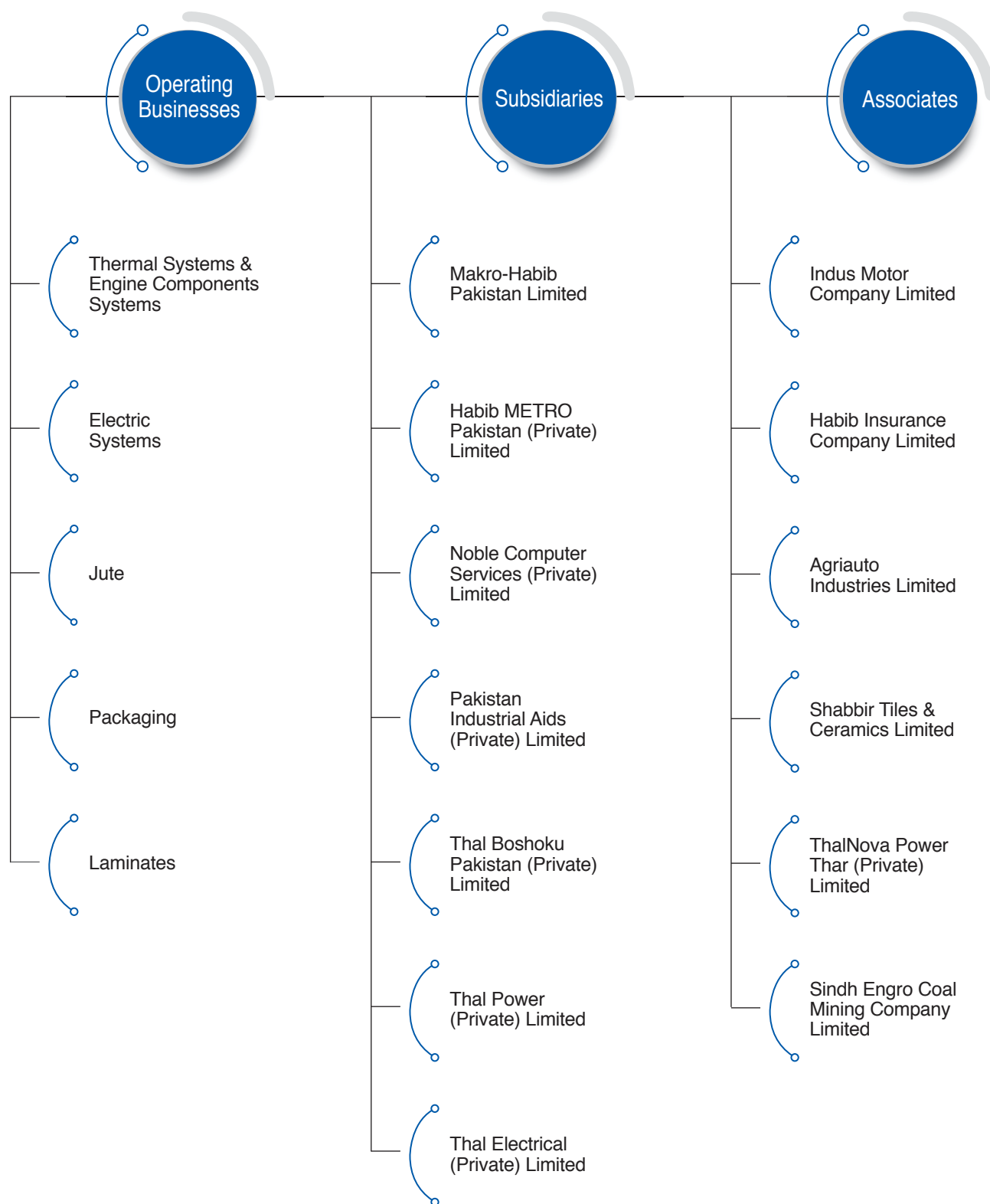
4<sup>th</sup> floor, House of Habib  
3-Jinnah Cooperative Housing Society  
Block 7/8, Sharah-e-Faisal, Karachi - 75350  
PABX : +92 (21) 3431-2030  
+92 (21) 3431-2185  
E-mail : tl@hoh.net  
Web : www.thallimited.com

## Share Registrar

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FAMCO Share Registration  
Services (Private) Limited  
8-F, Block 6, Near Hotel Faran,  
P.E.C.H.S Nursery Shahrah-e-Faisal,  
Karachi-74400, Pakistan.  
Tel :+92 (21) 3438 0101-5  
+92 (21) 3438 4621-5  
Email: info.shares@famcosrs.com  
Web: www.famcosrs.com

# Company Structure



## A Better Future



Thal Limited and its subsidiaries remain committed and resolute to lead the nation and its determined people towards resilience, energy, strength and finally onwards, firmly forth to a collective victory under the banner of this rich and open hearted nation that has withstood every test and succeeded in overcoming the challenges, every time.

The present moment calls to each one of us and, we come together, united with you, for the coming journey of a better future for each and every proud Pakistani.

Building a stronger Pakistan together since 1966.

## Our Vision

Recognized as the most respected and dynamic group with expanding and diversifying businesses, sustaining competitive returns to stakeholders.

An employer of choice, responsibly fulfilling obligations to community, country and environment.



# Our Values



## Team Work

Be a good listener | Meaningful participation | Show mutual respect | Own collective decisions | Support inter-dependencies | Believe in candor | “We” not “I”

## Justice & Integrity

Report facts correctly | Transparency in actions | Accept mistakes | Be fair & impartial | High sense of responsibility



## Humility & Respect

Be a good listener | Foster fair play | Allow open critique | Encourage communication with subordinates | Walk the talk | Not egotistic

## Entrepreneurship

Be wired (knowledgeable) | Be creative | Convert visions into reality | Take calculated risks



## Optimum use of Resources

Minimize wastage | Procure at an optimal price | Practice 5 R: Recycle | Re-Use | Retrieve | Refine | Reduce

## Cleanliness

Practice personal cleanliness and hygiene | Practice cleanliness and 5S for all areas & resources:  
Seiri (Arrangement) | Seiton (Orderliness)  
Seiso (Cleanliness) | Seiketsu (Neatness) | Shukan (Habits)



# Chairman's Review Report



# Chairman's Review Report

As we reflect on the fiscal year ending June 30, 2024, we acknowledge the significant economic challenges we faced, including rising utility tariffs, fuel costs, and increased taxation. However, we are pleased to conclude this period with a sense of cautious optimism, supported by decreasing inflation, a minimal current account deficit, and a stable exchange rate. Our robust financial performance, highlighted by a profit after tax of Rs. 2.19 billion, stands as a testament to our resilience and adaptability. This positions us favourably to capitalize on emerging opportunities as macroeconomic conditions begin to stabilize, paving the way for a brighter future.

Our operations span two primary segments: Engineering, and Building Materials & Allied Products. **The Engineering segment** faced a notable decrease in sales, dropping to Rs. 10.3 billion, primarily due to challenges within Pakistan's automotive sector, compounded by the influx of imported vehicles and a constricted demand environment. Despite these obstacles, our commitment to high-quality supply and strategic diversification remains unwavering. The increase in aftermarket revenue by approximately 50% illustrates our proactive approach to market dynamics and customer needs.

In the **Building Materials and Allied Products segment**, while the Jute Division grappled with declining wheat volumes and high-grade jute shortages, we innovatively introduced cost-effective alternatives and successfully boosted exports by 8%. **The Packaging Division** has embraced automation and expanded our export portfolio, positioning us as the first non-textile vendor to a major international retail chain—an achievement that opens new avenues for growth. Despite challenges, our **Laminates Division** enhanced profit margins by localizing input materials and achieved a recognized Quality Management System standard, reflecting our dedication to quality.

Our subsidiaries also delivered commendable performances. **Thal Boshoku Pakistan (TBPPL)** reported remarkable sales growth driven by the launch of the Corolla Cross seats, while **Habib METRO Pakistan (HMPL)** achieved increased dividends, underscoring our ongoing commitment to enhance shareholder value.

Our investments in the energy sector, particularly through **Sindh Engro Coal Mining Company Limited (SECMC)** and **ThalNova Power Thar**, have positioned us as key players in Pakistan's energy landscape. **SECMC** is supplying coal to multiple power plants, and the Board has approved plans to expand the mine to 11.2 million tonnes per annum. Additionally, we are entering discussions with Pakistani shareholders of **SECMC** to

acquire a portion of the shares offered by HBL, ensuring we maintain our position as one of the largest private shareholders. **ThalNova** successfully commenced operations of its 330 MW coal-fired plant in February 2023. Together, these ventures reinforce our commitment to enhancing shareholder value while contributing to Pakistan's energy landscape.

Our commitment to **human resources** remains a cornerstone of our strategy. We are dedicated to developing our workforce through targeted training programs and initiatives that prioritize employee well-being and engagement. Our emphasis on gender diversity and proactive health management reinforces our commitment to creating an inclusive and supportive work environment.

**Safety and environmental stewardship** are paramount. This year, we achieved zero lost-time injuries and received multiple accolades for our commitment to occupational health and safety. Our sustainability initiatives, including increased solar capacity, reflect our responsibility towards both the environment and our community.

In closing, I extend my gratitude to our Board of Directors, shareholders, stakeholders and dedicated employees for their unwavering support and commitment. As we look ahead, we are optimistic about the opportunities that lie before us, driven by our strategic initiatives and the strength of our teams.

Thank you for being a part of our journey.



**Rafiq M. Habib**  
Chairman



## چیرمین کا جائزہ

پیش کردہ شیئرز کا حصہ حاصل کرنے کیلئے گفت و شنید میں مصروف ہیں اور ہمیں یقین ہے کہ ہم وسیع ترین نجی شیئر ہولڈرز کی پوزیشن برقرار رکھیں گے۔ تھل نووانے کامیابی کے ساتھ فروری 2023 میں اپنے 330 میگاواٹ کول فائر ڈپلانٹ کے آپریشنز کا آغاز کیا تھا۔ ان منصوبوں کو پوری قوت کے ساتھ جاری رکھنے سمیت، ہم شیئر ہولڈرز کے منافع جات میں اضافے کا عزم بھی رکھتے ہیں جبکہ پاکستان میں توانائی کے شعبے میں اپنا بھرپور کردار ادا کرنے کے خواہشمند ہیں۔

ہیومن ریسورسز کے سلسلے میں ہمارا عزم ہماری حکمت عملی کا سنگ بنیاد رہے گا۔ ہم منتخب شدہ تربیتی پروگراموں اور اقدامات کے ذریعے اپنی افرادی قوت کو مستحکم بنانے اور فروغ دینے کیلئے پُر عزم ہیں اور ہمارے اقدامات ترجیحی طور پر ملازم کی، بہبود اور ان کو مصروف عمل رکھنا ہے۔ مساوی صفی افرادی قوت پر ہمارا زور اور موثر ہیلتھ مینجمنٹ ہمارے اس عزم کو مزید تقویت دیتا ہے اور اس سے کام کرنے کا ایک مشترکہ اور معاون ماحول پیدا ہوتا ہے۔

سیفٹی اور ماحولیات کا تحفظ کرنا سب سے اہم ہے۔ اس سال ہمیں کسی ملازم کے زخمی یا متاثر ہونے کی رپورٹ نہیں ملی اور آکیویشنل ہیلتھ اور سیفٹی کے حوالے سے ہمارے عزم کو متعدد بار خراج تحسین پیش کیا گیا۔ پائیداری اور استحکام کیلئے ہمارے اقدامات بشمول سولر پکسٹی میں اضافہ، ماحولیات اور ہماری کمیونٹی دونوں کے حوالے سے ہماری ذمہ داری کو ظاہر کرتا ہے۔

آخر میں، میں اپنے بورڈ آف ڈائریکٹرز، شیئر ہولڈرز، اسٹیک ہولڈرز اور پُر خلوص اور محنتی ملازمین اور ان کی غیر متزلزل معاونت اور جدوجہد کیلئے خراج تحسین پیش کرتا ہوں۔ جیسا کہ اب ہم نے آگے بڑھنا ہے، ہم ان مواقع کے بارے میں پُر عزم ہیں جو ہمارے آگے پھیلے ہوئے ہیں اور ہم نے اپنے اسٹریٹجک اقدامات اور اپنی ٹیموں کی بھرپور قوت کے ذریعے ان کو چلانا ہے۔

ہمارے اس سفر کا حصہ بننے کیلئے آپ سب کا بے حد شکریہ۔

الحمد للہ

رفیق ایم۔ حبیب  
چیرمین

جیسا کہ ہم 30 جون 2024 کو ختم ہونے والے مالی سال کا جائزہ لے رہے ہیں تو ہمیں اعتراف کرنا ہوگا کہ ہمیں کٹھن معاشی چیلنجز بشمول بڑھتے ہوئے ٹیلٹی ٹیرف، ایندھن کے اخراجات اور ٹیکسیشن میں اضافے کا سامنا کرنا پڑا۔ تاہم اس مدت کا اختتام ہم بسمرت محتاط عزم، مہنگائی میں کمی کے سبب حاصل معاونت، ایک مختصر کرنٹ اکاؤنٹ خسارے اور ایک مستحکم زرمبادلہ کی شرح کے ساتھ کرتے ہیں۔ ہماری مضبوط مالی کارکردگی کا اظہار 2.19 ملین روپے کے بعد از ٹیکس منافع کے ذریعے ہوتا ہے جو ہماری بہترین صلاحیت اور موافقت کا منہ بولتا ثبوت ہے۔ اس پوزیشن نے ہمیں ابھرتے ہوئے مواقع میں سرمایہ کاری کیلئے موزوں بنایا جیسا کہ ٹیکرو اکٹنا مک صورتحال نے استحکام کا مظاہرہ کرنا شروع کیا تاکہ ایک روشن مستقبل کی راہ پر گامزن ہو سکیں۔

ہمارے آپریشنز دو بنیادی شعبوں، انجینئرنگ اور بلڈنگ میٹریلز اینڈ الائیڈ پروڈکٹس پر محیط ہے۔ انجینئرنگ کے شعبے کو سیلز میں نمایاں کمی کا سامنا کرنا پڑا اور اس میں 10.3 ملین روپے تک کمی آئی، جس کی بنیادی وجہ پاکستان کے آٹو موٹیو سیکٹر کے اندر بحرانوں کا پیدا ہونا تھا جو درآئندہ گاڑیوں کی بھرمار اور محدود طلب کی صورتحال کے سبب آئے تھے۔ ان رکاوٹوں کے باوجود بہترین معیار کی سپلائی اور مختلف سمتوں میں کاروبار کو فروغ دینے کی ہماری پُر عزم حکمت عملی ہمیشہ غیر مشروط رہی ہے۔ بعد از مارکیٹ ریونیو میں لگ بھگ 50 فیصد تک کا اضافہ مارکیٹ کی نقل و حرکت اور صارفین کی ضروریات کے ضمن میں ہمارے موثر نقطہ نظر کی وضاحت کرتا ہے۔

بلڈنگ میٹریلز اینڈ الائیڈ پروڈکٹس کے شعبے میں، بالخصوص جوٹ ڈویژن کو گندم کے کم ہوتے حجم اور ہائی گریڈ جوٹ کی قلت نے جھڑ لیا تھا، ہم نے جدید انداز میں باکفایت متبادل مصنوعات متعارف کرائی اور کامیابی کے ساتھ اپنی برآمدات کو 8 فیصد سے بڑھایا۔ پیکیجنگ ڈویژن میں خود کار نظام سے معاونت ملی اور ہمارے ایکسپورٹ پورٹ فولیو میں توسیع ہوئی اور ہمیں ایک اہم بین الاقوامی ریشیل چین کیلئے پہلے نان۔ ٹیکسٹائل وینڈر کی پوزیشن حاصل ہوئی جو ایک بڑی کامیابی تھی اور جس نے گروتھ کیلئے نئے راستے کھولے۔ چیلنجز کے باوجود ہمارے میمنٹس ڈویژن نے مقامی تیار کردہ ان پٹ میٹریلز کے ذریعے منافع شرح کو بڑھایا اور ایک تسلیم شدہ کوالٹی مینجمنٹ سسٹم اسٹیڈیڈ حاصل کیا جو معیار پر سمجھوتہ نہ کرنے کے ضمن میں ہمارے عزم کی عکاسی کرتا ہے۔

ہمارے ذیلی اداروں نے بھی شاندار کارکردگی کا مظاہرہ کیا تھل یوٹوکو پاکستان (ٹی بی پی ایل) نے کروا کراس ٹیکس کو متعارف کرانے کے ذریعے سیلز میں بے مثال ترقی حاصل کی جبکہ حبیب میٹرو پاکستان (ایچ ایم پی ایل) نے منافع منقسمہ میں اضافہ حاصل کیا جو شیئر ہولڈرز کے منافع کو بڑھانے کے سلسلے میں ہماری مسلسل کاوشوں کا آئینہ دار ہے۔

انرجی کے شعبے میں ہماری سرمایہ کاری، خصوصاً سندھ اینگری کوئل مائننگ کمپنی لمیٹڈ (ایس ای سی ایم سی) اور تھل نووا پاور تھر کے ذریعے ہم پاکستان میں توانائی کے شعبے میں ایک کلیدی پوزیشن حاصل کر چکے ہیں۔ ایس ای سی ایم سی متعدد پاور پلانٹس کو کوئلہ فراہم کر رہا ہے اور بورڈ نے کان کو 11.2 ملین ٹن سالانہ تک توسیع دینے کے پلان کو منظور کر لیا ہے۔ مزید برآں ہم ایس ای سی ایم سی کے پاکستانی شیئر ہولڈرز کے ساتھ ایچ پی ایل کی جانب سے

# Directors' Profile



**Rafiq M. Habib**  
Chairman

Mr. Rafiq M. Habib is one of the founding members and Chairman of Thal Limited. He also serves as the Group Chairman of the renowned 'House of Habib'. He has served on the Board of Governors of 'Pakistan Institute of Management'. Having a wide business experience in a variety of industries, he also leads the team towards success as the Chairman of Habib Insurance Company Limited. He provided his visionary leadership to many public limited companies including the iconic Indus Motors Company Ltd and served as a consultant to Habib Bank AG Zurich.

He is the founding Chancellor of Habib University.



**Tayyab Tareen**  
Chief Executive

Mr. Tayyab Tareen joined as CEO of Thal Limited on July 01, 2019. He has more than 25 years of experience mainly with multinationals and private equity, covering areas of business turnarounds transformations and entrepreneurial experience in general management, financial management & business acquisitions.

Before joining House of Habib, he was associated with K-Electric, the largest vertically integrated power utility in Pakistan, serving as its CEO and Chairman of the Board, CFO and Chief Strategy Officer. He led the operational turnaround of this ailing utility company, turning it into a profitable enterprise after 17 years of losses. Prior to K-Electric, he served in private equity having global operations and investments in different sectors. He has also served as the CFO of The Coca-Cola Company managed bottler in UAE and OMAN, a business that saw successful turnaround from losses to sustained profitability within two years. He is a Member of Institute of Chartered Accountants in England and Wales.



**Mohamedali R. Habib**  
Non-Executive Director

Mr. Mohamedali R. Habib was appointed as the Director of Thal Limited in December 1990. He has been a Director of Habib Metropolitan Bank Limited since 2004, and currently serves as the Chairman of the Board of Directors of the Bank. In addition, he serves as a Chairman on the Board of Indus Motor Company Ltd, and also serves as a Director of Habib University Foundation. He was appointed Group CEO of HBZ Group in 2016.

He graduated in Business Management - Finance from Clark University, Massachusetts, USA in 1987, & also holds a Post Graduate Diploma in General Management from Stanford National University of Singapore.





**Imran Ali Habib**  
Non-Executive Director

Mr. Imran Ali Habib was appointed as a Director of Thal Limited in June 2020. He is the Executive Vice President & Chief Strategic Officer at HAB Bank in New York, USA, where he is responsible for looking after the bank's management and business development. Prior to his transfer to the United States in 2016, he served as Senior Vice President with Habib Bank AG Zurich in the United Arab Emirates from 2008. He also serves as a Director on the Board of Directors of Indus Motor Company Limited, Shabbir Tiles and Ceramics Limited and HAB Bank, USA. In addition Imran also devotes his time and attention to social welfare, education and benevolent activities and is a Member on the Board of Directors of Habib University Foundation, USA.

He is a graduate of the Bryant University (Bachelor of Science in Business Administration) and has attended the Program for Leadership Development and is an Alumni of Harvard Business School. He is also a member of the Young Presidents Organization Pakistan Chapter.



**Salman Burney**  
Non-Executive Director

Mr. Salman Burney joined the Board in February 2016 as a Non-Executive Director. He began his professional career with ICI Pakistan in Sales and Marketing in various roles in Pakistan and at ICI plc, London and as General Manager of ICI's Agrochemicals & Seeds Business. He later joined Smithkline Beecham in 1992 and was appointed MD, in 1997 with additional responsibility for Iran and the Caspian Region and was later responsible for GlaxoSmithKlines's Pharmaceutical business in Pakistan, Iran and Afghanistan in the capacity of VP/Area GM.

He has a degree in Economics from Trinity College, University of Cambridge, UK and has been the President of Pakistan's foreign investors Chamber (OICCI) and Chairperson of the MNC Pharma Association, has led the industry interface with the government on various issues. He has also been a member of the Privatisation Commission, and a member of the Boards of P.I.D.C. and N.T.D.C.



**Aliya Saeeda Khan**  
Independent Non-Executive Director

Ms. Aliya Saeeda Khan is a Partner at the law firm of Orr, Dignam & Co. and is based at the Firm's Karachi office. She is an Advocate and a Barrister from Gray's Inn. As with other Partners of the Firm, she deals with a wide range of corporate, financial and commercial matters. Her focus areas are mergers and acquisitions (M&A), project work, joint ventures and energy sector. She joined Thal Limited's Board in September 2018.

She is a graduate of the University of Cambridge and also serves on the Board of Directors of Colgate-Palmolive (Pakistan) Limited and National Clearing Company of Pakistan Limited.



**Khayam Husain**  
Independent Non-Executive Director

Mr. Khayam Husain joined the Board of Directors in June 2022. He is presently the Chairman of Automobile Corporation of Pakistan which is the largest builder of semi-trailers and road transport equipment in Pakistan. He got his schooling from Karachi Grammar School and undergraduate degree in Finance from the University of Houston. He later obtained an MBA from Pepperdine University. He started his career with PepsiCo. in the US before returning to Pakistan.

He helped find the Fleet Operators Association of Pakistan to promote a consolidated Trucking / Transport Policy and promote safety and compliance in road transport. He is also an active member of the ICC and Karachi Relief Trust.

# Directors' Report to the Shareholders

The Directors are pleased to present Thal Limited's annual report along with the audited financial statements for the year ended June 30, 2024.

## Economic Overview

The fiscal year ended June 30, 2024, presented considerable challenges including increasing utility tariffs, rise in fuel costs and tax rates however, it concluded on a positive note with decreasing inflation, a minimal current account deficit, and a stable exchange rate.

The Company achieved a profit after tax of Rs. 2.19 billion. We anticipate stability and improvement in macroeconomic indicators to create a favourable environment and bring more opportunities for our businesses.

| Rs. in million           | Unconsolidated |         | Consolidated |         |
|--------------------------|----------------|---------|--------------|---------|
|                          | 2023-24        | 2022-23 | 2023-24      | 2022-23 |
| Net Revenue              | 26,551         | 31,921  | 29,406       | 33,128  |
| Profit Before Taxes/Levy | 3,065          | 4,012   | 13,534       | 7,287   |
| Profit After Taxes/Levy  | 2,190          | 2,751   | 9,379        | 3,608   |
| Earnings Per Share (Rs.) | 27.03          | 33.95   | 105.60       | 38.94   |

During the year, the Company's sales revenue decreased by 17% compared to prior year to Rs. 26.5 billion. Profit after tax was recorded at Rs. 2.2 billion (down by 20% year-on-year) compared to Rs. 2.8 billion in the previous year.

## Overview of Operating Segments

The Company's operating businesses are categorized under two segments, namely the engineering segment and the building material & allied products segment.

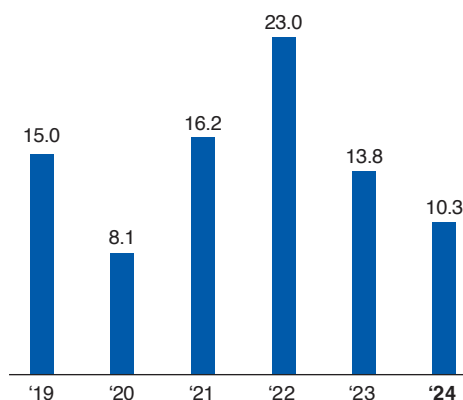
### Engineering Segment

The Company's engineering segment comprises:

- Thermal & Engine Components Division
- Electric Systems Division

These businesses are primarily focused on the manufacturing of parts for the automotive industry.

**Sales Revenue**  
Rs. in billion



The engineering segment recorded sales of Rs. 10.3 billion compared to last year sales of Rs. 13.8 billion witnessing a decrease of 25% reflecting continued challenges across the entire automotive landscape of Pakistan.

While cumulative auto volumes remained almost at par with the previous year, the influx of imported used vehicles further squeezed the market for local automobile manufacturers and the vendor industry. Furthermore, the high interest rate environment and soaring taxation structure continues to depress demand.

The business remains committed to providing uninterrupted high-quality supplies to its existing customers while exploring further localization opportunities to maintain profitable operations. Meanwhile, the management will continue to strategize on business expansion; including initiatives to acquire business from new original equipment manufacturers (OEM), diversification outside the automotive space and tapping into exports.

Efforts to increase diversification and expand existing business have resulted in successfully adding new dealers to our existing network across the country for aftermarket products which resulted in a significant increase of aftermarket revenue.

In the power sector, the business has partnered with a power distribution company to identify products that have a potential for localization/import substitution that will extend the benefit to the country as a whole.

### Outlook

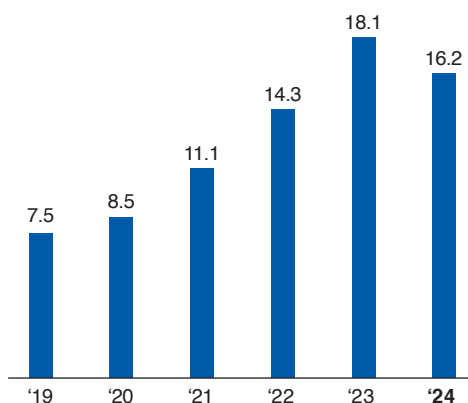
On account of a positive outlook, we anticipate volumes to pick up once interest rates decrease. However, volatility and uncertainty will continue to pose challenges to the business and the economy as a whole.

## Building Materials & Allied Products Segment

The Company's building material & allied products segment comprises:

- Jute Division
- Packaging Division
- Laminates Division

**Sales Revenue**  
Rs. in billion



During the year, segment turnover decreased by 10% to Rs. 16.2 billion compared to Rs. 18.1 billion last year.

### Jute Division

The business faced several challenges during the year, notably a decline in wheat volumes and a shortage of high-grade jute. To offset the decline in volumes, management introduced cost-effective alternatives for the local sacking market, in order to fulfill the shortage of used sacking bags. Additionally, efforts were made to boost exports which was reflected by a growth of 8% in hessian exports.

### Outlook

The business will continue to focus on cost efficiencies and exploring new markets by increasing its export footprint and exploring innovative projects.

### Packaging Division

Amidst these tough operating conditions due to low demand from the cement sector, the business geared up to implement a range of cost-optimization strategies including increased automation, unlocking untapped markets and expanding our export portfolio that provide higher margins and a greater growth potential.

The business was successful in achieving registration as the first non-textile vendor from Pakistan to a major international retail chain, opening prospects for growing exports further.

### Outlook

We expect these initiatives to strengthen our position in both, domestic and international markets and remain focused on expanding our high-margin export portfolio.

## Laminates Division

The Laminates division operates under the brand name 'Formite' in the engineered surface industry offering high pressure laminates, technical laminates and laminated boards.

The business was impacted by the prevalent issues during the year. Despite these challenges, the business successfully improved profit margins by localizing imported input materials.

Additionally, the business achieved an internationally recognized standard for Quality Management Systems, demonstrating its commitment to delivering high-quality products, continuous improvement and enhanced customer satisfaction. These efforts have successfully contributed to the significant growth in revenue from exports.

### Outlook

The business will continue to maintain its focus on developing new products and variants, implementing proactive marketing strategies, cost-effective initiatives, product mix strategies and increasing market share.

## Subsidiaries

### Thal Boshoku Pakistan (Private) Limited (TBPPL)

During the year, TBPPL recorded sales amounting to Rs. 2,583 million, against last year sales of Rs. 920 million. The increase in sales was mainly driven by higher volumes owing to the start of volume production of Corolla Cross seats. Despite the local and global challenges, TBPPL managed to successfully launch the Corolla Cross seats project within the designated timelines.

TBPPL remains committed to creating shareholder value by expanding the existing customer base and product portfolio while improving production efficiency.

### Habib METRO Pakistan (Private) Limited (HMPPL)

The main business of HMPPL is to own and manage properties. The business is exploring various business opportunities to complement the cash & carry retail rental business and to enhance enterprise value from its store locations.

Beyond its core property management activities, HMPPL is actively pursuing new business opportunities designed to complement its existing cash & carry retail rental operations. These initiatives aim to unlock additional enterprise value by leveraging the strategic locations of its properties. However, these plans are closely tied to prevailing economic conditions and will be executed with careful consideration of market dynamics.

During the year, the Company received dividends amounting to Rs. 939 million as compared to Rs. 791 million in the previous year. This growth underscores the HMPPL's continued efforts to enhance shareholder value.



### **Makro-Habib Pakistan Limited (MHPL)**

MHPL is a wholly owned subsidiary of Thal Limited which owned the store premises on Mubarak Shaheed Road, Lines Area, Karachi.

In September 2015, MHPL shut down and dismantled its store in compliance with the judgement passed by the Supreme Court and has handed over the land to the relevant authority.

### **Noble Computer Services (Private) Limited**

The business is a wholly owned subsidiary of Thal Limited. It provides services related to internal audit, IT, advisory, HR and other management related services to the group.

### **Pakistan Industrial Aids (Private) Limited**

It is a wholly owned subsidiary of Thal Limited. The business involved in supplying automotive parts and air conditioning gas to automobile assemblers and part manufacturers.

### **Investments in Energy Sector**

#### **Sindh Engro Coal Mining Company Limited (SECMC)**

SECMC is a joint venture between the Government of Sindh, Thal Limited, Engro Energy Limited, The Hub Power Company Limited, Habib Bank Limited and CMEC Thar Mining Investments Limited. SECMC has developed Pakistan's first open pit mining project at Thar Coal Block II.

Phase I of Thar mining is supplying coal to a 2x330 megawatt ("MW") power generation plant set up by Engro Powergen Thar Private Limited. For Phase II, SECMC has Coal Supply Agreements with ThalNova Power Thar (Private) Limited and Thar Energy Limited to supply lignite to each of the 330 MW power plants.

The project company achieved commercial operations date for Phase II in September 2022. SECMC is now supplying coal to 1320 MW Thar coal-based power plants in Block 2 - ranked high in the merit order of NEPRA for evacuation of power.

For Phase III the Board of Directors of SECMC have approved the plan to expand the mine to 11.2 million tonnes per annum to cater coal off-take requirements of Lucky Electric Power Company Limited.

The Company received Rs. 346 million of dividends during the year based on its 11.9% ordinary shareholding.

During the year, we authorized the Company to enter into discussions with the Pakistani shareholders of SECMC for the acquisition of a portion of the shares being offered by HBL, in order to maintain the Company's position as one of the joint largest private shareholders of SECMC at all times.

### **ThalNova Power Thar (Private) Limited (ThalNova)**

ThalNova is a joint venture between Thal Power (Private) Limited, Nova Powergen Limited (a subsidiary of Novatex Limited) and The Hub Power Company Limited to set up a 330 MW mine mouth coal-fired power generation plant located at Thar, Sindh. This power plant is being run on indigenous coal extracted from the mine operated by SECMC.

ThalNova has a Coal Supply Agreement with SECMC to supply 1.9 million tons per annum of lignite. It also has a Power Purchase Agreement with the Central Power Purchase Agency (Guarantee) Limited and the Implementation Agreement with Private Power Infrastructure Board.

The project achieved commercial operations date in February 2023.

### **Human Resources (HR)**

At the heart of Thal's strategy is our unwavering dedication to supporting the ongoing development and advancement of our employees. Our approach prioritizes our people, ensuring that we strive for excellence in all endeavours. This dedication creates an environment where each employee feels valued, supported, and motivated to achieve excellence, thereby advancing our mission to shaping a better future.

By investing in targeted training programs developed through a precise 'Training Needs Analysis', Thal achieved a total of 3,809 training hours during the year. This included our 'Annual Learning Fair', featuring customized programs delivered by industry-leading trainers, to support our mandate of continuously elevating our workforce and ensuring they are equipped with the right skill sets to adapt to emerging industry trends.

Alongside elevating our existing talent, we also believe in integrating top talent to drive the organizational excellence. This year the 'Management Trainee Program 2024' culminated in the selection of high potential individuals from a competitive applicant pool representing top-tier universities.

Understanding the critical need to stay attuned to employee needs for optimal performance, we executed an in-depth Employee Engagement Survey. This survey was designed to evaluate crucial engagement metrics, such as compensation and benefits, training and development, work-life balance, and performance management.

We prioritize employee well-being and have partnered with Health X to deliver a comprehensive wellness bootcamp. This initiative included health screenings, detailed body assessments, and on-site consultations with professional doctors to review individual health reports. In addition to these efforts, we conduct an

organization-wide Breast Cancer Awareness program each year. This program is designed to educate our employees about the importance of early detection, provide resources for support and prevention, and foster a culture of proactive health management. By integrating these initiatives, we aim to support our employees' overall health and well-being while raising awareness about critical health issues like breast cancer.

### **Diversity, Equity & Inclusion (DE&I)**

We prioritize gender diversity as a strategic imperative, recognizing that it enhances decision-making, problem-solving, and enriches our collective skillsets. Our commitment is centered on advancing our gender diversity ratio and fostering an environment that empowers our female workforce to thrive and achieve their full potential. In celebration of 'International Women's Day', we not only honoured the remarkable contributions of women within our organization but also reinforced our dedication to gender equality through targeted initiatives and collaborative discussions. This day served as a powerful reminder of the progress we've made and the continued efforts required to drive meaningful change. We offer policies such as maternity and paternity leave, transport facilities, and robust protection against harassment.

In our efforts to enhance employee engagement, we organized a series of activities, including a futsal tournament and a cycling event. These initiatives are part of our broader strategy to foster a vibrant workplace culture, strengthen team cohesion, and promote a balanced work-life environment. By creating opportunities for employees to connect outside of their daily roles, we aim to boost morale, encourage collaboration, and reinforce a sense of community within our organization.

### **Gender Pay Gap Statement**

Following is the gender pay gap calculated for the year:

- |                            |       |
|----------------------------|-------|
| i. Mean gender pay gap:    | -4.7% |
| ii. Median gender pay gap: | 0.0%  |

Both management and non-management employees are hired based on salary bands benchmarked with the market, irrespective of gender. The variation in pay is due to individual performance over time, employment tenure, and specific skill sets.

### **Health, Safety & Environment (HSE)**

We are committed to fostering a strong safety culture across the Company, with a focus on proactively preventing hazards and maintaining a consistently safe workplace. This dedication enabled us to achieve zero lost time injuries during the year.

We continuously evaluate our processes to identify areas for improvement and enhance operational safety.

To strengthen our safety culture, we conduct an annual 'Health, Safety, and Environment' (HSE) week, engaging employees at all levels. This week-long event includes various activities that emphasize the importance of safety, health, and environmental awareness.

Throughout the year, we also conducted numerous training sessions to reinforce a culture of safety and promote employee well-being. Our commitment to industry best practices is further demonstrated by successfully completing annual certification audits under ISO standards; 45001 (Occupational Health and Safety Management System) and 14001 (Environmental Management System). Compliance with the Global Recycling Standard (GRS), a voluntary standard, is another example of our dedication towards environmental responsibility and sustainability.

In line with our commitment to sustainability, we have implemented energy-efficient technologies and further increased our solar plant capacity during the year, exceeding six megawatts and increasing our annual contribution towards the reduction in CO<sub>2</sub> emissions.

The Employers Federation of Pakistan has recognized the Company for its leadership in establishing a safe and healthy workplace, in the 'EFP Best Practices Award in Occupational Health, Safety, and Environment 2023.' In addition, the Company also holds the Fire Safety Award and the Annual Environment Excellence Award, further showcasing our obligation towards safety and environmental stewardship.

We also integrate the Kaizen culture and regularly conduct "Quality Control Circles" (QCC), enhancing our problem-solving capabilities and highlighting our comprehensive approach to operational efficiency and environmental responsibility.

### **Corporate Social Responsibility (CSR)**

The core of our values lies in the advancement and betterment of communities and the less privileged segments of society. Our dedication to enhancing the quality of life for stakeholders, employees and fellow citizens persisted despite the uncertainties during these times.

We continue to contribute in social investments encompassing community development, healthcare, education, environment and employee well-being during the fiscal year.

### **Information Technology (IT)**

In alignment with the strategic objectives, our Information Technology wing has continued to play a pivotal role in advancing our technological capabilities. During the fiscal year, we embarked on a significant digital transformation initiative by upgrading SAP S/4HANA. This upgrade marks a major milestone in our journey towards enhanced operational efficiency and data-driven decision-making.

Our investment in cybersecurity has increased to address the growing threat landscape. Furthermore, our commitment to enhancing our security posture by implementing CIS benchmarks and educating employees on best practices through ongoing awareness sessions and phishing simulations. These efforts not only fortify our defenses but also foster a culture of security awareness across the organization.

### **Related Party Transactions**

All transactions with related parties have been executed in accordance with applicable regulations and have been disclosed in the financial statements under relevant notes.

### **Internal Financial Controls**

The Company and its subsidiaries have deployed an effective system of internal financial controls to safeguard its assets and ensure the accuracy and reliability of its records. Senior management reviews financial performance of the Company and its subsidiaries through detailed monthly financial reports and analysis while the Board also carries out its own review at each quarter and probes into any variation versus budgets. Detailed examinations are regularly carried out by the internal audit function in adherence to internal procedures; the internal audit function reports its findings to the Board Audit Committee as per best practice.

### **Risks and Uncertainties**

The management is cognizant that the Company faces various types of risks to the business - both internal and external. The Company has established an Enterprise Risk Management ("ERM") system. ERM is the process of identifying, assessing, prioritizing, evaluating and mitigating the risks and challenges faced by the business. Risk management is the primary responsibility of the management of the Company. It is overseen and assisted by the internal audit function and the Board of Directors in line with policies & procedures that are in place to counter any potential risks.

The Company has enumerated these risks as:

1. Strategic risk
2. Financial risk
  - a. Foreign currency risk
  - b. Credit risk
  - c. Interest rate risk
3. Internal control risk
4. Operational/commercial risk
  - a. Competitors risk/technological & innovation risk
  - b. Regulatory risk
  - c. Supply chain risk
5. Health, safety and environment
6. Sustainability risk

Mitigating strategies are in place and the Company continues to monitor and re-evaluate them through the ERM system.

### **Contribution to National Exchequer**

During the year 2023-24, the Company contributed a sum of Rs. 6.3 billion (2023: 8.5 billion) towards the national exchequer by way of taxation, custom duties, levies, excise duty and WPPF.

### **Remuneration Policy of Executive & Non-Executive Directors**

The Board acknowledges the valuable contributions being made by the non-executive directors (including independent directors), and currently a meeting fee is being offered for attendance and participation at each board meeting or its committee. While this does not reflect compensation of their contributions, it is a token of appreciation.

Remuneration of directors during the year is disclosed in note 44 to the unconsolidated financial statements for the year ended June 30, 2024.

### **Auditors**

M/s. A.F. Ferguson & Co., Chartered Accountants have completed their assignment for the year June 30, 2024, retired and being eligible for reappointment, they have offered themselves for appointment as auditors for the year 2024-25.

### **Pattern of Shareholding**

The pattern of shareholding as at June 30, 2024 is attached to this report.

The Board has determined the Chief Executive Officer, the Chief Financial Officer, the Head of Internal Audit and the Company Secretary, as those executives whose reporting is to be made to the Pakistan Stock Exchange (PSX) in respect of trading in Company shares.

### **Directors' Training Program**

The Directors are in compliance with the training program as they have the requisite qualification and experience of serving on the board.

### **Compliance with the Code of Corporate Governance & Statement of Directors' Responsibility**

1. The financial statements prepared by the management of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
2. Proper books of account have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates based on reasonable and prudent judgment.

4. International Accounting Standards, as applicable in Pakistan have been followed in preparation of financial statements.
5. The Board has outsourced the internal audit function to M/s. Noble Computer Services (Pvt.) Ltd., who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedure of the Company.
6. The system of internal control is sound in design and has been effectively implemented and monitored.
7. All members of the Audit Committee are independent/non-executive Directors.
8. There are no significant doubts upon the Company's ability to continue as a going concern.
9. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
10. The value of investment of provident fund and retirement benefit fund stands at Rs. 1,081 million and Rs. 112 million, respectively as at June 30, 2024.
11. The key operating & finance data for the last six years are annexed to the report.

Total number of Directors are 7 (seven) consisting of 6 (six) male Directors and 1 (one) female Director.

Composition of the Board is as follows:

| Independent                      |
|----------------------------------|
| Ms. Aliya Saeeda Khan            |
| Mr. Khayam Husain                |
| Non-Executive Directors          |
| Mr. Rafiq M. Habib               |
| Mr. Mohamedali R. Habib          |
| Mr. Imran Ali Habib              |
| Mr. Salman Burney                |
| Executive Director               |
| Mr. Muhammad Tayyab Ahmad Tareen |

The names of the Board members during the year are as stated below, along with their respective attendance in the five Board meetings that were held during the year:

| Name of Directors                | Meetings Attended |
|----------------------------------|-------------------|
| Mr. Rafiq M. Habib (Chairman)    | 5/5               |
| Mr. Mohamedali R. Habib          | 5/5               |
| Mr. Imran Ali Habib              | 4/5               |
| Ms. Aliya Saeeda Khan            | 5/5               |
| Mr. Khayam Husain                | 5/5               |
| Mr. Salman Burney                | 5/5               |
| Mr. Muhammad Tayyab Ahmad Tareen | 5/5               |

The Audit Committee met four times during the year and attendance of the Directors was as follows:

| Name of Directors       | Meetings Attended |
|-------------------------|-------------------|
| Mr. Khayam Husain       | 4/4               |
| Mr. Mohamedali R. Habib | 4/4               |
| Mr. Imran Ali Habib     | 3/4               |
| Mr. Salman Burney       | 3/4               |

The Human Resources & Remuneration Committee met twice during the year and the attendance of the Directors was as follows:

| Name of Directors                   | Meetings Attended |
|-------------------------------------|-------------------|
| Ms. Aliya Saeeda Khan (Chairperson) | 2/2               |
| Mr. Mohamedali R. Habib             | 2/2               |
| Mr. Salman Burney                   | 2/2               |
| Mr. Muhammad Tayyab Ahmad Tareen    | 2/2               |

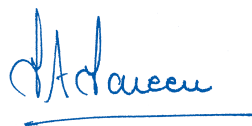
### Dividend and Appropriations

The Directors propose following appropriations out of the profit for the current year:

- Final cash dividend declared of Rs. 6.00 per share, i.e. 120% in addition to interim dividends of Rs. 2.00 per share, i.e. 40%.
- Transfer of a sum of Rs. 1,600 million from unappropriated profits to General Reserve.

### Acknowledgement

We would like to extend our sincere gratitude to our shareholders, customers and business partners for their continuing patronage and trust. We also appreciate our employees for their relentless contribution to the Company.



**Chief Executive**

Karachi

Dated: September 10, 2024



**Director**

سال کے دوران آڈٹ کمیٹی کے 4 اجلاس منعقد ہوئے اور اس میں ڈائریکٹرز کی حاضری درج ذیل رہی:

| ڈائریکٹر کا نام        | شرکت کردہ اجلاس کی تعداد |
|------------------------|--------------------------|
| جناب خیام حسین         | 4/4                      |
| جناب محمد علی آر۔ حبیب | 4/4                      |
| جناب عمران علی حبیب    | 3/4                      |
| جناب سلمان برنی        | 3/4                      |

سال کے دوران ہیومن ریسورسز اینڈ ری میونریشن کمیٹی کے 2 اجلاس منعقد ہوئے اور اس میں ڈائریکٹرز کی حاضری درج ذیل رہی:

| ڈائریکٹر کا نام                    | شرکت کردہ اجلاس کی تعداد |
|------------------------------------|--------------------------|
| محترمہ عالیہ سعیدہ خان (چیئر پرسن) | 2/2                      |
| جناب محمد علی آر۔ حبیب             | 2/2                      |
| جناب سلمان برنی                    | 2/2                      |
| جناب محمد طیب احمد ترین            | 2/2                      |

### منافع منقسمہ کی تقسیم و تخصیص

ڈائریکٹرز موجودہ سال کے منافع میں سے درج ذیل تخصیصات تجویز کرتے ہیں:

- فی شیئر 6.00 روپے کے حقیقی نقد منافع منقسمہ کا اعلان کیا گیا یعنی 120 فیصد، علاوہ 2.00 روپے کے عبوری منافع منقسمہ یعنی 40 فیصد۔
- غیر مختص شدہ منافع 1,600 ملین روپے کی رقم جنرل ریزرو میں منتقل کرنا۔

### اعتراف

ہم اپنے شیئر ہولڈرز، صارفین اور کاروباری شراکت کاروں کے ان کی مستقل سرپرستی اور اعتماد کے لیے دلی شکرگزار ہیں۔ ہم اپنے تمام ملازمین کی کمپنی میں انتھک محنت اور شراکت کیلئے بھی تعریف کرتے ہیں۔



ڈائریکٹر



چیف ایگزیکٹو  
کراچی:

مؤرخہ: 10 ستمبر 2024

۵۔ بورڈ نے انٹرنل آڈٹ کے امور بیرونی ذریعہ، میسرز نوبل کمپیوٹرس سروسز (پرائیویٹ) لمیٹڈ کو تفویض کئے ہیں جو اس کام کیلئے نہایت موزوں اہلیت اور تجربہ کے حامل ہیں اور کمپنی کی پالیسیوں اور طریقہ کار سے بخوبی آگاہ ہیں۔

۶۔ انٹرنل کنٹرول سسٹم کی تشکیل نہایت مضبوط ہے اور اس کا نفاذ اور نگرانی موثر طور پر کی جارہی ہے۔

۷۔ آڈٹ کمیٹی کے تمام ممبران آزاد/نان۔ ایگزیکٹو ڈائریکٹرز ہیں۔

۸۔ کمپنی کے موجودہ حیثیت میں کام جاری رکھنے میں کسی رکاوٹ کا شک و شبہ نہیں ہے۔

۹۔ اصول و ضوابط کی فہرست میں درج کارپوریٹ گورننس کے بہترین طریقوں میں سے کوئی بات خارج نہیں کی گئی ہے۔

۱۰۔ پروویڈنٹ فنڈ اور ریٹائرمنٹ فنڈ میں سرمایہ کاری کی رقم بمطابق 30 جون 2024 بالترتیب 1,081 ملین روپے اور 112 ملین روپے ہے۔

۱۱۔ گزشتہ چھ سال کی آپرینٹنگ اور مالیاتی معلومات اس رپورٹ کے ضمیمہ میں درج ہیں۔

ڈائریکٹرز کی کل تعداد 7 ہے جس میں 6 مرد ڈائریکٹرز اور 1 خاتون ڈائریکٹر ہیں۔

بورڈ کی تشکیل درج ذیل ہے:

| انڈیپنڈنٹ ڈائریکٹرز     |
|-------------------------|
| محترمہ عالیہ سعیدہ خان  |
| جناب خیام حسین          |
| نان۔ ایگزیکٹو ڈائریکٹرز |
| جناب رفیق ایم۔ حبیب     |
| جناب محمد علی آر۔ حبیب  |
| جناب عمران علی حبیب     |
| جناب سلمان برنی         |
| ایگزیکٹو ڈائریکٹر       |
| جناب محمد طیب احمد ترین |

بورڈ ممبران کے نام اور سال کے دوران منعقد ہونے والے 5 اجلاسوں میں ان کی حاضری کی تفصیلات درج ذیل ہیں:

| ڈائریکٹر کا نام                | شرکت کردہ اجلاس کی تعداد |
|--------------------------------|--------------------------|
| جناب رفیق ایم۔ حبیب (چیئر مین) | 5/5                      |
| جناب محمد علی آر۔ حبیب         | 5/5                      |
| جناب عمران علی حبیب            | 4/5                      |
| محترمہ عالیہ سعیدہ خان         | 5/5                      |
| جناب خیام حسین                 | 5/5                      |
| جناب سلمان برنی                | 5/5                      |
| جناب محمد طیب احمد ترین        | 5/5                      |



تدارک کی حکمت عملی وضع کی گئی ہے اور کمپنی ای آر ایم سسٹم کے ذریعے اس کی نگرانی اور جائزہ لینے کا عمل جاری رکھے ہوئے ہے۔

### قومی خزانے میں حصہ

سال 2023-24 میں کمپنی نے ٹیکسیشن، کسٹم ڈیوٹیز، محصولات، ایکسائز ڈیوٹیز اور ڈبلیو پی پی ایف کی صورت میں قومی خزانے میں 6.3 بلین روپے جمع کرائے (8.5:2023 بلین روپے)۔

### نان۔ ایگزیکٹو ڈائریکٹرز کے لئے معاوضہ پالیسی

بورڈ نان۔ ایگزیکٹو ڈائریکٹرز (بشمول آزاد ڈائریکٹرز) کی جانب سے کی گئی اہم شراکت کو تسلیم کرتا ہے اور ان کی تعریف کرتا ہے۔ فی الحال، ہر بورڈ مینٹگ یا کی کمیٹیوں میں ان کی حاضری اور شرکت کے لئے مینٹگ فیس فراہم کی جاتی ہے۔ اگرچہ ان کی خدمات کے معاوضہ کی عکاسی نہیں کرتا، یہ محض تعریفی علامت کے طور پر نمائندگی کرتا ہے۔

دوران سال ڈائریکٹرز کے معاوضہ کا انکشاف 30 جون 2024 کو ختم ہونے والے سال کے غیر عبوری مالیاتی گوشواروں کے نوٹ 44 میں کیا گیا ہے۔

### آڈیٹرز

میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے 30 جون 2024 کے لیے اپنا کام اور فرائض مکمل کر لیے ہیں اور وہ سبکدوش ہونے کے ساتھ دوبارہ تقرری کیلئے اہل بھی ہیں۔ انہوں نے سال 2024-25 کیلئے آڈیٹرز کی حیثیت سے خود کو دوبارہ تقرری کیلئے پیش کیا ہے۔

### شیئر ہولڈنگ کارٹرز

شیئر ہولڈنگ کارٹرز بمطابق 30 جون 2024 اس رپورٹ کے ساتھ منسلک ہے۔

بورڈ نے چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، ہیڈ آف انٹرنل آڈٹ اور کمپنی سیکریٹری کن ان ایگزیکٹو طور پر متعین کیا ہے جن کی رپورٹنگ کمپنی کے شیئرز میں ٹریڈنگ کے سلسلے میں پاکستان اسٹاک ایکسچینج (پی ایس ایکس) کو کی جاتی ہے۔

### ڈائریکٹرز ٹریڈنگ پروگرام

ڈائریکٹرز بورڈ پر خدمات انجام دینے کیلئے مطلوبہ قابلیت اور تجربے کے حامل ہیں اور ٹریڈنگ پروگرام پر مکمل عملدرآمد کرتے ہیں۔

### اجتماعی اور مالیاتی رپورٹنگ فریم ورک میں کوڈ آف کارپوریٹ گورننس پر عملدرآمد کا اسٹیٹمنٹ

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی اسٹیٹمنٹ میں کمپنی کے معاملات، آپریشنز کے نتائج، رقومات کے بہاؤ اور ایکویٹی میں تبدیلیوں کو شفاف طور پر پیش کیا گیا ہے۔
- کمپنی کے حسابات کیلئے کھاتوں کو درست طور پر پیش کیا گیا ہے۔
- مالیاتی اسٹیٹمنٹ کی تیاری میں ہر جگہ حسابات کی پالیسی کو درست طور پر استعمال کیا گیا ہے اور حسابات کے تخمینے کے سلسلے میں مناسب ترین اور دانشمندانہ فیصلے کئے گئے ہیں۔

مالیاتی اسٹیٹمنٹ، پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی بنیاد پر تیار کئے گئے ہیں۔

سماہر سکیورٹی میں ہماری سرمایہ کاری میں بڑھتے ہوئے خطرات سے نمٹنے کے تناظر میں اضافہ کیا گیا۔ مزید برآں CIS شیئنگ مارکس کو لاگو کرنے کے ذریعے اور جاری آگاہی سیشنز اور جلساں کی اور مکاری سے آگاہ کرنے کے ذریعے بہترین طریقہ کار کے تحت ملازمین میں شعور بیدار کرتے ہوئے اپنے سکیورٹی نظام کو مزید مستحکم بنانے کا عزم برقرار ہے۔ یہ کوششیں نہ صرف ہمارے دفاع کو مضبوط بناتی ہیں بلکہ ادارے کے اندر سکیورٹی سے آگاہی کے کلچر کو بھی فروغ دیتی ہیں۔

### متعلقہ پارٹیز سے لین دین

تمام متعلقہ فریقوں کے ساتھ لین دین کے معاملات لاگو پالیسیاں اور ضابطوں کے مطابق انجام دیئے گئے ہیں اور متعلقہ نوٹس کے تحت مالیاتی گوشواروں میں ظاہر کئے گئے ہیں۔

### اندرونی مالی کنٹرولز

کمپنی اور اس کے ذیلی اداروں میں انٹرنل کنٹرولز کا ایک موثر سسٹم لاگو کیا گیا ہے تاکہ اس کے اثاثہ جات کو محفوظ بنانے کے ساتھ اس کے ریکارڈز کو درست اور قابل اعتماد بنایا جائے۔ سینئر انتظامیہ کمپنی اور اس کے ذیلی اداروں کی مالیاتی کارکردگی کا جائزہ ماہانہ مفصل مالیاتی رپورٹس کے ذریعے لیتی ہے جبکہ بورڈ بھی ہر سہ ماہی کے اختتام پر اس کا ذاتی جائزہ لیتا ہے اور بجٹ کے لحاظ سے اس کا تقابلی موازنہ کرتا ہے۔ مروجہ طریقہ کار کے تحت انٹرنل آڈٹ کے ذریعے باقاعدگی کے ساتھ مفصل جانچ پڑتال کی جاتی ہے۔ انٹرنل آڈٹ کے عمل کی رپورٹ پر بہترین طریقہ کار کے مطابق بورڈ آڈٹ کمیٹی کے جائزے کے لئے پیش کی جاتی ہیں۔

### خدشات اور غیر یقینی کیفیت

کمپنی اس سلسلے میں کافی محتاط ہے کہ کمپنی کو اندرونی اور بیرونی دونوں سطحوں پر کاروبار میں مختلف اقسام کے خطرات کا سامنا ہے۔ کمپنی نے اس کیلئے ایک انٹرپرائز رسک مینجمنٹ (ای آر ایم) سسٹم نافذ کر رکھا ہے۔ ای آر ایم کو درپیش خطرات اور چیلنجز کی تلاش، اس کی جانچ، ترجیحی حل، پڑتال اور اس کے تدارک کا مربوط عمل ہے۔ خدشات کو دور کرنے کا بندوبست کرنا کمپنی کی مینجمنٹ کی بنیادی ذمہ داری ہے۔ اس سلسلے میں انٹرنل آڈٹ فنکشن اور بورڈ آف ڈائریکٹرز ان پالیسیوں اور طریقوں کے مطابق جائزہ لیتے ہیں اور مدد کرتے ہیں جو متوقع خدشات کا مقابلہ کرنے کیلئے وضع کی گئی ہیں۔

کمپنی نے ان خدشات کی درجہ بندی اس طرح کی ہے:

- حکمت عملی کے خدشات
- مالیاتی خدشات
- الف۔ بیرونی کرنسی کے خدشات
- ب۔ کریڈٹ کے خدشات
- ج۔ شرح سود کے خدشات
- انٹرنل کنٹرول کے خدشات
- آپریٹنگ/کمرشل خدشات
- الف۔ کاروباری حربوں کے خدشات/ٹیکنالوجیکل اور جدت کے خدشات
- ب۔ ضوابط کے خدشات
- ج۔ سپلائی چین کے خدشات
- صحت، تحفظ اور ماحولیات
- پائیداری کے خدشات

کے کلچر کو فروغ دینے کے بارے میں تشکیل دیا گیا ہے۔ ان مربوط اقدامات کے ذریعے ہمارا مقصد اپنے ملازمین کی مجموعی صحت اور ان کی بہبود کیلئے ان کی معاونت کرنے کے ساتھ صحت کے پیچیدہ مسائل جیسا کہ چھاتی کے کینسر کے بارے آگاہی فراہم کرنا ہے۔

### ڈائی ورٹی، ایکٹیو اور اکلون (DE&I)

ہم ایک اسٹریٹجک اقدام کے طور پر صنفی تنوع کے فروغ کو ترجیح اس امر کو تسلیم کرتے ہوئے دیتے ہیں کہ یہ فیصلہ سازی کی قوت میں اضافے، مسائل کے حل اور ہماری مشترکہ مہارتوں کو مزید بہتر بنا سکتا ہے۔ ہماری کمیونٹ کا مرکز ہمارے صنفی تنوع کے فروغ کے تناسب کو بڑھانے اور ایسا ماحول تشکیل دینے پر ہے جہاں ہماری خواتین پر مشتمل افرادی قوت کو با اختیار بنایا جائے اور وہ اپنی مکمل صلاحیتوں اور مہارت حاصل کر سکیں۔ انٹرنیشنل ویمن ڈے کی تقریب میں ہم نے نہ صرف اپنے ادارے کے اندر خواتین کی شاندار شرکت کو خراج تحسین پیش کیا بلکہ اپنے اس عزم کو بھی دہرایا کہ طے شدہ اہداف کے حامل اقدامات اور مشترکہ گفت و شنید کے ذریعے مساوی صنفی سلسلے کو بھی مزید تقویت دی جائے گی۔ اس دن کو ترقی کی ایک بھرپور یاد دہانی کے طور پر منایا گیا کہ ہم نے ایک با مقصد تبدیلی کی مہم کے لیے اپنی کوششوں کو جاری رکھا ہے۔ ہم اس سلسلے میں خصوصی پالیسیوں جیسا کہ زچگی اور ولدیت کی چھٹیوں، ٹرانسپورٹ کی سہولت اور ہر انگی کے خلاف بھرپور تحفظ کی پیشکش بھی کرتے ہیں۔

ملازمین کی انجمن میں اضافے کے لیے اپنی کوششوں کے تحت ہم نے کئی سرگرمیوں بشمول فٹسال ٹورنامنٹ اور سائیکلنگ کے ایونٹ پر مشتمل سرگرمیوں کا بھی انعقاد کیا۔ یہ اقدامات ہمارے کام کے ایک متحرک اور فعال مقام کے کلچر، متحکم ٹیم کو فروغ دینے اور ایک متوازن ورک لائف ماحول کو تشکیل دینے کی وسیع تر حکمت عملی کا حصہ ہیں۔ ملازمین کو ان کے روزمرہ سے باہر کے معاملات سے منسلک رہنے کے مواقع فراہم کرنے کے ذریعے ہمارا مقصد اپنے ادارے کے اندر حوصلہ افزائی، کردار کو بہتر بنانے کی کوشش اور کمیونٹی کے بارے میں شعور بیدار کرنا ہے۔

### تنخواہوں میں صنفی لحاظ سے فرق کے اسٹینڈ

سال کے دوران تنخواہوں میں صنفی لحاظ سے فرق کے تخمینہ درج ذیل ہے:

- |      |                            |          |
|------|----------------------------|----------|
| (i)  | مردوں میں تنخواہوں کا فرق  | 4.7 فیصد |
| (ii) | خواتین میں تنخواہوں کا فرق | 0.0 فیصد |

انتظامی اور غیر انتظامی دونوں ملازمین کی تقرری مارکیٹ کے اندر رائج تنخواہوں کے پیمانے پر بلا کسی صنفی امتیاز کی گئی۔ تنخواہوں میں کوئی بھی فرق افراد کی کارکردگی، اوور ٹائم، ملازمت کی مدت اور خصوصی مہارت کی بنیاد پر ہے۔

### صحت، تحفظ اور ماحولیات (ایچ ایس ای)

ہم پوری کمپنی کے اندر حادثات اور آفات سے بچاؤ کے ایک محفوظ نظام اور مستقل بنیاد پر تحفظ کے حامل ورک پلیس کو برقرار رکھنے کے ساتھ ایک مضبوط سیفٹی کلچر کو فروغ دینے کے عزم پر کاربند ہیں۔ اس عزم کی بدولت ہم پورے سال کے دوران کسی بھی ملازم کے ذہنی یا مادی ہونے کے کسی بھی خطرے سے محفوظ رہے۔

ہم مستقل طور پر بہتری کے شعبوں اور آپریشنل سیفٹی کو بڑھانے کے اپنے افعال اور اعمال کی جانچ

کرتے ہیں۔ اپنے سیفٹی کلچر کو متحکم بنانے کے لیے ہم ایک سالانہ ہیلتھ، سیفٹی اور اینوائزمنٹ (HSE) ویک کا انعقاد کرتے ہیں تاکہ تمام سطحوں پر ملازمین کو آگاہی کے اس پروگرام میں مصروف رکھا جائے۔ ایک ہفتے کے اس ایونٹ میں مختلف سرگرمیاں جیسا کہ سیفٹی، ہیلتھ اور ماحولیات آگاہی کی اہمیت پر زور دیا جاتا ہے۔

پورے سال کے دوران ہم نے سیفٹی اور ملازمین کی بہبود کے فروغ کے کلچر کو مزید مضبوط بنانے کیلئے مختلف تربیتی سیشنز کا بھی انعقاد کیا۔ صنعت کے بہترین طریقہ کار کو رائج کرنے کیلئے ہمارے عزم کا مزید اظہار کارمیابی کے ساتھ آئی ایس او اسٹینڈرڈز: 45001 (آکیویشنل ہیلتھ اینڈ سیفٹی مینجمنٹ سسٹم) اور 14001 (اینوائزمنٹل مینجمنٹ سسٹم) کے تحت سالانہ سرٹیفیکیشن آڈٹس کے ذریعے ہوتا ہے۔ ایک رضا کارانہ اسٹینڈرڈ گلوبل ری سائیکلنگ اسٹینڈرڈ (GRS) پر عملدرآمد کرنا ماحولیات کی مدداری اور پائیداری کے ضمن میں ہمارے عزم کی ایک اور مثال ہے۔

استحکام کے لیے اپنے عزم پر قائم رہتے ہوئے ہم نے سال کے دوران انرجی کو با کفایت بنانے کی ٹیکنالوجیز کو لاگو کر کے اور اپنے سولر پلانٹ کی گنجائش کو مزید بڑھانے کے اقدامات کیے تاکہ کاربن کے اخراج کو کم کرنے کے ضمن میں ہم اپنی سالانہ شرکت میں اضافہ کر سکیں۔

ایمپلائرز فیڈریشن آف پاکستان نے ایک محفوظ اور صحتمند ورک پلیس قائم کرنے کے ضمن میں کمپنی کی قائدانہ صلاحیتوں کا اعتراف کرتے ہوئے ’ای ایف بی سیٹ پر کیلیکٹرز ایوارڈ برائے آکیویشنل ہیلتھ، سیفٹی اینڈ اینوائزمنٹ 2023‘ سے نوازا۔ اس کے علاوہ کمپنی نے فائز سیفٹی ایوارڈ اور سالانہ اینوائزمنٹ ایکسیلنس ایوارڈ بھی حاصل کیے جو سیفٹی اور ماحولیات کے تحفظ کے سلسلے میں کمپنی کے ذمہ دارانہ رویے کی عکاسی کرتے ہیں۔

ہم نے کائنات کلچر کو بھی مربوط رکھا ہے اور باقاعدگی سے ’کوالٹی کنٹرول سرکلز‘ (QCC) کا انعقاد کرتے ہیں تاکہ ہماری مسائل کو حل کرنے کی صلاحیتوں میں اضافہ ہو اور ہماری آپریشنل کارکردگی اور ماحولیات کی مدداری کے حوالے سے جامع نقطہ نظر واضح ہو سکے۔

### کارپوریٹ سوشل ریسپانسیبلٹی (سی ایس آر)

ہمارے اقدار کی بنیاد برادریوں اور معاشرے کے پسماندہ طبقات کی ترقی اور بہتری میں مضمر ہے۔ اس وقت غیر یقینی صورتحال کے باوجود اسٹیک ہولڈرز، ملازمین اور شہریوں کے معیار زندگی کو بہتر بنانے کیلئے ہماری لگن برقرار ہے۔

مالی سال کے دوران ہم معاشرتی ترقی، صحت کی دیکھ بھال، تعلیم، ماحولیات اور ملازمین کی فلاح و بہبود پر مشتمل سماجی سرمایہ کاری میں اپنا حصہ ڈالتے رہیں گے۔

### انفارمیشن ٹیکنالوجی

اسٹریٹجک اغراض و مقاصد کے پیش نظر ہمارے انفارمیشن ٹیکنالوجی کے ونگ نے ہماری ٹیکنالوجیکل صلاحیتوں کے فروغ اور ان کو جدید بنانے میں مستقل طور پر ایک اہم کردار ادا کیا ہے۔ مالی سال کے دوران ہم نے SAP S/4HANA کو آپ گریڈ کرنے کے ذریعے ایک نمایاں ڈیجیٹل ٹرانسفارمیشن اقدام اٹھایا۔ اس بہتری کے ساتھ آپریشنل کارکردگی بڑھانے اور ڈیٹا کے ذریعے چلائے جانے والے فیصلہ کن اقدامات کے حوالے سے ہمارے سفر نے ایک اہم سنگ میل حاصل کیا۔

## میکرو حبیب پاکستان لمیٹڈ (ایم ایچ پی ایل)

میکرو حبیب پاکستان لمیٹڈ (ایم ایچ پی ایل) قتل لمیٹڈ کا ایک ملکیتی ذیلی ادارہ ہے جو مبارک شہید روڈ، لائنز ایریا، کراچی میں اپنی اسٹور پریم سر کی ملکیت کا حامل ہے۔

اسٹور کو ستمبر 2015 میں سپریم کورٹ کے فیصلے کے تحت بند کر دیا گیا تھا اور متعلقہ اتھارٹی کے حوالے کر دیا گیا۔

## نوبل کمپیوٹر سروسز (پرائیویٹ) لمیٹڈ

یہ بزنس قتل لمیٹڈ کا مکمل ملکیتی ذیلی ادارہ ہے۔ یہ گروپ کیلئے انٹر نل آڈٹ، آئی ٹی، ایڈوائزری، ایچ آر اور دیگر انتظامی خدمات فراہم کر رہا ہے۔

## پاکستان انڈسٹریل ایڈز (پرائیویٹ) لمیٹڈ

یہ قتل لمیٹڈ کا مکمل ملکیتی ادارہ ہے۔ اپنے تجارتی آپریشنز کے ذریعے بزنس نے آٹوموٹیو پارٹس اور انٹرکنٹینٹل گیس کی آٹوموٹو ہائل اسمبلر اور آٹو پارٹس میڈیوٹیکچرز کو فراہم کر کے اپنا کاروبار جاری رکھا ہے۔

## انرجی سیکٹر میں سرمایہ کاریاں

### سندھ اینگروول مائننگ کمپنی لمیٹڈ (ایس ای سی ایم سی)

سندھ اینگروول مائننگ کمپنی لمیٹڈ (ایس ای سی ایم سی) حکومت سندھ، قتل لمیٹڈ، اینگرو انرجی لمیٹڈ، حب پاور کمپنی لمیٹڈ، حبیب بینک لمیٹڈ اور سی ایم ای سی تھر مائننگ انوسٹمنٹس لمیٹڈ کے مابین ایک جوائنٹ وینچر ہے۔ ایس ای سی ایم سی تھر کول بلاک-II میں پاکستان کے پہلے اوپن پٹ مائننگ پروجیکٹ کو تیار کیا ہے۔

تھر مائننگ کا فیز-1 اینگرو پاور جن تھر (پرائیویٹ) لمیٹڈ کی جانب سے قائم کردہ 2x330 میگا واٹ (ایم ڈبلیو) پاور جنریشن پلانٹ کیلئے کوئلہ فراہم کر رہا ہے۔ فیز-II کیلئے، سندھ اینگروول مائننگ کمپنی لمیٹڈ (ایس ای سی ایم سی) کے قتل نووا پاور تھر (پرائیویٹ) لمیٹڈ اور تھر انرجی لمیٹڈ کے ساتھ کونکے کی فراہمی کے معاہدے ہیں جو 330 میگا واٹ پاور پلانٹس میں سے ہر ایک کو لگناٹ فراہم کرتے ہیں۔

ستمبر 2022 میں فیز-II کیلئے پراجیکٹ کمپنی نے کرشل آپریشنز کی تاریخ حاصل کی۔ سندھ اینگرو کول مائننگ کمپنی لمیٹڈ (ایس ای سی ایم سی) اب بلاک-II میں 1320 میگا واٹ کے تھر کول پر مبنی پاور پلانٹس کو کوئلہ فراہم کر رہا ہے جو کہ بجلی کے اخراجات کیلئے پھر کے میرٹ آرڈر میں اعلیٰ درجے پر ہے۔

فیز-III کے لیے ایس ای سی ایم سی کے بورڈ آف ڈائریکٹرز نے 11.2 ملین ٹن سالانہ کے لیے مائن کی توسیع کے سلسلے میں پلان کی منظوری دی تاکہ لکی الیکٹرک پاور کمپنی لمیٹڈ کے کونکے کی ضرورت کو پورا کیا جاسکے۔

کمپنی نے جون 2024 میں 346 ملین روپے کا منافع منقسمہ وصول کیا جو اس کی 11.9% عمومی شیئر ہولڈنگ پر مبنی ہے۔

سال کے دوران ہم نے کمپنی کو اختیار دیا کہ وہ ایس ای سی ایم سی کے پاکستانی شیئر ہولڈرز کے ساتھ ایچ پی ایل کے ذریعے پیش کردہ شیئرز کے حصے کو حاصل کرنے کیلئے گفت و شنید کرے تاکہ کمپنی کی پوزیشن تمام قوتوں میں ایس ای سی ایم سی کے وسیع ترین مشترکہ نجی شیئر ہولڈرز میں سے ایک کی ہے۔

## قتل نووا پاور تھر (پرائیویٹ) لمیٹڈ (قتل نووا)

قتل نووا قتل پاور (پرائیویٹ) لمیٹڈ، نووا پاور جن لمیٹڈ (نووا ٹیکس لمیٹڈ کے ذیلی ادارے) اور حب پاور کمپنی لمیٹڈ کا ایک مشترکہ منصوبہ ہے جو تھر سندھ میں واقع 330 میگا واٹ مائن ماؤتھ کول فائرڈ پاور جنریشن پلانٹ قائم کرنے کے لئے ہے۔ یہ پاور پلانٹ ایس ای سی ایم سی کی جانب سے چلائی جانے والی مائن سے نکالے جانے والے دیسی کونکے سے چلایا جائے گا۔

قتل نووا نے ایس ای سی ایم سی کے ساتھ سالانہ 1.9 ملین ٹن لگنائٹ کی فراہمی کے لئے کول سپلائی ایگریمنٹ پر دستخط کئے ہیں۔ اس نے سینٹرل پاور پراجیکٹس (گارنی) لمیٹڈ کے ساتھ پاور پراجیز ایگریمنٹ اور پرائیویٹ پاور انفراسٹرکچر بورڈ کے ساتھ ایپلی میٹیشن ایگریمنٹ بھی کیا ہے۔

اس پروجیکٹ نے فروری 2023 میں تجارتی آپریشن کی تاریخ حاصل کی۔

## ہیومن ریسورسز (ایچ آر)

قتل کی حکمت عملی کے مرکز میں ہمارا غیر متزلزل عزم اپنے ملازمین کی فلاح و بہبود، ان کی ترقی اور جدت طرازی میں معاونت کی فراہمی ہے۔ ہماری اولین ترجیحات میں اپنے ملازمین کے لیے اس امر کو یقینی بنانا ہے کہ ہماری تمام تر کوششیں ان کی بہتری کے لیے ہے۔ اس عزم سے ایک ایسا ماحول پیدا ہوتا ہے جہاں ہر ملازم اپنی قدر اور اہمیت کو محسوس کرتا ہے اور اپنے اعزاز کے حصول میں فعال دکھائی دیتا ہے اس کے ذریعے ایک بہتر مستقبل کے ہمارے مشن کی راہ ہموار ہوتی ہے۔

طے شدہ اہداف کے تربیتی پروگراموں کو سرمایہ کاری کے تحت ضروری تربیتی ضروریات کا جائزہ لینے کے ذریعے تشکیل دیا گیا، قتل نے سال کے دوران 3,809 تربیتی گھنٹے حاصل کئے ہیں قتل کے تربیت یافتہ ملازمین ہمارے ”لرننگ فیئر“ کے دوران بذریعہ صنعت کے سرکردہ ٹرینرز کی جانب سے فراہم کردہ جدید پروگراموں کے ذریعے ہماری افرادی قوت کو مستقبل بہتر بنانے کے لیے ہمارے میڈیٹ کو سپورٹ کر رہے ہیں اور اس امر کو یقینی بن رہے ہیں کہ وہ صنعت کے ابھرتے ہوئے رجحانات کو رائج کرنے کے لیے درست مہارتوں سے آراستہ ہو چکے ہیں۔

ہمارے موجودہ ٹیلنٹ کو بڑھانے کے ساتھ ساتھ ہم ٹاپ ٹیلنٹ کو بھی مربوط بنانے پر یقین رکھتے ہیں تاکہ اپنا تنظیمی اعزاز برقرار رکھیں۔ اس سال ٹیلنٹ ٹریننگ پروگرام 2024 ایک مسابقتی درخواست گزاروں کے پول سے اعلیٰ صلاحیتوں کے حامل کے انتخاب سے مرتب کیا گیا جو بہترین جامعات کی نمائندگی کرتے تھے۔

بہترین کارکردگی کے لیے ملازم کی ضروریات کو منسلک رکھنے کے لیے بنیادی ضرورت کو سمجھتے ہوئے ہم نے ایک مربوط ایمپلائی انجمنٹ سروس کا انعقاد کیا، یہ سروس ان انجمنٹ کے اہم پیمانوں مثلاً زرتلانی اور فوائد، تربیت اور ڈیولپمنٹ، ورک انلٹ بنیلنس اور پرفارمنس مینجمنٹ کی جانچ کے لیے تشکیل دیا گیا تھا۔

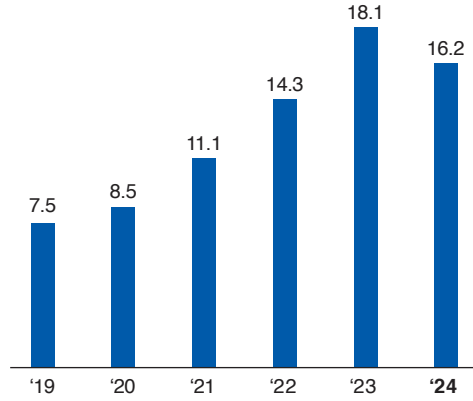
ہم ملازمین کی بہبود اور خوش حالی کو ترجیح دیتے ہیں اور ماہرین صحت سے اشتراک کرتے ہوئے ایک جامع بحالی کا بوٹ کیمپ فراہم کرتے ہیں۔ اس اقدام میں ہیلتھ کی جانچ پڑتال، جسم کا مفصل جائزہ اور پروفیشنل ڈاکٹرز کے ساتھ آن سائٹ مشاورت کا عمل کا شامل ہے تاکہ افراد کی ہیلتھ رپورٹس کا جائزہ لیا جائے۔ ان کوششوں کے علاوہ بھی ہم ایک ادارہ جاتی وسیع تر چھاتی کے کیسز کا آگاہی پروگرام ہر سال منعقد کرتے ہیں۔ یہ پروگرام اپنے ملازمین کو ابتدائی مرحلے پر مرض کی نشاندہی کی اہمیت سے آگاہ کرنے، سپورٹ اور تحفظ کے لیے وسائل کی فراہمی اور موثر ہیلتھ مینجمنٹ

## بلڈنگ میٹریلز اور منسلکہ مصنوعات کا شعبہ

کمپنی کا بلڈنگ میٹریلز اور منسلکہ مصنوعات کا شعبہ درج ذیل پر مشتمل ہے:

- جوٹ ڈویژن
- پیکیجنگ ڈویژن
- لمینیشن ڈویژن

**Sales Revenue**  
Rs. in billion



سال کے دوران اس شعبے کا ٹرن اوور 10 فیصد سے کم ہو کر 16.2 بلین روپے رہا جو اس کے مقابلے میں گزشتہ سال 18.1 بلین روپے تھا۔

### جوٹ ڈویژن

سال کے دوران اس برنس کو متعدد چیلنجز کا سامنا کرنا پڑا، بالخصوص گندم کے حجم میں کمی اور ہائی گریڈ جوٹ کی قلت کے سبب بحرانی صورتحال رہی۔ حجم میں اس کمی کو پورا کرنے کے لیے انتظامیہ نے مقامی سیکنگ مارکیٹ کے لیے باکفایت لاگتی متبادل متعارف کرائے تاکہ استعمال شدہ سیکنگ بیگز کی قلت کو پورا کیا جائے۔ مزید برآں برآمدات کو فروغ دینے کے ضمن میں بھی کوششیں کی گئیں جس کی وجہ سے بیسٹن کی برآمدات میں 8 فیصد تک اضافہ دیکھنے میں آیا۔

### آؤٹ لک

کاروبار مستقل طور پر باکفایت پیداواری اقدامات اور اپنی برآمدی سرگرمیوں کو بڑھانے کے لیے نئی مارکیٹوں کی تلاش کے ساتھ جدید پروجیکٹس پر کام تلاش کرنے پر توجہ جاری رکھے گا۔

### ہیجنگ ڈویژن

سیمنٹ کے سیکٹر میں کم تر طلب ہونے کے باعث سخت ترین آپریشن کی صورتحال کے باوجود برنس نے لاگت کو کنٹرول کرنے کی حکمت عملیوں بشمول آٹومیشن میں اضافے۔ غیر فعال مارکیٹوں کو بحال کرنے اور اپنے برآمدی پورٹ فولیو کو توسیع دینے کے عمل کو بروئے کار لاتے ہوئے کاروبار کو مستحکم رکھا جس سے بہتر منافع شرح اور بلند تر گروتھ کی صلاحیت حاصل ہوئی۔

کاروبار نے انتہائی کامیابی کے ساتھ ایک اہم بین الاقوامی ریٹیل چین کیلئے پاکستان سے پہلے نان۔ ٹیکسٹائل وینڈر کے طور پر رجسٹریشن حاصل کی، جس سے برآمدات میں مزید فروغ کیلئے امکانات پیدا ہوں گے۔

### آؤٹ لک

ہم توقع کرتے ہیں کہ مقامی اور بین الاقوامی مارکیٹوں دونوں میں اپنی پوزیشن مستحکم بنانے کے لیے یہ اقدامات مفید ثابت ہوں گے اور ہماری توجہ اپنے بلند تر شرح منافع کے حامل برآمدی پورٹ فولیو کی توسیع پر مرکوز رہے گی۔

## لمینیشن ڈویژن

لمینیشن ڈویژن انجینئر ڈسٹریکٹ کی صنعت میں براڈ "فورمانٹ" کے تحت کام کرتا ہے جو ہائی پریشر لمینیشن، ٹیکنیکل لمینیشن اور لمینیشن بورڈز پیش کرتا ہے۔

سال کے دوران موجودہ مسائل برنس پر اثر انداز ہوئے۔ ان بحرانوں کے باوجود کاروبار نے کامیابی کے ساتھ درآمد شدہ این پٹ میٹریلز کی جگہ مقامی اشیاء کے ذریعے بہتر شرح منافع حاصل کیا۔

مزید برآں کاروبار نے کوالٹی مینجمنٹ سسٹم کے لئے ایک بین الاقوامی تسلیم شدہ اسٹینڈرڈ حاصل کیا، جو کہ اعلیٰ معیار کی پروڈکٹس کی فراہمی، مستقل بہتری اور صارفین کے اطمینان میں اضافے کو ظاہر کرتا ہے۔ ان کوششوں کی بدولت برآمدات سے ریونیو میں نمایاں اضافے کے لئے کامیابی حاصل ہوئی۔

### آؤٹ لک

برنس نئی مصنوعات اور ویری انٹس کے فروغ، موثر مارکیٹنگ حکمت عملیوں، باکفایت پیداواری اقدامات، پروڈکٹ کس اسٹریٹجیز اور مارکیٹ شیئر بڑھانے پر اپنی توجہ برقرار رکھے گا۔

### ذیلی ادارے

#### تھل بوش کو پاکستان (پرائیویٹ) لمیٹڈ (ٹی بی پی ایل)

سال کے دوران ٹی بی پی ایل نے 2,583 ملین روپے کی فروخت ریکارڈ کی جبکہ گزشتہ سال کے دوران 920 ملین روپے کی فروخت ہوئی تھی۔ سیکلز میں اضافہ بنیادی طور پر بلند تر حجم کی وجہ سے ممکن ہوا جس کا سبب کرو لاکر اس سیٹس کی نمایاں پیداوار کا آغاز تھا۔ مقامی اور عالمی چیلنجز کے باوجود ٹی بی پی ایل نے کامیابی کے ساتھ نامزد کردہ مدت کے اندر کرو لاکر اس سیٹس پروجیکٹس کو متعارف کرایا۔

ٹی بی پی ایل صارفین کا موجودہ دائرہ کار میں توسیع دینے اور پروڈکٹ پورٹ فولیو سمیت پیداواری صلاحیت بہتر بنانے کے ذریعے اپنے شیئر ہولڈر کے منافع کو بہتر بنانے کیلئے پُر عزم ہے۔

#### حبیب میٹرو پاکستان (پرائیویٹ) لمیٹڈ (ایچ ایم پی ایل)

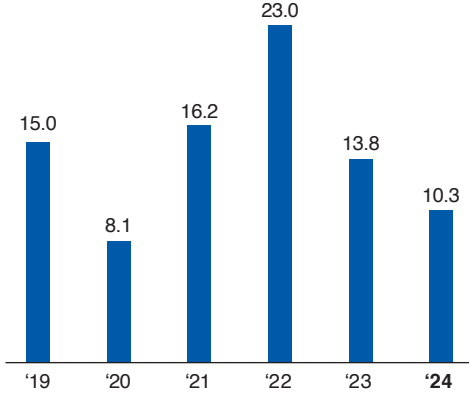
حبیب میٹرو پاکستان (پرائیویٹ) لمیٹڈ (ایچ ایم پی ایل) کا مرکزی کاروبار جانسیداد کی ملکیت اور اس کا انتظام ہے۔ حبیب میٹرو پاکستان (پرائیویٹ) لمیٹڈ کیش اینڈ کیوری ریٹیل ریٹیل برنس کے فروغ اور اپنے اسٹور کی لوکیشن سے کاروباری قدر و قیمت بڑھانے کیلئے مختلف کاروباری مواقع تلاش کر رہی ہے۔

اپنی بنیادی جانسیداد کی انتظامی سرگرمیوں سے آگے ایچ ایم پی ایل نئے کاروباری مواقعوں کے حصول کے لیے سرگرم ہے تاکہ اپنے موجودہ کیش اینڈ کیوری ریٹیل ریٹیل آپریشنز کو مزید فروغ دیا جائے۔ یہ اقدامات کا مقصد اپنی اہم کی اسٹریٹجک لوکیشنز سے فائدہ اٹھانے کے ذریعے اضافی انٹر پرائز کے راستے کھولنا ہے۔ تاہم ان منصوبوں کو موجودہ معاشی صورتحال اور بحرانوں سے جکڑ رکھا ہے اور مارکیٹ کی صورت حال کا انتہائی محتاط انداز میں جائزہ لیتے ہوئے اس پر کام کرنا ہوگا۔

سال کے دوران کمپنی کیلئے منافع منقسمہ کی ادائیگیوں کا حجم 939 ملین روپے رہا جبکہ گزشتہ سال 791 ملین روپے تھا۔ یہ گروتھ ایچ ایم پی ایل کی ان مستقل کوششوں کا حصہ ہے جو شیئر ہولڈرز کے منافع جات میں اضافے کے لیے ہیں۔

## ڈائریکٹرز کی رپورٹ برائے شیئر ہولڈرز

**Sales Revenue**  
Rs. in billion



انجینئرنگ کے شعبے نے 10.3 بلین روپے کی فروخت ریکارڈ کی جو کہ گزشتہ سال 13.8 بلین روپے تھی جس سے 25 فیصد کی کمی ظاہر ہوئی۔ پاکستان کے پورے آٹوموٹیو کاروبار کو مستقل طور پر چیلنجز کا سامنا رہا۔

دوسری طرف مجموعی طور پر آٹو کا حجم لگ بھگ گزشتہ سال کے برابر ہی رہا۔ درآمد شدہ استعمال شدہ گاڑیوں کی بھرمار نے مزید مقامی آٹوموبائل مینوفیکچررز اور وینڈر رائڈسٹری کے لیے مارکیٹ کو محدود کر دیا۔ مزید برآں بلند تر شرح سود کے ماحول اور بلند تر ٹیکسیشن اسٹرکچر نے طلب کو مستقل محدود کر دیا۔

کاروبار اپنے موجودہ صارفین کو اعلیٰ معیار کی سپلائیز بلا کاؤٹ فراہم کرنے نیز منافع بخش آپریشنز برقرار رکھنے کے لیے مزید مقامی مواقع تلاش کے لیے پرعزم ہے۔ دریں اثناء انتظامیہ کاروبار کی توسیع نئے اور پمپل ایکویپمنٹ مینوفیکچررز (OEM) سے کاروبار حاصل کرنے کے اقدامات، آٹوموٹیو آپٹیکس سے باہر تنوع اور برآمدات کو ٹیپ کرنے جیسے اقدامات پر حکمت عملی جاری رکھے گی۔

کاروبار کو مختلف سمتوں میں فروغ دینے اور موجودہ کاروبار کو توسیع دینے کی کوششوں کے نتیجے میں ملک بھر کے اندر ہمارے موجودہ نیٹ ورک کے لیے نئے ڈیلرز کا کامیابی کے ساتھ اضافہ ہوا جس کے نتیجے میں بعد از مارکیٹ ریونیو بڑھ گیا۔

پاورٹیکٹر میں بزنس نے ایک پاور ڈسٹری بیوشن کمپنی کے ساتھ اشتراک کیا تاکہ ان پروڈکٹس کی نشاندہی کی جائے جو کہ مقامی سطح / درآمد کا متبادل بننے کی صلاحیت رکھتی ہوں اور مجموعی طور پر ملک کے لیے مفید ثابت ہو سکیں۔

### آؤٹ لک

ایک مثبت منظر نامے کے ضمن میں ہم امید کرتے ہیں کہ ایک بار شرح سود کم ہونے سے حجم بڑھ جائے گا۔ تاہم اتار چڑھاؤ اور غیر یقینی کی صورتحال کے پیش نظر کاروبار اور مجموعی طور پر معیشت کو چیلنجز کا مستقل طور پر سامنا رہے گا۔

تھل لیٹنڈ کے ڈائریکٹرز بمسرت 30 جون 2024 کو ختم ہونے والے سال کیلئے سالانہ رپورٹ بشمول آڈٹ شدہ مالیاتی حسابات پیش کر رہے ہیں۔

### معاشی جائزہ

30 جون 2024 کو ختم ہونے والے مالی سال، پوٹیلٹی ٹیرنس، ایندھن کے اخراجات اور ٹیکس ریٹس میں اضافے کے سبب بڑے چیلنجز کا حامل رہا تاہم یہ مہنگائی میں کمی اور مستحکم زرمبادلہ کی شرح کے مثبت نوٹ کے ساتھ ختم ہوا۔

کمپنی نے 2.19 بلین روپے کا منافع بعد از ٹیکس حاصل کیا۔ ہم میکرو اکنامک اشاریوں میں استحکام اور بہتری کی امید کرتے ہیں جس سے ہمارے کاروباروں کے لیے مناسب ماحول اور مزید بہتر مواقع پیدا ہوں گے۔

### مالیاتی نتائج

| روپے بلین میں            | ان کنسولیڈیٹڈ | کنسولیڈیٹڈ | 2022-23 | 2023-24 |
|--------------------------|---------------|------------|---------|---------|
| خالص آمدنی               | 26,551        | 31,921     | 29,406  | 33,128  |
| قبل از ٹیکس منافع / لیوی | 3,065         | 4,012      | 13,534  | 7,287   |
| بعد از ٹیکس منافع / لیوی | 2,190         | 2,751      | 9,379   | 3,608   |
| فی شیئر آمدنی، روپے میں  | 27.03         | 33.95      | 105.60  | 38.94   |

سال دوران کمپنی کا سیکلز ریونیو گزشتہ سال کے مقابلے میں 17 فیصد کم ہو کر 26.5 بلین روپے ہو گیا۔ منافع بعد از ٹیکس 2.2 بلین روپے ریکارڈ کیا گیا (سال بہ سال کے لحاظ سے 20 فیصد تک کمی) جو گزشتہ سال اس کے مقابلے میں 2.8 بلین روپے تھا۔

### آپریٹنگ شعبوں کا جائزہ

کمپنی دو نمایاں کاروباری شعبوں، انجینئرنگ کے شعبے اور بلڈنگ میٹریل و منسلک مصنوعات سے متعلق شعبے کی حامل ہے۔

### انجینئرنگ کا شعبہ

کمپنی کا انجینئرنگ شعبہ درج ذیل پر مشتمل ہے:

- تھرمل اور انجن کمپنیٹس ڈویژن
- الیکٹریک سسٹمز ڈویژن

اس کاروبار کی توجہ بنیادی طور پر آٹوموٹیو اینڈسٹری کے پارٹس کی تیاری پر مرکوز ہے۔



# Board Committees and their Terms of References

## Committees of the Board

The Board is assisted by the following two Committees to support its decision making.

### Audit Committee

The Board Audit Committee meets multiple times through the year to determine appropriate measures to safeguard the Company's assets and review quarterly, half yearly and financial statements of the company, prior to their approval by the Board of Directors. In addition, the Board Audit Committee is also responsible for:

- a) determination of appropriate measures to safeguard the company's assets;
- b) review of annual and interim financial statements of the company, prior to their approval by the Board of Directors, focusing on:
  - (i) major judgmental areas;
  - (ii) significant adjustments resulting from the audit;
  - (iii) going concern assumption;
  - (iv) any changes in accounting policies and practices;
  - (v) compliance with applicable accounting standards;
  - (vi) compliance with these regulations and other statutory and regulatory requirements; and
  - (vii) related party transactions
- c) review of preliminary announcements of results prior to external communication and publication;
- d) facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- e) review of management letter issued by external auditors and management's response thereto;
- f) ensuring coordination between the internal and external auditors of the company;
- g) review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the company;
- h) consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- i) ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases

and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;

- j) review of the company's statement on internal control systems prior to endorsement by the board of directors and internal audit reports;
- k) instituting special projects value for money studies or other investigations on any matter specified by the board of directors in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body;
- l) determination of compliance with relevant statutory requirements;
- m) monitoring compliance with these regulations and identification of significant violations thereof;
- n) review of arrangement for staff and management to report to audit committee in confidence concerns if any about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
- o) recommend to the board of directors the appointment of external auditors, their removal, audit fee, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements and measures for redressal and rectification of non-compliance with regulations. The board of directors shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof; and
- p) consideration of any other issue or matter as may be assigned by the board of directors.

### Members:

|                         |                           |
|-------------------------|---------------------------|
| Mr. Khayam Husain       | Chairperson (Independent) |
| Mr. Mohamedali R. Habib | Member                    |
| Mr. Imran Ali Habib     | Member                    |
| Mr. Salman Burney       | Member                    |

### Human Resources & Remuneration Committee:

The Board Human Resources & Remuneration Committee meets at least once in a year to review and recommend all elements of the Human Resource Management framework including but not limited to the following:

- i) recommend to the board for consideration and approval of a policy framework for determining remuneration of directors (both executive and non-executive directors and members of senior management). The definition of senior management will be determined by the board



which shall normally include the first layer of management below the Chief Executive Officer level;

- ii) undertaking annually a formal process of evaluation of performance of the board as a whole and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing name, qualifications and major terms of appointment;
- iii) recommending human resource management policies to the board;
- iv) recommending to the board the selection, evaluation, development, compensation (including retirement benefits) of Chief Operating Officer, Chief Financial Officer, Company Secretary and head of internal audit;
- v) consideration and approval on recommendations of Chief Executive Officer on such matters for key management positions who report directly to Chief Executive Officer or Chief Operating Officer, and where human resource and remuneration consultants are appointed, their credentials shall be known by the committee and a statement shall be made by them as to whether they have any other connection with the company.

#### **Members:**

|                         |                           |
|-------------------------|---------------------------|
| Ms. Aliya Saeeda Khan   | Chairperson (Independent) |
| Mr. Mohamedali R. Habib | Member                    |
| Mr. Salman Burney       | Member                    |
| Mr. Tayyab Tareen       | Member                    |

#### **Internal Control Framework:**

The Board is ultimately responsible for internal control and its effectiveness. To provide reasonable assurance a system is designed to manage the risk to achieve business objectives. The internal audit function carries out reviews on the financial, operational and compliance controls.

#### **Internal Control Framework:**

Comprised of effectiveness and efficiency of operations including performance and profitability goals and safeguarding of resources, reliability of financial reporting including interim and condensed financial statements

and selected financial data, and compliance with applicable laws and regulations.

The Company maintains clear structured and established control framework that contains authority limits, accountabilities and sound understanding of policies and procedures.

The Board has overall responsibility to oversee the internal control processes. Internal control compliance is monitored by internal audit which ensures that the Company and its employees are compliant with internal control policies and procedures.

#### **Control Environment:**

The control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.

#### **Risk Assessment:**

Risk assessment is the identification and analysis of relevant risks to achieve the objectives, forming a basis for determining how the risks should be managed.

#### **Control Activities:**

Policies and procedures for control activities ensure that management directives are carried out. These activities ensure necessary actions are taken to address risks to achieve entity's objectives. Control activities occur throughout the organization, at all levels and in all functions.

#### **Information and Communication:**

Pertinent information must be identified, captured and communicated in a form and timeframe that enables people to carry out their responsibilities. Information systems produce reports, containing operational, financial and compliance-related information, required to run and control the business.

#### **Monitoring:**

Internal control system is monitored to assess the quality of the system's performance over time. This is accomplished through ongoing monitoring activities, separate evaluations or a combination of the two.

# Notice of the 58<sup>th</sup> Annual General Meeting of Thal Limited

**NOTICE** is hereby given that the fifty-eighth Annual General Meeting (AGM) of the members of the Company will be held on Thursday, October 24, 2024 at 9:30 am at The Institute of Chartered Accountants of Pakistan (ICAP) Auditorium, Chartered Accountants Avenue, Clifton, Karachi as well as through electronic means/video-link facility to transact the following business:

## Ordinary business

1. To receive, consider and adopt the annual audited financial statements of the Company, together with the Chairman's Review, Directors' and Auditor's Report thereon for the year ended June 30, 2024.

In accordance with Section 233(6) of the Companies Act, 2017, and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the website of the Company which can be downloaded from the following weblink and QR enabled code:



2. To approve a final cash dividend of 120% (i.e. Rs. 6.00 per share) for the year 2023-24 as recommended by the Board of Directors. This is in addition to the interim dividend of 40% (i.e. Rs. 2.00 per share) already paid. The total dividend for 2023-24 will thus amount to 160% (i.e. Rs. 8.00 per share.)
3. To appoint auditors and fix their remuneration for the year ending June 30, 2025. The Board of Directors on recommendation of the Board Audit Committee of the Company has proposed the reappointment of M/s. A.F. Ferguson & Co., Chartered Accountants, as auditors.

## Special business

4. To consider and if thought appropriate, to pass with or without modification, the following resolutions as special resolutions:

### Investments in Sindh Engro Coal Mining Company Limited

**“RESOLVED THAT** further to the resolutions passed in the meetings of the Board of Directors, the approval of the members of the Company be and is hereby accorded in terms of Section 199 of the Companies Act, 2017 (the **“2017 Act”**) and the regulations made thereunder, and subject to compliance with the statutory and legal requirements, for investment of the funds of the Company, by acquiring (directly or through its nominees) up to approximately 30,598,467 (thirty million, five hundred ninety-eight thousand, four hundred sixty seven) ordinary shares of Sindh Engro Coal Mining Company Limited (**“SECMC”**), its associated company (as defined in the 2017 Act), equivalent to up to approximately 1.90% of the issued and paid up ordinary share capital of SECMC, from Habib Bank Limited (the **“Proposed Seller”**) at a price per share of approximately PKR 35.3, subject to a investment amount of PKR 1,080,125,862 (one billion, eighty million, one hundred twenty-five thousand, eight hundred sixty two), which will result in the Company's shareholding in SECMC to be 13.80% post-acquisition.

However, if for any reason a Proposed Purchaser (as defined below) fails to acquire the portion of contemplated shares in SECMC from Proposed Seller, in line with the Company's objective to maintain its position as joint largest private sector shareholder in SECMC, the Company is authorized to make an additional investment. Accordingly, the Company is authorized to acquire up to approximately 76,496,166 (seventy-six million, four hundred ninety-six thousand, one hundred sixty-six) ordinary shares of SECMC, representing up to approximately a maximum of 4.75% of the issued and paid-up ordinary share capital of SECMC, from the Proposed Seller at an approximate price of PKR 35.3 per share, subject to a maximum investment amount of 2,700,314,655 (two billion, seven hundred million, three

hundred fourteen thousand, six hundred fifty five) which will result in the Company holding approximately (a maximum of) 16.65% of SECMC's shares post-acquisition (the **"Proposed Investment"**).

**FURTHER RESOLVED THAT** the approval of the members of the Company be and is hereby accorded and the Company is authorised in terms of Section 199 of the 2017 Act, in addition to the Proposed Investment, to make further investments in SECMC (in the form of equity or debt as setout hereunder) to satisfy its sponsor support obligations under the Sponsor Support Agreement (as defined below) which shall stand modified and restated on account of the Proposed Investment (**"Lenders Sponsor Support"**), including:

- (a) making further equity investments in SECMC, from time to time, not exceeding approximately USD 3.7 million (in equivalent Pakistan rupees) by way of subscription of shares at the rate of PKR 14.82 per share, (the **"Sponsor Equity Commitment"**);
- (b) for making the equity investment in SECMC, the Company is hereby authorized to arrange and provide standby letter of credit to cover the equity investment of the Sponsor Equity Commitment in its capacity as a project sponsor to the satisfaction of the lenders of the SECMC;
- (c) in accordance with Section 8.2 of the Sponsor Support Agreement, provide Subsequent PSRA LC for an amount up to, and not exceeding USD 8.5 million (in equivalent Pakistan rupees). In the event of encashment of such Subsequent PSRA SBLC as may be requested by SECMC or the lenders and provide funding either by way of subscription of SECMC shares at the rate of PKR 14.82 per share or by way of subordinated debt, on terms and conditions to be agreed in writing between the Company, SECMC and the lenders, in each case in accordance with the Sponsor Support Agreement;
- (d) to make investment for providing sponsor support to cover cost overruns and funding shortfall of up to USD 1.8 million (in equivalent Pakistan rupees), as may be requested by SECMC or the lenders and provide funding either by way of subscription of SECMC shares at the rate of PKR 14.82 per share or by way of subordinated debt, on terms and conditions to be agreed in writing between the Company, SECMC and the lenders, in each case in accordance with the Sponsor Support Agreement;
- (e) to provide such standby letters of credit (SBLC) and/or guarantees to cover for the above equity investment, cost overruns, funding shortfalls, cash calls and payment service reserve shortfall, in relation to its obligations to the lenders of SECMC, on such terms and conditions as may be deemed fit and appropriate by the Authorized Representatives (or any of them) but in any event in compliance with the provisions of the applicable laws not exceeding approximately USD 14 million (in equivalent Pakistan rupees) either by way of subscription at the rate of PKR 14.82 per share or by treating such amount as subordinated debt, on terms and condition as agreed between the Company, SECMC and the lenders in each case in accordance with the Sponsor Support Agreement.

**FURTHER RESOLVED THAT** the aforesaid resolutions are without prejudice to the investments extended to SECMC pursuant to the previous shareholders' resolutions, and that the current resolutions set out herein are to supplement the earlier resolutions in light of the Proposed Investment by way of acquisition of shares from Proposed Seller and to extend necessary support to the lenders of SECMC;

The approval for the Lenders Sponsor Support shall be valid until the Senior Discharge Date as defined in the Intercreditor Agreement dated December 21, 2015, as amended from time to time, relating to SECMC.

**FURTHER RESOLVED THAT** for the purposes of the Proposed Investment and the Lenders Sponsor Support, the Chief Executive Officer of the Company, and/or a Director of the Company (the **"Authorized Representatives"**), be and are hereby singly and / or jointly authorized to negotiate and finalize the terms of the Proposed Investment and the Lender Sponsor Support with the Proposed Seller (including through its authorized representatives) or the lenders of SECMC or any other persons / authorities necessary, and to negotiate, finalize, issue and execute, for and on behalf of the Company, share transfer deeds, and amendments to the shareholders agreement of SECMC, and any other agreements, documents, amendments, restatements, novation or supplementals to any instruments / agreements (as may be deemed expedient, incidental, necessary or appropriate by the Authorized Representatives, or any of them) with SECMC and / or its shareholders / sponsors and / or its lenders on such terms as may be

deemed fit and appropriate by the relevant Authorized Representative and from time to time execute or issue (as the case may be) any and all amendments or variations, communications, certificates, notices, acknowledgements or other documents pertaining or pursuant to such agreements.

**FURTHER RESOLVED THAT** the Chief Executive Officer of the Company, the Chief Financial Officer and the Company Secretary, jointly and / or severally are authorized to take all necessary actions for the purposes of the Proposed Investment and the Lenders Sponsor Support, and to do all acts, deeds and things, take any or all necessary actions to complete all legal and corporate formalities as may be expedient, necessary, incidental or appropriate for the purpose of implementing the aforesaid resolutions and Proposed Investment and the Lenders Sponsor Support including but not limited to executing the aforesaid instruments, filing the necessary forms, and making, issuing and finalizing the necessary applications, requisitions and liaise with the relevant competent and regulatory authorities for the purposes of obtaining approvals and implementing the Proposed Investment and the Lenders Sponsor Support and any incidental and necessary matters thereto.”

By Order of the Board



**Sameer Amlani**  
Company Secretary

Karachi

Dated: September 10, 2024

## Notes

### 1. Participation in the AGM proceeding via the video conference facility

The Securities and Exchange Commission of Pakistan (SECP) has, vide its Circulars issued from time to time, directed the listed companies to hold their general meetings virtually in addition to the requirements of holding physical meetings. In order to facilitate the shareholders, the Company in addition to convening a physical meeting has also arranged attendance of shareholder virtually via video link facility.

The shareholders interested in attending the AGM virtually are requested to get themselves registered by sending their particulars at the designated email address [tl@hoh.net](mailto:tl@hoh.net) for their appointment and proxy's verification. Video link and login credentials will be shared with ONLY those members, whose emails, containing all the below mentioned particulars, is received at least 48 hours before the meeting.

| Shareholder Name | Folio / CDC No. | CNIC Number | Cell Number | Registered Email Address |
|------------------|-----------------|-------------|-------------|--------------------------|
|                  |                 |             |             |                          |

Shareholders may also provide their comments and questions for the agenda items of the AGM in their email for registration.

### 2. Closure of share transfer books

The share transfer books of the Company will be closed from October 17, 2024 to October 24, 2024 (both days inclusive) for the purpose of the AGM and payment of the final dividend. Transfer requests received by our share registrar, M/S. FAMCO Share Registration Services (Private) Ltd., 8-F, Next to Hotel Faran, Nursery, Block-6, PECHS, Sharah-e-Faisal Karachi. Tel: (+92)21 34380101-5, (+92)21 34384621-3 (Ext: 103) at the close of business on October 16, 2024 will be treated in time for the purpose of determining above entitlement to the transferees for payment of final dividend and to attend the AGM.

### 3. For attending the meeting:

In case of individuals, the Account Holders or sub-account holders and/or the persons whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate their identity by showing original CNIC or original passport at the time of attending the meeting.

In the case of a corporate entity, the Board of Directors' resolution/ power of attorney with the specimen signature of the nominee shall be produced (if it has not been provided earlier) at the time of attending the meeting.

#### 4. Proxy

A member entitled to attend and vote at this general meeting is entitled to appoint a proxy to attend, speak and vote in his/her place at the meeting. A 'Proxy Form' appointing a proxy must be deposited at the registered office of the Company or at the above-mentioned address of Company's share registrar at least forty-eight hours before the time of the meeting along with the copy of CNIC of proxy. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee along with his/her copy of CNIC shall be provided at least 48 hours before the time of meeting. The proxy form in English and Urdu is attached in the annual report and also available on the Company's website ([www.thallimited.com](http://www.thallimited.com)) and should be witnessed by two persons whose name, addresses and CNIC numbers should be mentioned on the forms.

#### 5. Updating of particulars

The shareholders are requested to promptly notify change in their address, if any, to the Company's share registrar. In case of corporate entity, the shareholders are requested to promptly notify change in their particulars of their authorized representative, if applicable.

#### 6. Submission of copies of CNIC not provided earlier

Individual shareholders are once again reminded to submit a copy of their valid CNIC, if not provided earlier to the Company's Share Registrar, FAMCO Share Registration Services (Private) Limited. In case of non-availability of a valid copy of the shareholders' CNIC in the records of the Company, the company shall withhold the dividend under the provisions of Section 243 of the Companies Act, 2017.

#### 7. Withholding tax on dividend

Currently, the deduction of withholding tax on the amount of dividend paid by the companies under section 150 of the Income Tax Ordinance, 2001, are as under:

- |                                                               |     |
|---------------------------------------------------------------|-----|
| (a) For persons appearing in Active Tax Payer List (ATL):     | 15% |
| (b) For persons not appearing in Active Tax Payer List (ATL): | 30% |

Shareholders who have filled their return are advised to make sure that their names are entered into latest Active Tax Payers List (ATL) provided on the website of FBR at the time of dividend payment, otherwise they shall be treated as persons not appearing in ATL and tax on their cash dividend will be deducted at the rate of 30% instead of 15%.

#### 8. Withholding tax on dividend (joint account holders)

In order to enable the Company to follow the directives of the regulators to determine shareholding ratio of the joint account holder(s) (where shareholding has not been determined by the principal shareholder) for deduction of withholding tax on dividend of the Company, shareholders are requested to please furnish the shareholding ratio details of themselves as Principal shareholder and their joint holders, to the Company's share registrar, enabling the Company to compute withholding tax of each shareholder accordingly. The required information must reach the Company's share registrar by October 16, 2024, otherwise each shareholder will be assumed to have equal proportion of shares and the tax will be deducted accordingly.

#### 9. Payment of cash dividend electronically (e-mandate)

In accordance with the provisions of section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is mandatory that dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Notice in this regard has already been published earlier in newspapers as per Regulations. All shareholders are once again requested to provide details of their bank mandate specifying: (i) title of account, (ii) account number, (iii) IBAN (iv) bank name and (v) branch name, code & address; to Company's share registrar. Shareholders who hold shares with participants/Central Depository Company of Pakistan (CDC) are advised to provide the mandate to the concerned broker/CDC.

#### 10. Zakat deductions

To claim exemption from compulsory deduction of Zakat, shareholders are requested to submit a notarised copy of Zakat Declaration Form "CZ-50" on NJSP of Rs. 50/- to the share registrar. Zakat will be deducted from the dividends at source at the rate of 2.5 % of the paid-up value of the share (Rs. 5/- each) and will be deposited within the prescribed period with the relevant authority. In case of claiming exemption, please submit your Zakat Declarations under Zakat and Ushr Ordinance, 1980 and Rule 4 of Zakat (Deduction and Refund) Rules, 1981. Shareholders who holds shares in book entry shall deposit their Zakat declaration on Form CZ-50 with CDC Investor Account Services / CDC participant / stock brokers with mentioning CDS account number and name of shareholder.



## 11. Unclaimed shares and dividend

As per the provision of section 244 of the Act, any shares issued, or dividend declared by the Company which have remained unclaimed / unpaid for a period of three years from the date on which it was due and payable are required to be deposited with SECP for the credit of Federal Government after issuance of notices to the Shareholders to file their claim. The details of the shares issued, and dividend declared by the Company which have remained due for more than three years were sent to shareholders. Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged promptly. In case, no claim is lodged with the Company in the given time, the Company shall, after giving notice in the newspaper, proceed to deposit the unclaimed / unpaid amount and shares with the Federal Government pursuant to the provision of Section 244(2) of the Act.

## 12. Distribution of annual report through email (optional)

The SECP has allowed listed companies, through its SRO No. 389(I)/2023 dated March 21, 2023, to circulate the annual audited financial statements, to the members of the Company through QR-enabled code and weblink (instead of CD/DVD/USB), approved by the shareholders in the 57th AGM. Where an email address has been provided by the shareholder, the Company shall circulate annual audited financial statements to the member through email pursuant to the provision of section 223(6) of the Companies Act, 2017. A shareholder may request the Company to provide a hard copy of the annual audited financial statements, and the same shall be provided at the shareholder's registered address free of cost, upon receipt of a duly completed request form, as available on the Company's website, [www.thallimited.com](http://www.thallimited.com)

The audited financial statements of the Company for the year ended June 30, 2024 have been made available on the Company's website ([www.thallimited.com](http://www.thallimited.com)) in addition to annual and quarterly financial statements for the prior years.

## 13. Conversion of physical shares into book-entry form

Section 72 of the Companies Act, 2017, requires all listed companies to replace the shares held in physical form with the shares to be issued in book-entry form within 4 years from the date of the promulgation of the Companies Act, 2017. Pursuant to the SECP letter no. CSD/ED/Misc./2016-639-640 dated March 26, 2021, the Company is following up with all shareholders holding shares in physical form with the request to convert their shares in book-entry form in order to comply with the provisions of the Companies Act, 2017. Shareholders may contact the Company's share registrar to understand the process and benefits of conversion of shares held in physical form into book-entry form.

## 14. Procedure for e-voting and postal ballot

Pursuant to the Companies (postal ballot) Regulations, 2018 and its amendments notified vide SRO 2192(I)/2022 dated December 5, 2022, members will be allowed to exercise their right to vote for the special business in the AGM, in accordance with the conditions mentioned in the aforesaid regulations. The Company shall provide its members with the following options for voting.

### E-voting procedure

1. Members who intend to exercise their right of vote through e-voting shall send email with subject "E-voting Request" at [tl@hoh.net](mailto:tl@hoh.net) and provide their valid CNIC numbers, mobile numbers and email address on or before October 16, 2024. Details of the e-voting facility will be shared through an email with the members.
2. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of M/S. FAMCO Share Registration Services (Private) Ltd.
3. Identity of the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
4. E-voting lines will start from October 17, 2024, 09:00 a.m. and shall close on October 21, 2024 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.

### Postal ballot

Members may alternatively opt for voting through postal ballot. The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman

of the meeting through post on the Company's registered address, Thal Limited, 4th Floor, House of Habib, 3 Jinnah Cooperative Housing Society, Block 7/8, Sharah-e-Faisal, Karachi or email with subject "Voting through Postal Ballot" at [tl@hoh.net](mailto:tl@hoh.net) no later than October 21, 2024, during working hours. The signature on the ballot paper, shall match with the signature on CNIC. The postal ballot paper will be placed on the Company's website ([www.thallimited.com](http://www.thallimited.com)) at least seven (7) days before the meeting.

#### STATEMENT PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT, 2017

Pursuant to Section 134(3) of the Companies Act, 2017, this statement sets forth the material facts concerning the special business listed hereinabove, to be transacted at the Annual General Meeting ("**AGM**") of the Company to be held on October 24, 2024.

#### Investment in Sindh Engro Coal Mining Company Limited ("**SECMC**") - Acquisition of Shares from Habib Bank Limited (the "**Proposed Seller**")

The Company, along with Hub Power Company Limited ("**HUBCO**") and Engro Energy Limited ("**Engro**") (collectively, the "**Proposed Purchasers**"), being the existing shareholders of SECMC, are collectively desirous of acquiring up to 152,992,331 (one hundred fifty two million, nine hundred ninety two thousand, three hundred thirty one) additional ordinary shares of SECMC (or part thereof, as detailed below) (the "**Sale Shares**"), having face value of PKR 10/- from the Proposed Seller, at a price of approximately PKR 35.3/- per share (the "**Proposed Transaction**") subject to corporate and regulatory requirements. The Company intends to acquire a portion of the Sale Shares as may be necessary to ensure that the Company's shareholding in SECMC is not less than any other private shareholder in SECMC at any time.

The Company, along with HUBCO and Engro, are in the process of negotiating a draft share purchase agreement with the Proposed Seller which will outline the revised key terms and conditions of the Proposed Transaction and include HUBCO and Engro as Proposed Purchasers (the "**Agreement**"). The salient features of the Agreement are envisaged to be as follows:

- a) The Proposed Purchasers shall purchase the Sale Shares in such proportion that each of them shall, at the conclusion of the Proposed Transaction, hold equivalent shareholding in SECMC, of approximately 13.80% each;
- b) In the event that a Proposed Purchaser is unable to fulfil certain conditions precedent, the remaining Proposed Purchasers may then purchase equal portion of the remaining Sale Shares as well, so as to jointly hold equal shareholding in SECMC;
- c) Accordingly, approval is being sought from the shareholders to purchase up to such amount of the Sale Shares, whereby the maximum shareholding that the Company may acquire would be 4.75% intended to be sold by the Proposed Seller, resulting in the Company holding a maximum of approximately 16.65% shareholding in SECMC.

The Company presently holds approximately 191,643,026 ordinary shares of SECMC, equivalent to approximately 11.90% of the issued and paid-up ordinary share capital of the Company. This investment was approved in the shareholders meeting held on October 22, 2018. The Company entered into a Master Shareholders Agreement with the other shareholders of SECMC, on August 17, 2015 (as amended from time to time) (the "**SECMC Shareholders Agreement**"), which governs the relationship inter se the shareholders of SECMC.

In terms of directorship, the Company has appointed Mr. Muhammad Tayyab Ahmad Tareen and Mr. Muhammad Salman Burney as its nominee directors on the Board of SECMC.

The Company, Mr. Muhammad Tayyab Ahmad Tareen and Mr. Muhammad Salman Burney, its nominee directors in SECMC, have no interest in the investment except for the value of the shares, they hold/would hold in SECMC.

Information pursuant to the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017 (the "**Regulations**").

## A) Disclosure required under Regulations 3(a)

| Information Required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Information Provided                                                                                                                                                                                                                             |             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Regarding associated company or associated undertaking                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                  |             |
| Name of the “Associated Company”                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Sindh Engro Coal Mining Company Limited                                                                                                                                                                                                          |             |
| Basis of relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | The Company holds approximately 11.90% of the issued and paid-up ordinary share capital of SECMC<br><br>Mr. Muhammad Tayyab Ahmad Tareen and Mr. Muhammad Salman Burney as directors of the Company are also on the Board of Directors of SECMC. |             |
| Earnings per share for the last three years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                  | PKR         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2023                                                                                                                                                                                                                                             | 18.1        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2022                                                                                                                                                                                                                                             | 4.9         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2021                                                                                                                                                                                                                                             | 6.8         |
| Break-up value per share, based on latest audited financial statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | PKR 51/- per share as per latest audited accounts                                                                                                                                                                                                |             |
| Financial position, including main items of statement of financial position and profit or loss account on the basis of its latest financial statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                  | PKR in ‘000 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Total assets                                                                                                                                                                                                                                     | 232,904,866 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Equity                                                                                                                                                                                                                                           | 81,490,651  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Long term loan                                                                                                                                                                                                                                   | 73,158,548  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Current liabilities                                                                                                                                                                                                                              | 78,255,667  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Turnover                                                                                                                                                                                                                                         | 109,407,088 |
| Profit for the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 29,160,750                                                                                                                                                                                                                                       |             |
| In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,- (I) description of the project and its history since conceptualization; (II) starting date and expected date of completion of work; (III) time by which such project shall become commercially operational; (IV) expected time by which the project shall start paying return on investment; (V) and funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and noncash amounts | NA                                                                                                                                                                                                                                               |             |
| General Disclosures                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                  |             |
| Maximum amount of investment to be made                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Up to PKR 2,700,314,625                                                                                                                                                                                                                          |             |

| Information Required                                                                                                                                                                                                                                                                                                                                              | Information Provided                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment.</p>                                                                                                                                                                                                                                 | <p>This investment augments the Company's existing investment in SECMC and maintains the company's position and joint largest private sector shareholder in SECMC.</p> <p>The Company has injected PKR 2.8 billion in SECMC to date. So far, the Company has received PKR 1.02 billion in dividend payments from SECMC</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:</p> <ol style="list-style-type: none"> <li>justification for investment through borrowings;</li> <li>detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</li> <li>cost benefit analysis</li> </ol> | <p>The Company has adequate cash funds to acquire the additional SECMC shares offered by Proposed Seller through its own resources.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p>Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment</p>                                                                                                                                                                                                                    | <p>The Master SHA entered into for SECMC contemplates investment in equity of SECMC where if one of the existing shareholders decides to offer sale of its shares to another existing shareholder, it must offer the same to all existing shareholders to mutually decide the sale of shares, preference being given to maintaining the existing structure.</p> <p>While the Company has not entered into any agreement with SECMC, its associated company, in relation to the Proposed Transaction, as stated in the preamble above, the Company, HUBCO and Engro are in the process of negotiating a Share Purchase Agreement, which will detail the terms of the Proposed Transaction. Certain salient features of the same have been detailed above, and include inter alia the following:</p> <ol style="list-style-type: none"> <li>Fulfilment of various conditions precedent by the Company, including obtaining the approval of the shareholders of the Company for the Proposed Transaction, obtaining clearance for the Proposed Transaction from the Competition Commission of Pakistan, procuring the issuance of a Sponsor Equity Contribution SBLC to Habib Bank Limited, as the intercreditor agent, which SBLC shall become effective on the Closing Date under the Agreement, sponsor support agreement and share pledge agreement related obligations etc.;</li> <li>Various closing actions to be taken by all parties; and</li> <li>Representations and warranties given by all parties.</li> </ol> |
| <p>Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration</p>                                                                                                                                                          | <p>Mr. Muhammad Tayyab Ahmad Tareen and Mr. Muhammad Salman Burney as directors of the Company are also on the Board of Directors of SECMC and hold qualifying shares.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

| Information Required                                                                                                                                                                                                       | Information Provided                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and | <p>The Company has injected Rs. 2.8 billion in SECMC to date. So far, the Company has received Rs. 1.02 billion in dividend payments from SECMC. The investment augments the Company's existing investment in SECMC.</p> <p>No impairment conditions exist on the investment and no charge/write offs have been made to date.</p> |
| Any other important details necessary for the members to understand the transaction                                                                                                                                        | NA                                                                                                                                                                                                                                                                                                                                |

## B Disclosure required under Regulations 3(b)

| Information Required                                                                                                                                     | Information Provided                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Maximum price at which securities will be acquired.                                                                                                      | Approximately PKR 35.3/- per share or such other rate as may be agreed between the parties                                                                                                                                                                                                                                          |
| In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof | NA                                                                                                                                                                                                                                                                                                                                  |
| Maximum number of securities to be acquired                                                                                                              | Up to 76,496,166 ordinary shares having face value of PKR 10/- each                                                                                                                                                                                                                                                                 |
| Number of securities and percentage thereof held before and after the proposed investment                                                                | <p>Present holding: 191,643,025 ordinary shares, equivalent to approximately 11.90% of the issued and paid-up ordinary share capital of SECMC</p> <p>Maximum Holding after Proposed Investment: Up to 268,139,191 ordinary shares, equivalent to approximately 16.65% of the issued and paid-up ordinary share capital of SECMC</p> |
| Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities                           | NA                                                                                                                                                                                                                                                                                                                                  |
| Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities                                              | The fair value of the sale shares is approximately PKR 36.6 per share as per the valuation conducted by the Company.                                                                                                                                                                                                                |

### Investment in Sindh Engro Coal Mining Company Limited (“SECMC”) - Issuance of Sponsor Equity Contribution SBLC in respect of additional shares to be acquired from Habib Bank Limited (the “Proposed Seller”).

Following the Proposed Investment, the outstanding Sponsor Equity Commitment will stand at USD 3.7 million. As such, shareholder approval is being sought for the investment of a sum not exceeding USD 3.7 million on account of further Sponsor Equity Contribution and to provide Sponsor Equity Contribution SBLC in the amount of up to USD 3.7 million (“**Equity SBLC**”) to Habib Bank Limited (as the intercreditor agent), in accordance with Clause 5.1(b) of the Amended and Restated Sponsor Support Agreement originally dated February 26, 2016 as amended and restated from time to time (“Sponsor Support Agreement”) entered into between various parties including inter alia the Proposed Seller and the Company.



Information pursuant to the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017 (the “**Regulations**”).

#### **A Disclosure required under Regulations 3(a)**

| Information Required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Information Provided                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Regarding associated company or associated undertaking</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                  |
| Name of the “Associated Company”                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Sindh Engro Coal Mining Company Limited                                                          |
| Basis of relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | The Company holds approximately 11.90% of the issued and paid-up ordinary share capital of SECMC |
| Earnings per share for the last three years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>PKR</b>                                                                                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2023 18.1                                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2022 4.9                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2021 6.8                                                                                         |
| Break-up value per share, based on latest audited financial statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | PKR 51/- per share as per latest audited accounts                                                |
| Financial position, including main items of statement of financial position and profit or loss account on the basis of its latest financial statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>PKR in ‘000</b>                                                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Total assets 232,904,866                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Equity 81,490,651                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Long term loan 73,158,548                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Current liabilities 78,255,667                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Turnover 109,407,088                                                                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Profit for the year 29,160,750                                                                   |
| In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,- (I) description of the project and its history since conceptualization; (II) starting date and expected date of completion of work; (III) time by which such project shall become commercially operational; (IV) expected time by which the project shall start paying return on investment; (V) and funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and noncash amounts | NA                                                                                               |
| <b>General Disclosures</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                  |
| Maximum amount of investment to be made                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | PKR equivalent of USD 3.7 million                                                                |

| Information Required                                                                                                                                                                                                                                                                                                                                              | Information Provided                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment.</p>                                                                                                                                                                                                                                 | <p>This investment augments the Company's existing investment in SECMC and maintains the company's position and joint largest private sector shareholder in SECMC.</p> <p>The Company has injected Rs. 2.8 billion in SECMC to date. So far the Company has received Rs. 1.02 billion in dividend payments from SECMC</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:</p> <ol style="list-style-type: none"> <li>justification for investment through borrowings;</li> <li>detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</li> <li>cost benefit analysis</li> </ol> | <p>Self-generated funds and borrowings in respect of any funding shortfall (if required):</p> <ol style="list-style-type: none"> <li>Investment via borrowing shall enhance the return of investor due to lower cost of debt versus cost of equity. Borrowing shall also be used where there is funding shortfall from self-generated cash</li> <li>Mortgage over land and building and hypothecation over plant and machinery of the Company</li> <li>As outlined above, to maintain project continuity and ensure the Company fulfils its obligations under the Sponsor Support Agreement, providing support is necessary.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <p>Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment</p>                                                                                                                                                                                                                    | <p>The Master SHA entered into for SECMC contemplates investment in equity of SECMC where if one of the existing shareholders decides to offer sale of its shares to another existing shareholder, it must offer the same to all existing shareholders to mutually decide the sale of shares, preference being given to maintaining the existing structure.</p> <p>While the Company has not entered into any agreement with SECMC, its associated company, in relation to the Proposed Transaction, as stated in the preamble above, the Company, HUBCO and Engro are in the process of negotiating a Share Purchase Agreement, which will detail the terms of the Proposed Transaction. Certain salient features of the same have been detailed above, and include inter alia the following:</p> <ol style="list-style-type: none"> <li>Fulfilment of various conditions precedent by the Company, including obtaining the approval of the shareholders of the Company for the Proposed Transaction, obtaining clearance for the Proposed Transaction from the Competition Commission of Pakistan, procuring the issuance of a Sponsor Equity Contribution SBLC to Habib Bank Limited, as the intercreditor agent, which SBLC shall become effective on the Closing Date under the Agreement, sponsor support agreement and share pledge agreement related obligations etc.;</li> <li>Various closing actions to be taken by all parties; and</li> <li>Representations and warranties given by all parties.</li> </ol> <p>In addition, thereto, the requirement of the Proposed Seller to issue the Equity SBLC, which through the Agreement are envisaged to be contractually agreed to be taken over by the Company in proportion to the Sale Shares acquired by it, stems from Clause 5.1(b) of the Sponsor Support Agreement, which sets out various rights and obligations of the sponsors of SECMC (including inter alia the Company and the Proposed Seller).</p> |

| Information Required                                                                                                                                                                                                       | Information Provided                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration                          | Mr. Muhammad Tayyab Ahmad Tareen and Mr. Muhammad Salman Burney as directors of the Company are also on the Board of Directors of SECMC and hold qualifying shares.                                                                                                                                                                 |
| In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and | <p>The Company has injected Rs. 2.8 billion in SECMC to date. So far, the Company has received Rs. 1.02 billion in dividend payments from SECMC. The investment augments the Company's existing investment in SECMC.</p> <p>No impairment conditions exist on the investment and no charge / write offs have been made to date.</p> |
| Any other important details necessary for the members to understand the transaction                                                                                                                                        | NA                                                                                                                                                                                                                                                                                                                                  |

## B) Disclosure required under Regulations 3(b)

| Information Required                                                                                                                                     | Information Provided                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Maximum price at which securities will be acquired.                                                                                                      | PKR 14.82 per share                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Maximum number of securities to be acquired                                                                                                              | Since the investment amount is set out in USD, the exact number of securities would be determined based on the conversion on the date of subscription.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Number of securities and percentage thereof held before and after the proposed investment                                                                | <p>Present holding: 191,643,025 ordinary shares, equivalent to approximately 11.9% of the issued and paid-up ordinary share capital of SECMC</p> <p>Maximum Holding after Proposed Investment: Up to 268,139,191 ordinary shares, equivalent to approximately 16.65% of the issued and paid-up ordinary share capital of SECMC</p> <p>Maximum Holding after Sponsor Equity Contribution: Given that the investment amount is being approved in USD, it is not possible to quantify the exact amount of securities the Company may acquire at the time of investment. It is however certain that the shares may be acquired at a rate of PKR 14.82 per share and the percentage of shareholding of the Company will be maintained.</p> |
| Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities                           | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities                                              | The fair value of the sale shares is approximately PKR 36.6 per share as per the valuation conducted by the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

### C) Disclosure required under Regulations 3(c)

| Information Required                                                                                                                                                                                                                                                        | Information Provided                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Category-wise amount of investment                                                                                                                                                                                                                                          | As mentioned in the preamble                                                                                         |
| Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period                 | To be determine at the time (if called)                                                                              |
| Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company                                                                                                                                                                               | The commission on the guarantee and any other charges would have to be agreed with the bank providing the guarantee. |
| Particulars of collateral or security to be obtained in relation to the proposed investment                                                                                                                                                                                 | No security will be obtained from the borrowing company as it will be an equity investment if called                 |
| If the investment carries conversion feature i.e., it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and | NA                                                                                                                   |
| Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.                                                                                                                                           | NA                                                                                                                   |

#### **Investment in Sindh Engro Coal Mining Company Limited (“SECMC”) - Payment Service Reserve Account (PSRA) - in the form of equity or subordinated debt**

Pursuant to Section 8.2 of the Sponsor Support Agreement, if the aggregate amount of balance standing to the credit of the PSRA Account is not less than the Applicable Payment Service Reserve Amount (as defined in the Sponsor Support Agreement) the Sponsors of SECMC will have the option to collectively provide a Subsequent PSRA LC and procure that SECMC submits a withdrawal notice to transfer the balance standing to the credit of the PSRA Account to any Project Account (as defined in the Sponsor Support Agreement). As such, shareholder approval is being sought for the provision of standby letter of credit by the Company to cover its portion of the Subsequent PSRA LC for an amount up to approximately USD 8.5 million. The PSRA LC Amount if called by the lenders or SECMC shall be invested either by way of subscription for shares of the SECMC at the rate of PKR 14.82 per share or by treating such amount as subordinated debt, on terms and conditions to be agreed in writing between the Company and SECMC (in accordance with the Sponsor Support Agreement pertaining to SECMC).

Information pursuant to the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017 (the “Regulations”).

## A) Disclosure required under Regulations 3(a)

| Information Required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Information Provided                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Regarding associated company or associated undertaking</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                  |
| Name of the “Associated Company”                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Sindh Engro Coal Mining Company Limited                                                          |
| Basis of relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | The Company holds approximately 11.90% of the issued and paid-up ordinary share capital of SECMC |
| Earnings per share for the last three years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>PKR</b>                                                                                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2023 18.1                                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2022 4.9                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2021 6.8                                                                                         |
| Break-up value per share, based on latest audited financial statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | PKR 51/- per share as per latest audited accounts                                                |
| Financial position, including main items of statement of financial position and profit or loss account on the basis of its latest financial statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>PKR in ‘000</b>                                                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Total assets 232,904,866                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Equity 81,490,651                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Long term loan 73,158,548                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Current liabilities 78,255,667                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Turnover 109,407,088                                                                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Profit for the year 29,160,750                                                                   |
| In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,- (I) description of the project and its history since conceptualization; (II) starting date and expected date of completion of work; (III) time by which such project shall become commercially operational; (IV) expected time by which the project shall start paying return on investment; (V) and funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and noncash amounts | NA                                                                                               |
| <b>General Disclosures</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                  |
| Maximum amount of investment to be made                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | PKR equivalent of USD 8.5 million                                                                |



| Information Required                                                                                                                                                                                                                                                                                                                                              | Information Provided                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment.                                                                                                                                                                                                                                        | The benefit of such investment in the form of stand by letter of credit would be the release of equivalent amounts blocked by the lenders in the Payment Service Reserve Account.                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:</p> <ol style="list-style-type: none"> <li>justification for investment through borrowings;</li> <li>detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</li> <li>cost benefit analysis</li> </ol> | <p>Self-generated funds and borrowings in respect of any funding shortfall (if required):</p> <ol style="list-style-type: none"> <li>investment via borrowing shall enhance the return of investor due to lower cost of debt versus cost of equity. Borrowing shall also be used where there is funding shortfall from self-generated cash</li> <li>mortgage over land and building and hypothecation over plant and machinery of the Company</li> <li>As outlined above, to maintain project continuity and ensure the Company fulfils its obligations under the Sponsor Support Agreement, providing support is necessary.</li> </ol> |
| Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment                                                                                                                                                                                                                           | The salient features of the Agreement have been outlined above.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration                                                                                                                                                                 | Mr. Muhammad Tayyab Ahmad Tareen and Mr. Muhammad Salman Burney as directors of the Company are also on the Board of Directors of SECMC and hold qualifying shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and                                                                                                                                        | <p>The Company has injected PKR 2.8 billion in SECMC to date. So far, the Company has received PKR 1.02 billion in dividend payments from SECMC. The investment augments the Company's existing investment in SECMC.</p> <p>No impairment conditions exist on the investment and no charge/write offs have been made to date.</p>                                                                                                                                                                                                                                                                                                       |
| Any other important details necessary for the members to understand the transaction                                                                                                                                                                                                                                                                               | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

## B) Disclosure required under Regulations 3(b)

| Information Required                                                                                                                                     | Information Provided |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Maximum price at which securities will be acquired.                                                                                                      | PKR 14.82 per share  |
| In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof | NA                   |

| Information Required                                                                                                           | Information Provided                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Maximum number of securities to be acquired                                                                                    | The number of securities would be determined based on the conversion on the date of subscription.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Number of securities and percentage thereof held before and after the proposed investment                                      | <p>Present holding: 191,643,025 ordinary shares, equivalent to approximately 11.90% of the issued and paid-up ordinary share capital of SECMC</p> <p>Maximum Holding after Proposed Investment: Up to 268,139,191 ordinary shares, equivalent to approximately 16.65% of the issued and paid-up ordinary share capital of SECMC</p> <p>Maximum Holding after PSRA Support translates in equity: Given that the investment amount is being approved in USD, it is not possible to quantify the exact amount of securities the Company may acquire at the time of investment. It is however certain that the shares may be acquired at a rate of PKR 14.82 per share and the percentage of shareholding of the Company will be maintained.</p> |
| Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities                    | The fair value of the sale shares is approximately PKR 36.6 per share as per the valuation conducted by the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

### C) Disclosure required under Regulations 3(c)

| Information Required                                                                                                                                                                                                                                        | Information Provided                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Category-wise amount of investment                                                                                                                                                                                                                          | As mentioned in the preamble                                                                                         |
| Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period | To be determine at the time (if called)                                                                              |
| Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company                                                                                                                                                               | The commission on the guarantee and any other charges would have to be agreed with the bank providing the guarantee. |
| Particulars of collateral or security to be obtained in relation to the proposed investment                                                                                                                                                                 | None. The loan will be treated as subordinated to that of the lenders of SECMC                                       |

| Information Required                                                                                                                                                                                                                                                        | Information Provided                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| If the investment carries conversion feature i.e., it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.                                                                                                                                           | To be finalized with SECMC at the time when (and if) a loan is required to be extended. Repayment of both the principal and markup payable by SECMC will be subordinated to the principal/ interest / mark up and other payments due to the lenders under the terms of their financing documents. Given that the loan will be subordinated to the debt advanced by the lenders the repayment thereof will depend on the availability of surplus funds of SECMC. |

#### Investment in Sindh Engro Coal Mining Company Limited (“SECMC”) - Cost Overrun and Funding Shortfall Support

The Company’s current cost overrun and funding shortfall support commitment under the Sponsor Support Agreement stands at USD 1.3 million. Following the Proposed Investment, the cost overrun and funding shortfall support will stand enhanced to USD 1.8 million. As such, shareholder approval is being sought to provide further sponsor support on account of cost overrun and funding shortfall support for an amount up to, and not exceeding approximately USD 1.8 million.

Information pursuant to the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017 (the “Regulations”).

#### A) Disclosure required under Regulations 3(a)

| Information Required                                                                                                                                   | Information Provided                                                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Regarding associated company or associated undertaking</b>                                                                                          |                                                                                                  |
| Name of the “Associated Company”                                                                                                                       | Sindh Engro Coal Mining Company Limited                                                          |
| Basis of relationship                                                                                                                                  | The Company holds approximately 11.90% of the issued and paid-up ordinary share capital of SECMC |
| Earnings per share for the last three years                                                                                                            |                                                                                                  |
|                                                                                                                                                        | <b>PKR</b>                                                                                       |
|                                                                                                                                                        | 2023 18.1                                                                                        |
|                                                                                                                                                        | 2022 4.9                                                                                         |
|                                                                                                                                                        | 2021 6.8                                                                                         |
| Break-up value per share, based on latest audited financial statements                                                                                 | PKR 51/- per share as per latest audited accounts                                                |
| Financial position, including main items of statement of financial position and profit or loss account on the basis of its latest financial statements | <b>PKR in ‘000</b>                                                                               |
|                                                                                                                                                        | Total assets 232,904,866                                                                         |
|                                                                                                                                                        | Equity 81,490,651                                                                                |
|                                                                                                                                                        | Long term loan 73,158,548                                                                        |
|                                                                                                                                                        | Current liabilities 78,255,667                                                                   |
|                                                                                                                                                        | Turnover 109,407,088                                                                             |
|                                                                                                                                                        | Profit for the year 29,160,750                                                                   |

| Information Required                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Information Provided                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,- (I) description of the project and its history since conceptualization; (II) starting date and expected date of completion of work; (III) time by which such project shall become commercially operational; (IV) expected time by which the project shall start paying return on investment; (V) and funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and noncash amounts | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>General Disclosures</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Maximum amount of investment to be made                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | PKR equivalent of USD 1.8 million                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <p>This investment augments the Company's existing investment in SECMC and maintains the Company's position and joint largest private sector shareholder in SECMC.</p> <p>For the Company to acquire the additional shares in SECMC from Proposed Seller, it must fulfill obligations set out in the Sponsor Support Agreement, which were previously undertaken by Proposed Seller. To ensure compliance of all project documents and the continuity of the project, providing this investment, as support, is essential for the Company as a shareholder of SECMC</p>                                                                 |
| <p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:</p> <ol style="list-style-type: none"> <li>justification for investment through borrowings;</li> <li>detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</li> <li>cost benefit analysis</li> </ol>                                                                                                                                                                                                                                                                        | <p>Self-generated funds and borrowings in respect of any funding shortfall (if required):</p> <ol style="list-style-type: none"> <li>investment via borrowing shall enhance the return of investor due to lower cost of debt versus cost of equity. Borrowing shall also be used where there is funding shortfall from self-generated cash</li> <li>mortgage over land and building and hypothecation over plant and machinery of the Company</li> <li>As outlined above, to maintain project continuity and ensure the Company fulfils its obligations under the Sponsor Support Agreement, providing support is necessary.</li> </ol> |
| Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | The salient features of the Agreement have been outlined above.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Information Required                                                                                                                                                                                                       | Information Provided                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration                          | Mr. Muhammad Tayyab Ahmad Tareen and Mr. Muhammad Salman Burney as directors of the Company are also on the Board of Directors of SECMC and hold qualifying shares.                                                                                                                                                               |
| In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and | <p>The Company has injected PKR 2.8 billion in SECMC to date. So far, the Company has received PKR 1.02 billion in dividend payments from SECMC. The investment augments the Company's existing investment in SECMC.</p> <p>No impairment conditions exist on the investment and no charge/write offs have been made to date.</p> |
| Any other important details necessary for the members to understand the transaction                                                                                                                                        | NA                                                                                                                                                                                                                                                                                                                                |

## B) Disclosure required under Regulations 3(b)

| Information Required                                                                                                                                     | Information Provided                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Maximum price at which securities will be acquired.                                                                                                      | PKR 14.82 per share                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Maximum number of securities to be acquired                                                                                                              | The number of securities would be determined based on the conversion on the date of subscription.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Number of securities and percentage thereof held before and after the proposed investment                                                                | <p>Present holding: 191, 643, 025 ordinary shares, equivalent to approximately 11.90% of the issued and paid-up ordinary share capital of SECMC</p> <p>Maximum Holding after Proposed Investment: Up to 268,139,191 ordinary shares, equivalent to approximately 16.65% of the issued and paid-up ordinary share capital of SECMC</p> <p>Maximum Holding after cost overrun and funding shortfall support translates in equity: Given that the investment amount is being approved in USD, it is not possible to quantify the exact amount of securities the Company may acquire at the time of investment. It is however certain that the shares may be acquired at a rate of PKR 14.82 per share and the percentage of shareholding of the Company will be maintained.</p> |
| Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities                           | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

| Information Required                                                                                        | Information Provided                                                                                                 |
|-------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities | The fair value of the sale shares is approximately PKR 36.6 per share as per the valuation conducted by the Company. |

### C) Disclosure required under Regulations 3(c)

| Information Required                                                                                                                                                                                                                                                        | Information Provided                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Category-wise amount of investment                                                                                                                                                                                                                                          | As mentioned in the preamble                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period                 | To be determine at the time (if called)                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company                                                                                                                                                                               | The commission on the guarantee and any other charges would have to be agreed with the bank providing the guarantee.                                                                                                                                                                                                                                                                                                                                            |
| Particulars of collateral or security to be obtained in relation to the proposed investment                                                                                                                                                                                 | None. The loan will be treated as subordinated to that of the lenders of SECMC                                                                                                                                                                                                                                                                                                                                                                                  |
| If the investment carries conversion feature i.e., it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and | NA                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.                                                                                                                                           | To be finalized with SECMC at the time when (and if) a loan is required to be extended. Repayment of both the principal and markup payable by SECMC will be subordinated to the principal/ interest / mark up and other payments due to the lenders under the terms of their financing documents. Given that the loan will be subordinated to the debt advanced by the lenders the repayment thereof will depend on the availability of surplus funds of SECMC. |

### Due Diligence

Please note that this represents an additional investment in SECMC. Information regarding SECMC's performance have already been provided above. Based on the reasons for investment mentioned earlier, which consider the SECMC past performance and future outlook, the directors have determined that a separate due diligence review is not necessary.

**Statement under Regulation 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017**



Status update concerning the business in relation to Sindh Engro Coal Mining Company Limited (“SECMC”) that was approved in the Annual General Meeting (“AGM”) held on October 22, 2018.

### **Sindh Engro Coal Mining Company Limited**

In the AGM held on October 22, 2018 the members of the Company had approved investment in Sindh Engro Coal Mining Company Limited (“SECMC”). SECMC achieved commercial operations on July 10, 2019 which marks a historic milestone for Pakistan's energy sector. Phase I of the Thar mining and power generation projects comprise Pakistan's first indigenous open pit coal mine which supplies 3.8 million tons of lignite coal per annum to a 2x330 MW power generation plant set up by Engro Powergen Thar Limited (“EPTL”). For Phase I of SECMC, the Board of Directors of Thal Limited approved a total exposure of Pakistani Rupee (“PKR”) equivalent of USD 36.1 million, which includes equity investment of USD 24.3 million, USD 5 million for cost over-run and USD 6.8 million for debt servicing reserve (adjustable due to LIBOR/KIBOR movement). Phase I of SECMC mining project has been completed within time and with significant cost savings. As a result of savings in project cost, the Company invested a total of USD 17.7 million as equity in SECMC Phase I, while maintaining 11.9% ordinary shareholding in SECMC.

SECMC achieved project completion date for Phase I in May 2023 and subsequently SECMC declared total dividend of PKR 8 billion in June 2023 (ordinary dividend of PKR 5.7 billion and accrued preferred dividend of PKR 2.3 billion). Post project completion date of Phase I, the contractual commitments of cost overrun support and debt service reserve account have now been released.

SECMC entered into coal supply agreements with Thar Energy Limited and ThalNova Power Thar (Private) Limited for Phase II, to supply 1.9 million tons per annum to each of the two 330 MW power plants - taking the total capacity of the mine to 7.6 million tons per annum. Phase II of SECMC achieved financial close on December 31, 2019. For Phase II of SECMC, the Board of Directors of Thal Limited approved a total exposure of PKR equivalent of USD 10.5 million, which includes equity investment of USD 7.9 million, USD 1.3 million for cost over-run and USD 1.2 million for debt servicing reserve (adjustable due to LIBOR/KIBOR movement).

SECMC Phase II achieved commercial operations date on September 30, 2022. As a result of savings in project cost, the Company invested a total of USD 5.4 million as equity in SECMC Phase II. The unutilized equity standby letter of credit and contractual sponsor support of cost over-run and debt service reserve support shall be released once SECMC achieves project completion date of Phase II.

SECMC is presently supplying coal to 1320 MW Thar based power plants in Block II, Islamkot. These power plants are ranked among the cheapest source of base-load power in the country.

As of June 30, 2024, the Company has invested PKR 2,840.15 million in SECMC, acquiring 191,643,025 ordinary shares having face value of PKR 10 each, at a price of PKR 14.82 per share and has received dividends amounting to PKR 1,023.57 million from inception to date.

### **ThalNova Power Thar (Private) Limited (“TN”)**

Status update concerning the business in relation to ThalNova Power Thar (Private) Limited that was approved in the Extra-Ordinary General Meeting (“EOGM”) dated March 22, 2018.

### **Equity Injection, Guarantee and Sponsor Support:**

The shareholders in the extraordinary general meeting held on March 22, 2018, had approved equity injection of up to USD 58.7 million (or PKR equivalent) and to arrange a standby letter of credit in an amount not exceeding USD 41.1 million (or PKR equivalent) securing the equity obligation and commercial risk guarantee obligations of up to USD 12.4 million (or PKR equivalent) and sponsor support to be provided by the Company for the benefit of TN for an aggregate amount of up to USD 23.2 million (or PKR equivalent) as an investment in the form of equity or subordinated debt to cover for funding shortfall/cost overrun that may arise in TN as well as similar support/investment for debt service reserve support up to USD 12.4 million (or PKR equivalent). Such sponsor support 'investments' were to be made as may be required under the Sponsor Support Agreement entered into with the lenders. The Company intends to make these sponsor support investments by way of preference shares and/or ordinary shares and/or through subordinated debt depending on approvals that may be received from the lenders. If

through preference shares then the key terms will include a USD return on equity of 11%, which will be cumulative if not paid in full on any payment date and redeemable at the option of the Company.

Information pursuant to Section 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017:

| Information Required                                                                                                                                        | Information Provided                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) Total investment approved                                                                                                                                | As above                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| b) Amount of investment made to date                                                                                                                        | Equity injection of USD 33.7 million (in equivalent Pakistani rupees)                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| c) Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time;                      | <p>The Company diluted its shareholding in TN from 49.5% in 2018 to 26% in 2018.</p> <p>The TN project was delayed beyond original timeline due to challenges with arranging USD financing for coal projects and subsequent delays related to COVID-19. The project achieved financial close on 30 September 2020 and subsequently achieved commercial operations date in February 2023.</p> <p>Equity injections were made along with debt disbursement and total equity obligation of the Company has now been met.</p> |
| (d) material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment. | <p>The associated company's financial close was delayed beyond original timelines due to challenges with arranging USD financing for coal projects and subsequent delays related to COVID-19. The project achieved financial close on September 30, 2020 and subsequently achieved commercial operations date in February 2023.</p>                                                                                                                                                                                       |

کی جائیں جن کا انحصار ان منظور یوں کے مطابق ہوں جو قرض دینے والوں سے حاصل کی جاسکتی ہیں۔ اگر یہ بذریعہ ترجیح شیئرز ہوں تو کلیدی شرائط 11 فیصد کی ایکویٹی پر امریکی ڈالر کا منافع شامل کیا جائے گا جو اسی صورت میں مجموعی ہوگا اگر ادائیگی کی تاریخ پر مکمل ادا نہ کیا اور کمپنی کے اختیار کے تحت قابل تلافی ہوگا۔

کمپنیوں (ماحقہ کمپنیوں یا ایسوسی ایٹڈ انڈر ٹیکنگز میں سرمایہ کاری) ریگولیشنز، 2017 کے سیکشن (2) 4 کے تحت معلومات

| مطلوبہ معلومات                                                                                                                                | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| اے) منظور کردہ کل سرمایہ کاری                                                                                                                 | جیسا کہ اوپر دی گئی ہے                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| بی) اب تک کی گئی سرمایہ کاری کی رقم                                                                                                           | 33.7 ملین امریکی ڈالر (پاکستانی روپے کے مساوی) ایکویٹی میں لگائی گئی۔                                                                                                                                                                                                                                                                                                                                                                                                                            |
| سی) سرمایہ کاری کی منظور شدہ ٹائم لائن سے انحراف کی وجوہات، جہاں سرمایہ کاری کے فیصلے کو مخصوص وقت میں نافذ کیا جانا تھا۔                     | 2018 میں کمپنی نے تھل نو وائس 49.5 فیصد سے 2018 میں 26 فیصد تک اپنی شیئر ہولڈنگ کو کم کر دیا۔<br>کول منصوبوں کے لئے امریکی ڈالر کی مالی اعانت کے انتظامات اور بعد ازاں COVID-19 سے متعلق تاخیر کے باعث تھل نو واپرو جیکٹ اصل ٹائم لائن سے آگے تاخیر کا شکار ہوا۔ اس منصوبے نے 30 ستمبر 2020 کو مالیاتی اختتام حاصل کی اور اس کے بعد فروری 2023 میں تجارتی آپریشن کی تاریخ حاصل کی۔<br>ایکویٹی انجکشن قرض کی تقسیم کے ساتھ ساتھ کی گئی، اور کمپنی نے اب اپنی پوری ایکویٹی ذمہ داری پوری کر دی ہے۔ |
| ڈی) سرمایہ کاری کی منظوری کیلئے منظور کی گئی قرارداد کی تاریخ کے بعد سے ماحقہ کمپنی یا متعلقہ انڈر ٹیکنگ کے مالیاتی گوشواروں میں مادی تبدیلی۔ | کول منصوبوں کے لئے امریکی ڈالر فنانسنگ کا بندوبست کرنے میں درپیش چیلنجوں اور بعد ازاں COVID-19 سے متعلق تاخیر کی وجہ سے متعلقہ کمپنی کی مالیاتی بندش اصل ٹائم لائنز سے زیادہ تاخیر کا شکار ہوئی۔ اس منصوبے نے 30 ستمبر 2020 کو مالیاتی اختتام حاصل کیا۔ اور اس کے بعد فروری 2023 میں تجارتی آپریشن کی تاریخ حاصل کی۔                                                                                                                                                                             |

سندھ اینگریڈ کوئل مائننگ کمپنی لمیٹڈ (ایس ای سی ایم سی) کے بارے میں کاروبار سے متعلق اسٹیٹس آپ ڈیٹ کو مورخہ 22 اکتوبر 2018 کو منعقد کیے گئے اے جی ایم میں منظور کیا گیا تھا۔

### سندھ اینگریڈ کوئل مائننگ کمپنی لمیٹڈ

کمپنی کے ممبران کا سالانہ اجلاس عام منعقدہ 22 اکتوبر 2018 میں سندھ اینگریڈ کوئل مائننگ کمپنی لمیٹڈ (ایس ای سی ایم سی) میں سرمایہ کاری کی منظوری دی گئی تھی۔ ایس ای سی ایم سی نے 10 جولائی 2019 کو تجارتی آپریشنز کا آغاز کر دیا تھا جو پاکستان کے انرجی سیکٹر کیلئے ایک تاریخ سنگ میل کی حیثیت رکھتا ہے۔ تھر مائننگ کا نیز اور پاور جنریشن پروجیکٹس پاکستان کے پہلے مقامی اوپن پٹ کول مائن پر مشتمل ہیں جو اینگریڈ پاور جن تھر لمیٹڈ (ای پی ٹی ایل) کی جانب سے قائم کردہ 2x330 میگا واٹ پاور جنریشن پلانٹ کے لئے 3.8 ملین ٹن گلائٹ کو سالانہ فراہم کر رہا ہے۔ ایس ای سی ایم سی کے فیز-I کیلئے تھل لمیٹڈ کے بورڈ آف ڈائریکٹرز نے 36.1 ملین امریکی ڈالر کے مساوی پاک روپے کی مجموعی رقم کی منظوری دی تھی جس میں 24.3 ملین امریکی ڈالر کی ایکویٹی سرمایہ کاری، 5 ملین امریکی ڈالر کی رقم برائے کاسٹ اور رن اور 6.8 ملین امریکی ڈالر کی رقم برائے ڈیٹ سروسنگ ریزرو (KIBOR/LIBOR) نقل و حمل کے باعث قابل منہا) شامل ہے۔ ایس ای سی ایم سی مائننگ پروجیکٹ کا فیز-I مقررہ مدت کے اندر اور اخراجات میں نمایاں بچت کے ساتھ مکمل ہو چکا ہے۔ پروجیکٹ کی لاگت میں کمی کے نتیجے کے طور پر کمپنی نے ایس ای سی ایم سی فیز-I میں سے 17.7 ملین امریکی ڈالر کی مجموعی رقم بطور ایکویٹی سرمایہ کاری کی ہے جبکہ ایس ای سی ایم سی میں 11.9 فیصد کی عمومی شیئر ہولڈنگ کو برقرار رکھا گیا ہے۔

ایس ای سی ایم سی نے فیز-I کیلئے پروجیکٹ کی تکمیل کی تاریخ مئی 2023 میں حال کر لی اور بعد ازاں ایس ای سی ایم سی نے جون 2023 میں 8 ملین روپے کے مجموعی منافع منقسمہ کا اعلان کیا (5.7 ملین روپے کا عمومی منافع منقسمہ اور 2.3 ملین روپے کا حاصل کردہ ترجیحی منافع منقسمہ) فیز-I کے پوسٹ پروجیکٹ تکمیل کی آخری، زائد لگتی سپورٹ کا معاہدہ جاتی منٹنس اور ڈیٹ سروس ریزرو رکھاتے اب جاری ہو چکے ہیں۔

ایس ای سی ایم سی نے تھر انرجی لمیٹڈ اور تھل نووا پاور تھر (پرائیویٹ) لمیٹڈ کے ساتھ فیز-II کیلئے کوئلے کی فراہمی کے معاہدے کئے، جس سے ہر دو 330 میگا واٹ پاور پلانٹس میں سے ہر ایک کو 1.9 ملین ٹن سالانہ سپلائی کیا جائے گا، جس سے مائن کی کل صلاحیت سالانہ 7.6 ملین ٹن ہو جائے گی۔ 31 دسمبر 2019 کو ایس ای سی ایم سی کے فیز-II کا مالی سال ختم ہوا۔ ایس ای سی ایم سی کے فیز-II کیلئے تھل لمیٹڈ کے بورڈ آف ڈائریکٹرز نے 10.5 ملین امریکی ڈالر کے مساوی پاک روپے کی کل نمائش کی منظوری دی، جس میں 7.9 ملین امریکی ڈالر کی ایکویٹی سرمایہ کاری برائے کاسٹ اور رن۔ 1.3 ملین اور ڈیٹ سروسنگ ریزرو (KIBOR/LIBOR) نقل و حمل کے باعث قابل منہا) 1.2 ملین امریکی ڈالر شامل ہیں۔

ایس ای سی ایم سی فیز-II نے 30 ستمبر 2022 کو تجارتی آپریشنز کی تاریخ حاصل کی۔ پروجیکٹ لاگت میں بچت کے نتیجے میں، کمپنی نے ایس ای سی ایم سی فیز-II میں ایکویٹی کے طور پر کل 5.4 ملین امریکی ڈالر کی سرمایہ کاری کی۔ غیر استعمال شدہ ایکویٹی اسٹینڈ بائی لیٹر آف کریڈٹ اور کاسٹ اور رن اور ڈیٹ سروس ریزرو سپورٹ کا معاہدہ شدہ اسپانسر سپورٹ ایس ای سی ایم سی کے فیز-II کی پروجیکٹ کی تکمیل کی تاریخ حاصل کرنے کے بعد جاری کیا جائے گا۔

ایس ای سی ایم سی اس وقت بلاک-II، اسلام کوٹ میں 1320 میگا واٹ تھر پرنٹی پاور پلانٹس کو کوئلہ فراہم کر رہا ہے۔ ان پاور پلانٹس کو ملک میں تیس لوڈ پاور کے سب سے سستے ذرائع میں شمار کیا جاتا ہے۔

30 جون 2024 تک کمپنی نے ایس ای سی ایم سی میں 2,840.15 ملین پاک روپے کی سرمایہ کاری کی اور فی شیئر 14.82 پاک روپے کی قیمت پر 191,643,025 عام شیئرز حاصل کئے جن کی فی شیئر قیمت 10 پاک روپے ہے۔ اور اب تک منافع منقسمہ 1,023.57 ملین پاک روپے حاصل ہوا۔

### تھل نووا پاور تھر (پرائیویٹ) لمیٹڈ ("TN")

غیر معمولی اجلاس عام منعقدہ 22 مارچ 2018 میں تھل نووا پاور تھر (پرائیویٹ) لمیٹڈ (تھل نووا) سے متعلق کاروبار کے بارے میں اسٹیٹس کو آپ ڈیٹ کرنے کے ضمن میں منظوری دی گئی تھی۔

### ایکویٹی کی شمولیت، گارنٹی اور اسپانسر کی معاونت

غیر معمولی اجلاس عام منعقدہ 22 مارچ 2018 میں شیئر ہولڈرز نے 58.7 ملین امریکی ڈالر (یا اس کے مساوی پاک روپے) تک کی ایکویٹی شامل کرنے اور 41.1 ملین امریکی ڈالر (یا اس کے مساوی پاک روپے) کی حد تک ایک رقم میں اسٹینڈ بائی لیٹر آف کریڈٹ کے انتظام کی منظوری دی تھی تاکہ ایکویٹی کی مالیتی ذمہ داری کو تحفظ اور 12.4 ملین امریکی ڈالر (یا اس کے مساوی پاک روپے) کی کمرشل خطرات کی ضمانت لینے کی ذمہ داری پوری کی جائے اور اس کے ساتھ کمپنی کو 23.2 ملین امریکی ڈالر (یا اس کے مساوی پاک روپے) تک کی مجموعی رقم کیلئے تھل نووا میں 12.4 ملین امریکی ڈالر (یا اس کے مساوی پاک روپے) تک کے ڈیٹ سروس ریزرو سپورٹ کیلئے اس نوعیت کی معاونت/سرمایہ کاری کے ضمن میں ہوں۔ اسپانسر کی ایسی معاونتی سرمایہ کاری قرض دینے والوں کے ساتھ اسپانسر سپورٹ ایگریمنٹ کے تحت عمل میں آئے گی۔ کمپنی کا ارادہ ہے کہ یہ اسپانسر سپورٹ سرمایہ کاریاں بذریعہ ترجیحی شیئرز اور/یا عمومی شیئرز اور یا ذیلی ڈیٹ کے ذریعے

| مطلوبہ معلومات                                                                                            | فراہم کردہ معلومات                                                                                                  |
|-----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| ان لیسڈ سیکورٹیز میں سرمایہ کاری کے لیے ریگولیشن 5 کے ذیلی ضابطے (1) کی شرائط کے تحت تعین کردہ فیئر ویلیو | کمپنی کی جانب سے جانچ کردہ ویلیو ایشن کے مطابق فروخت ہونے والے شیئرز کی فیئر ویلیو لگ بھگ 36.6 پاک روپے فی شیئر ہے۔ |

### سی (ریگولیشن 3(c) کے تحت مطلوبہ ضروری حقائق

| مطلوبہ معلومات                                                                                                                                                                                                             | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| کیٹگری کے لحاظ سے سرمایہ کاری کی رقم                                                                                                                                                                                       | جیسا کہ پہلے ہی بیان کی جا چکی ہے                                                                                                                                                                                                                                                                                                                                                                        |
| سرمایہ کار کمپنی کی اوسطاً قرضے کی مالیت۔ متعلقہ مدت کے لیے کراچی انٹر بینک آفرڈ ریٹ (KIBOR)، شریعت کے مطابق پروڈکٹس کیلئے متعلقہ مدت کے سلسلے میں منافع کی شرح اور ان فنڈز سہولتوں کیلئے منافع کی شرح، جیسی بھی صورت ہو   | وقت پر ہی تعین کیا جائے گا (اگر کہا گیا)                                                                                                                                                                                                                                                                                                                                                                 |
| سرمایہ کار کمپنی کی جانب سے وصول کیا جانے والا سود، مارک اپ، منافع، فیس یا کمیشن وغیرہ                                                                                                                                     | گارنٹیز پر کمیشن اور کوئی بھی دیگر چارجز گارنٹیز کی فراہمی کیلئے بینک کے ساتھ طے کیے جائیں گے                                                                                                                                                                                                                                                                                                            |
| مجوزہ سرمایہ کاری کے سلسلے میں حاصل کی جانے والی ضمانت یا سیکورٹی کی تفصیلات                                                                                                                                               | کوئی نہیں۔ قرض کو ایس ای سی ایم سی کے قرض دہندگان کے ماتحت سمجھا جائے گا                                                                                                                                                                                                                                                                                                                                 |
| اگر سرمایہ کاری منتقلی کی خصوصیت کی حامل ہوئی، یعنی یہ سیکورٹیز میں قابل منتقلی ہوئی، یہ حقیقت بشمول شرائط اور ضوابط سمیت منتقلی کا فارمولا، ان حالات میں جن میں منتقلی کی گئی ہے اور وہ وقت جب منتقلی عمل میں آئی ہو۔ اور | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                                                                                          |
| منسلک کمپنی یا ایسوسی ایٹڈ انٹر ٹیکنگ کو دیئے گئے قرضہ جات یا ایڈوانسز کی واپس ادائیگی کا شیڈول اور شرائط و ضوابط                                                                                                          | ایس ای سی ایم سی کے لینڈرز کے ساتھ اس وقت معاہدے کو حتمی شکل دینے جب (اور اگر) ایک قرضے کو توسیع دینی ہو، تاہم یہ توقع کی جاتی ہے کہ مدت کم از کم اتنی طویل ہوگی کہ لینڈرز کی جانب سے قرضہ جات / فنانسز فراہم کے جاسکیں گے ایس ای سی ایم سی کی جانب سے اصل رقم اور مارک اپ اور دیگر قومات دونوں کی واپس ادائیگی ان کے فنانسنگ دستاویزات کی شرائط کے تحت لینڈرز کو اصل رقم / سود / مارک اپ کے ماتحت ہوگی۔ |

### مطلوبہ احتیاط

براہ مہربانی نوٹ کر لیں کہ یہ ایس ای سی ایم سی میں اضافی سرمایہ کاری کی نمائندگی کرتا ہے۔ ایس ای سی ایم سی کی کارکردگی کے بارے میں معلومات درج بالا میں پہلے ہی فراہم کی جا چکی ہیں۔ پہلے درج کردہ سرمایہ کاری کیلئے اسباب، جسے ایس ای سی ایم سی کی سابق کارکردگی اور مستقبل کا منظر نامہ تصور کیا جاتا ہے، کی بنیاد پر ڈائریکٹرز نے یہ تعین کیا ہے کہ ایک علیحدہ سے مطلوبہ احتیاطی جائزہ ضروری نہیں ہے۔

کمپنیز (منسلک کمپنیز یا ایسوسی ایٹڈ انٹر ٹیکنگز میں سرمایہ کاری) ریگولیشنز، 2017 کے ضابطہ (2) 4 کے تحت اسٹیٹمنٹ

| مطلوبہ معلومات                                                                                                                                                                  | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ڈائریکٹرز، اسپانسرز، اکثریتی شیئر ہولڈرز اور ان کے عزیز واقارب، اگر کوئی ہوں، کا منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ یا زیر غور معاملت میں کوئی بلا واسطہ یا بلا واسطہ مفاد۔ | جناب محمد طیب احمد ترین اور جناب محمد سلمان برنی کمپنی کے ڈائریکٹرز کی حیثیت سے فرائض انجام دینے کے ساتھ ایس ای سی ایم سی کے بورڈ آف ڈائریکٹرز پر بھی ہیں اور کوالیفائنگ شیئرز کے حامل ہیں۔                                                                                                                                                                       |
| منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ میں پہلے سے کی جانے والی کسی سرمایہ کاری کی صورت میں ایسی سرمایہ کی کارکردگی کا جائزہ بشمول کسی نقصان یا رائٹ آف کی معلومات/وضاحت: اور   | کمپنی نے اب تک ایس ای سی ایم سی میں 2.8 بلین پاک روپے شامل کیے ہیں۔ اب تک کمپنی کو ایس ای سی ایم سی سے منافع منقسمہ کی ادائیگی کے ضمن میں 1.02 بلین پاک روپے وصول ہوئے ہیں۔ یہ سرمایہ ایس ای سی ایم سی میں کمپنی کی موجودہ سرمایہ کاری کو مزید تقویت دے گی۔ سرمایہ کاری پر کوئی نقصان دہ شرائط موجود نہیں اور آج تک کی تاریخ پر کوئی چارج/رائٹ آف نہیں کرایا گیا۔ |
| کوئی بھی دیگر اہم تفصیل جو اس معاملت کو سمجھنے کے لیے ممبران کے لیے ضروری ہو۔                                                                                                   | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                                                   |

### (بی) ریگولیشن 3(b) کے تحت مطلوبہ ضروری حقائق

| مطلوبہ معلومات                                                                                                                              | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| زیادہ سے زیادہ نرخ جس پر سیکورٹیز حاصل کی جائیں گی                                                                                          | 14.82 پاک روپے فی شیئر                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| لسٹڈ سیکورٹیز کی صورت میں قیمت خرید مارکیٹ ویلیو سے زیادہ ہونے کی صورت میں اور ان لسٹڈ سیکورٹیز کی صورت میں فیئر ویلیو، اس کی وضاحت دی جائے | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| حاصل کی جانے والی سیکورٹیز کی زیادہ سے زیادہ تعداد                                                                                          | سیکیورٹیز کی تعداد کا تعین سبسکرپشن کی منتقلی کی تاریخ کی بنیاد پر کیا جائے گا۔                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| مجوزہ سرمایہ کاری سے قبل اور بعد ازاں موجود سیکورٹیز کی تعداد اور فیصدی شرح                                                                 | موجودہ ہولڈنگ 191,643,025 عمومی شیئرز جو ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کیپٹل کے لگ بھگ 11.9 فیصد کے مساوی ہیں۔<br>مجوزہ سرمایہ کاری کے بعد زیادہ سے زیادہ ہولڈنگ: 268,139,191 عمومی شیئرز جو ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کیپٹل کے لگ بھگ 16.65 فیصد کے مساوی ہیں۔<br>کاسٹ اوور۔ رن سپورٹ کے بعد زیادہ سے زیادہ ہولڈنگ کا مطلب ایکویٹی میں ہوگا، دی جانے والی سرمایہ کاری کی رقم امریکی ڈالر میں منظوری کی جارہی ہے، اس کی اصل رقم کے حجم کا اندازہ لگانا ممکن نہ ہوگا کہ کمپنی کی سیکورٹیز کا اصل حجم کیا ہے۔ تاہم یہ طے ہے کہ شیئرز 14.82 پاک روپے فی شیئر کے نرخ پر حاصل کیے جائیں گے اور کمپنی کی شیئر ہولڈنگ کی فیصدی شرح برقرار رکھی جائے گی۔ |
| موجودہ اور آنے والے بارہ ہفتوں کے اندازاً اوسط مارکیٹ پر ایس جہاں سرمایہ مجوزہ طور پر لسٹڈ سیکورٹیز میں کی جانی ہو۔                         | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |



| مطلوبہ معلومات                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ کے ایک ایسے پروجیکٹ کے سلسلے میں سرمایہ کاری کی صورت میں جس کے آپریشنز کا آغاز نہیں کیا گیا ہو، درج مزید معلومات، بنام (I) پروجیکٹ کی تفصیل اور اس کے قیام سے لیکر اب تک کی تاریخ۔ (II) کام کے آغاز کی تاریخ اور کام کی تکمیل کی متوقع تاریخ۔ (III) اوہ وقت جس کے ذریعے یہ پروجیکٹ تجارتی لحاظ سے آپریشنل ہو جائے گا۔ (IV) متوقع وقت جس میں پروجیکٹ اپنی سرمایہ کاری پر منافع دینے کا آغاز کر دے گا، (V) اور انویسٹ کردہ فنڈز یا پروموترز، اسپانسرز، منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ کی جانب سے کی جانے والی سرمایہ کاری، جس میں نقد یا غیر نقد قومات کے درمیان فرق بیان کیا گیا ہو۔</p>                                          | <p>قابل اطلاق نہیں</p>                                                                                                                                                                                                                                                                                                               |
| عمومی ضروری حقائق                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                      |
| <p>1.8 ملین امریکی ڈالر کے مساوی پاک روپے</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <p>کی جانے والی سرمایہ کاری کی زیادہ سے زیادہ رقم</p>                                                                                                                                                                                                                                                                                |
| <p>یہ سرمایہ کاری ایس ای سی ایم سی میں کمپنی کی موجودہ سرمایہ کاری کو تقویت دے گی اور ایس ای سی ایم سی میں کمپنی کی پوزیشن وسیع ترین مشترکہ نجی سیکٹر کے شیئر ہولڈر کی حیثیت سے برقرار رکھے گی۔ کمپنی کیلئے مجوزہ فروخت کرنے والے سے ایس ای سی ایم سی کے اضافی شیئرز کا حصول لازمی طور پر اسپانسر سپورٹ ایگریمنٹ میں درج مالی ذمہ داریوں کو پورا کرنا ہے، جو پہلے ایچ بی ایل کی جانب سے انجام دی جا رہی تھیں۔ اس کے نتیجے میں ڈی ایس آر اے LC سپورٹ کی فراہمی ہوگی۔ پروجیکٹ کے تمام دستاویزات پر عملدرآمد کو یقینی بنانے اور پروجیکٹ کو جاری رکھنے کیلئے یہ سرمایہ کاری ایک سپورٹ کے طور پر فراہم کی جا رہی ہے جو کمپنی اور ایس ای سی ایم سی کے شیئر ہولڈر کے طور پر لازمی ہے۔</p> | <p>اس سرمایہ کاری کے ذریعے سرمایہ کار کمپنی اور اس کے ممبران کے لیے ممکنہ طور پر حاصل کردہ فوائد اور مقاصد اور سرمایہ کاری کی مدت۔</p>                                                                                                                                                                                               |
| <p>کسی بھی فنڈنگ کی قلت کے سلسلے میں ذاتی وسائل سے حاصل کردہ فنڈز اور قرضہ جات (اگر درکار ہوں)</p> <p>(i) سرمایہ کاری بذریعہ قرضہ جات ایکویٹی کی لاگت کے مقابلے میں انویسٹر کے منافع میں اضافہ کرے گی کیونکہ قرضے کی لاگت کم ہوگی۔ قرضہ جات وہاں بھی استعمال ہوتے ہیں جہاں ذاتی وسائل سے حاصل کردہ نقد رقم سے فنڈنگ کی کمی ہو۔</p> <p>(ii) کمپنی کی اراضی اور بلڈنگ پر رہن و گروی اور پلانٹ و مشینری پر مفروضے۔</p> <p>(iii) جیسا کہ اوپر بیان کیا گیا ہے، پروجیکٹ کا تسلسل برقرار رکھنے اور یقینی بنانے کیلئے کمپنی نے اسپانسر سپورٹ ایگریمنٹ کے تحت اپنی مالی ذمہ داریاں پوری کیں، فراہم کی جانے والی معاونت ضروری تھی</p>                                                       | <p>سرمایہ کاری کے لیے استعمال کیے جانے والے فنڈز کے ذرائع اور جہاں سرمایہ کاری کے لیے قرض کے فنڈز کو استعمال کرنے کا ارادہ ہے:</p> <p>(i) قرضہ جات کے ذریعے سرمایہ کاری کی وضاحت:</p> <p>(ii) ایسے فنڈز کے لیے فراہم کردہ ضمانت، گارنٹی اور حصول کے لیے گروی رکھے گئے اثاثہ جات کی تفصیل اور</p> <p>(iii) لاگت کے فوائد کا جائزہ</p> |
| <p>معاهدے کے کلیدی نکات اوپر بیان کیے جا چکے ہیں</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <p>منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ کے ساتھ مجوزہ سرمایہ کاری کے سلسلے میں کیے جانے والے معاہدے (معاہدوں) اگر کوئی ہوں، کے کلیدی نکات</p>                                                                                                                                                                                      |

| مطلوبہ معلومات                                                                                                                                                                                                             | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| اگر سرمایہ کاری منتقلی کی خصوصیت کی حامل ہوئی، یعنی یہ سیکورٹیز میں قابل منتقلی ہوئی، یہ حقیقت بشمول شرائط اور ضوابط سمیت منتقلی کا فارمولا، ان حالات میں جن میں منتقلی کی گئی ہے اور وہ وقت جب منتقلی عمل میں آئی ہو۔ اور | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                                                                                   |
| منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ کو دیئے گئے قرضہ جات یا ایڈوانسز کی واپس ادائیگی کا شیڈول اور شرائط و ضوابط                                                                                                         | ایس ای سی ایم سی کے لینڈرز کے ساتھ اس وقت معاہدے کو حتمی شکل دینے جب (اور اگر) ایک قرضے کو توسیع دیں ہو، تاہم یہ توقع کی جاتی ہے کہ مدت کم از کم اتنی طویل ہوگی کہ لینڈرز کی جانب سے قرضہ جات/فنانسز فراہم کے جاسکیں گے ایس ای سی ایم سی کی جانب سے اصل رقم اور مارک اپ اور دیگر قومات دونوں کی واپس ادائیگی ان کے فنانسنگ دستاویزات کی شرائط کے تحت لینڈرز کو اصل رقم/سود/مارک اپ کے ماتحت ہوگی۔ |

سندھ اینگروول میننگ کمپنی لمیٹڈ ("ایس ای سی ایم سی") میں سرمایہ کاری۔ لاگت سے زیادہ سپورٹ

کمپنی کی موجودہ لاگت سے زائد اور فنڈنگ کی قلت کی سپورٹ اسپانسر سپورٹ ایگریمنٹ کے تحت کیے گئے معاہدے کے تحت 1.3 ملین امریکی ڈالر پر ہے۔ مجوزہ سرمایہ کاری ہونے کے بعد لاگت سے زائد اخراجات اور فنڈنگ کی قلت کی سپورٹ بڑھ کر 1.8 ملین امریکی ڈالر تک ہو جائے گی۔ جیسا کہ شیئر ہولڈرز کی اجازت لاگت سے زائد اخراجات اور فنڈنگ کی قلت کی سپورٹ کے ضمن میں مزید اسپانسر سپورٹ فراہم کرنے کیلئے حاصل کی جارہی ہے اور یہ لگ بھگ 1.8 ملین امریکی ڈالر سے زائد نہ ہوگی۔ کمپنیز (منسلکہ کمپنیز یا ایسوسی ایٹڈ انڈر ٹیکنگز میں سرمایہ کاری) ریگولیشنز، 2017 کے مطابق (دی ریگولیشنز) کے مطابق معلومات:

(اے) ریگولیشنز 3(a) کے تحت مطلوبہ ضروری حقائق

| مطلوبہ معلومات                                                                                                                           | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                                                                        |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--|----------------|-------------|---------|------------|----------------|------------|------------------------|------------|----------|-------------|------------------|------------|
| منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ سے متعلق                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                           |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| منسلکہ کمپنی کا نام                                                                                                                      | سندھ اینگروول میننگ کمپنی لمیٹڈ                                                                                                                                                                                                                                                                                                                                                           |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| تعلقات کاری بنیاد                                                                                                                        | کمپنی ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کیپٹل کے تقریباً 11.9 فیصد کی حامل ہے۔                                                                                                                                                                                                                                                                                         |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| گزشتہ 3 سالوں کے لئے آمدنی فی شیئر                                                                                                       | <table> <tr> <th>پاک روپے</th><th></th></tr> <tr> <td>2023</td><td>18.1</td></tr> <tr> <td>2022</td><td>4.9</td></tr> <tr> <td>2021</td><td>6.8</td></tr> </table>                                                                                                                                                                                                                        | پاک روپے        |  | 2023           | 18.1        | 2022    | 4.9        | 2021           | 6.8        |                        |            |          |             |                  |            |
| پاک روپے                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                           |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| 2023                                                                                                                                     | 18.1                                                                                                                                                                                                                                                                                                                                                                                      |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| 2022                                                                                                                                     | 4.9                                                                                                                                                                                                                                                                                                                                                                                       |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| 2021                                                                                                                                     | 6.8                                                                                                                                                                                                                                                                                                                                                                                       |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| تازہ ترین آڈٹ شدہ حسابات پر مبنی بریک اپ ویلیو فی شیئر                                                                                   | تازہ ترین آڈٹ شدہ مالیاتی حسابات کے مطابق - 51/1 پاک روپے فی شیئر۔                                                                                                                                                                                                                                                                                                                        |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| مالیاتی پوزیشن بشمول مالیاتی پوزیشن کے کھاتوں کے مرکزی آئٹمز اور نفع و نقصان کے کھاتے جو اس کے تازہ ترین مالیاتی حسابات کی بنیاد پر ہوں۔ | <table> <tr> <th>روپے ہزاروں میں</th><th></th></tr> <tr> <td>ٹوٹل اثاثہ جات</td><td>232,904,866</td></tr> <tr> <td>ایکویٹی</td><td>81,490,651</td></tr> <tr> <td>طویل مدتی قرضہ</td><td>73,158,548</td></tr> <tr> <td>موجودہ مالی ذمہ داریاں</td><td>78,255,667</td></tr> <tr> <td>ٹرن اوور</td><td>109,407,088</td></tr> <tr> <td>سال کے لئے منافع</td><td>29,160,750</td></tr> </table> | روپے ہزاروں میں |  | ٹوٹل اثاثہ جات | 232,904,866 | ایکویٹی | 81,490,651 | طویل مدتی قرضہ | 73,158,548 | موجودہ مالی ذمہ داریاں | 78,255,667 | ٹرن اوور | 109,407,088 | سال کے لئے منافع | 29,160,750 |
| روپے ہزاروں میں                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                           |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| ٹوٹل اثاثہ جات                                                                                                                           | 232,904,866                                                                                                                                                                                                                                                                                                                                                                               |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| ایکویٹی                                                                                                                                  | 81,490,651                                                                                                                                                                                                                                                                                                                                                                                |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| طویل مدتی قرضہ                                                                                                                           | 73,158,548                                                                                                                                                                                                                                                                                                                                                                                |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| موجودہ مالی ذمہ داریاں                                                                                                                   | 78,255,667                                                                                                                                                                                                                                                                                                                                                                                |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| ٹرن اوور                                                                                                                                 | 109,407,088                                                                                                                                                                                                                                                                                                                                                                               |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |
| سال کے لئے منافع                                                                                                                         | 29,160,750                                                                                                                                                                                                                                                                                                                                                                                |                 |  |                |             |         |            |                |            |                        |            |          |             |                  |            |

| مطلوبہ معلومات                                                                                                      | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| حاصل کی جانے والی سیکورٹیز کی زیادہ سے زیادہ تعداد                                                                  | سیکورٹیز کی تعداد کا تعین سبسکریپشن کی تاریخ منتقلی کی بنیاد پر کیا جائے گا                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| مجوزہ سرمایہ کاری سے قبل موجود اور بعد ازاں سیکورٹیز کی تعداد اور فیصدی شرح                                         | موجودہ ہولڈنگ 191,643,025 عمومی شیئرز جو ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کیپٹل کے لگ بھگ 11.9 فیصد کے مساوی ہیں۔<br>مجوزہ سرمایہ کاری کے بعد زیادہ سے زیادہ ہولڈنگ: 268,139,191 عمومی شیئرز جو ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کیپٹل کے لگ بھگ 16.65 فیصد کے مساوی ہیں۔<br>پی ایس آراے سپورٹ کے بعد زیادہ سے زیادہ ہولڈنگ کا مطلب ایکویٹی میں ہوگا، دی جانے والی سرمایہ کاری کی رقم امریکی ڈالر میں منظوری کی جارہی ہے، اس کی اصل رقم کے حجم کا اندازہ لگانا ممکن نہ ہوگا کہ کمپنی کی سیکورٹیز کا اصل حجم کیا ہے۔ تاہم یہ طے ہے کہ شیئرز 14.82 پاک روپے فی شیئر کے نرخ پر حاصل کیے جائیں گے اور کمپنی کی شیئر ہولڈنگ کی فیصدی شرح برقرار رکھی جائے گی۔ |
| موجودہ اور آنے والے بارہ ہفتوں کے اندازاً اوسط مارکیٹ پر ایس جہاں سرمایہ مجوزہ طور پر لسٹڈ سیکورٹیز میں کی جانی ہو۔ | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| ان لسٹڈ سیکورٹیز میں سرمایہ کاری کے لیے ریگولیشن 5 کے ذیلی ضابطے (1) کی شرائط کے تحت تعین کردہ فیئر ویلیو           | کمپنی کی جانب سے جانچ کردہ ویلیو ایٹن کے مطابق فروخت ہونے والے شیئرز کی فیئر ویلیو لگ بھگ 36.6 پاک روپے فی شیئر ہے۔                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

### سی (ریگولیشن 3(c) کے تحت مطلوبہ ضروری حقائق

| مطلوبہ معلومات                                                                                                                                                                                                           | فراہم کردہ معلومات                                                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| کمپنی کے لحاظ سے سرمایہ کاری کی رقم                                                                                                                                                                                      | جیسا کہ پہلے ہی بیان کی جا چکی ہے                                                             |
| سرمایہ کار کمپنی کی اوسطاً قرضے کی مالیت۔ متعلقہ مدت کیلئے کراچی انٹر بینک آفرڈ ریٹ (KIBOR)، شریعت کے مطابق پروڈکٹس کیلئے متعلقہ مدت کے سلسلے میں منافع کی شرح اور ان فنڈز سہولتوں کے لیے منافع کی شرح، جیسی بھی صورت ہو | وقت پر ہی تعین کیا جائے گا (اگر کہا گیا)                                                      |
| سرمایہ کار کمپنی کی جانب سے وصول کیا جانے والا سود، مارک اپ، منافع، فیس یا کمیشن وغیرہ                                                                                                                                   | گارنٹیز پر کمیشن اور کوئی بھی دیگر چارجز گارنٹیز پر فراہمی کیلئے بینک کے ساتھ طے کیے جائیں گے |
| مجوزہ سرمایہ کاری کے سلسلے میں حاصل کی جانے والی ضمانت یا سیکورٹی کی تفصیلات                                                                                                                                             | کوئی نہیں۔ قرض کو ایس ای سی ایم سی کے قرض دہندگان کے ماتحت سمجھا جائے گا                      |

| مطلوبہ معلومات                                                                                                                                                                   | فراہم کردہ معلومات                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| اس سرمایہ کاری کے ذریعے سرمایہ کار کمپنی اور اس کے ممبران کے لیے ممکنہ طور پر حاصل کردہ فوائد اور مقاصد اور سرمایہ کاری کی مدت                                                   | اسٹینڈ بائی لیٹر آف کریڈٹ کی صورت میں ایسی سرمایہ کاری کا فائدہ ہیمنٹ سروس ریزرو اکاؤنٹ میں قرض فراہم کنندگان کی جانب سے بلاک کی گئی رقمات کے مساوی رقم کا اجرا ہو سکتی ہے۔                                                               |
| سرمایہ کاری کے لیے استعمال کیے جانے والے فنڈز کے ذرائع اور جہاں سرمایہ کاری کے لیے قرض کے فنڈز کو استعمال کرنے کا ارادہ ہے                                                       | کسی بھی فنڈنگ کی قلت کے سلسلے میں ذاتی وسائل سے حاصل کردہ فنڈز اور قرضہ جات (اگر درکار ہوں)                                                                                                                                               |
| (i) قرضہ جات کے ذریعے سرمایہ کاری کی وضاحت:                                                                                                                                      | i سرمایہ کاری بذریعہ قرضہ جات ایکویٹی کی لاگت کے مقابلے میں انویسٹر کے منافع میں اضافہ کرے گی کیونکہ قرضے کی لاگت کم ہوگی۔ قرضہ جات وہاں بھی استعمال ہوتے ہیں جہاں ذاتی وسائل سے حاصل کردہ نقد رقم سے فنڈنگ کی کمی ہو۔                    |
| (ii) ایسے فنڈز کے لیے فراہم کردہ ضمانت، گارنٹی اور حصول کے لیے گروی رکھے گئے اثاثہ جات کی تفصیل اور                                                                              | ii کمپنی کی اراضی اور/یا بلڈنگ پر رہن و گروی اور پلانٹ و مشینری پر مفروضے۔                                                                                                                                                                |
| (iii) لاگت کے فوائد کا جائزہ                                                                                                                                                     | iii جیسا کہ اوپر بیان کیا گیا ہے، پروجیکٹ کا تسلسل برقرار رکھنے اور یقینی بنانے کیلئے کمپنی نے اسپانسر سپورٹ ایگریمنٹ کے تحت اپنی مالی ذمہ داریاں پوری کیں، اور ضرورت پڑنے پر معاونت فراہم کی۔                                            |
| منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ کے ساتھ مجوزہ سرمایہ کاری کے سلسلے میں کیے جانے والے معاہدے (معاہدوں) اگر کوئی ہوں، کے کلیدی نکات                                         | معاہدے کے کلیدی نکات اوپر بیان کیے جا چکے ہیں۔                                                                                                                                                                                            |
| ڈائریکٹرز، اسپانسرز، اکثریتی شیئر ہولڈرز اور ان کے عزیز واقارب، اگر کوئی ہوں، کا منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ یا زیر غور معاملات میں کوئی بلا واسطہ یا بلا واسطہ مفاد۔ | جناب محمد طیب احمد ترین اور جناب محمد سلمان برنی کمپنی کے ڈائریکٹرز کی حیثیت سے فرائض انجام دینے کے ساتھ ایس ای سی ایم سی کے بورڈ آف ڈائریکٹرز پر بھی ہیں اور کوالیفیکنگ شیئرز کے حامل ہیں۔                                               |
| منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ میں پہلے سے کی جانے والی کسی سرمایہ کاری کی صورت میں ایسی سرمایہ کی کارکردگی کا جائزہ بشمول کسی نقصان یا رائٹ آف کی معلومات/وضاحت: اور    | کمپنی نے اب تک ایس ای سی ایم سی میں 2.8 بلین پاک روپے شامل کیے ہیں۔ اب تک کمپنی کو ایس ای سی ایم سی سے منافع منقسمہ میں 1.02 بلین پاک روپے وصول ہوئے ہیں۔ یہ سرمایہ ایس ای سی ایم سی میں کمپنی کی موجودہ سرمایہ کاری کو مزید تقویت دے گی۔ |
| سرمایہ کاری پر کوئی نقصان دہ شرائط موجود نہیں اور آج تک کی تاریخ پر کوئی چارج/رائٹ آف نہیں کرایا گیا۔                                                                            | سرمایہ کاری پر کوئی نقصان دہ شرائط موجود نہیں اور آج تک کی تاریخ پر کوئی چارج/رائٹ آف نہیں کرایا گیا۔                                                                                                                                     |
| کوئی بھی دیگر اہم تفصیلات جو اس معاملت کو سمجھنے کے لیے ممبران کیلئے لازم ہوں۔                                                                                                   | قابل اطلاق نہیں                                                                                                                                                                                                                           |

### بی) ریگولیشنز 3(b) کے تحت ضروری حقائق

| مطلوبہ معلومات                                                                                                                                | فراہم کردہ معلومات     |
|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| زیادہ سے زیادہ نرخ جس پر سیکیورٹیز حاصل کی گئی ہیں                                                                                            | 14.82 پاک روپے فی شیئر |
| لسٹڈ سیکیورٹیز کی صورت میں قیمت خرید مارکیٹ ویلیو سے زیادہ ہونے کی صورت میں اور ان لسٹڈ سیکیورٹیز کی صورت میں فیئر ویلیو، اس کی وضاحت دی جائے | قابل اطلاق نہیں        |

اے) ریگولیشنز 3(a) کے تحت مطلوبہ ضروری حقائق

| مطلوبہ معلومات                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  | فراہم کردہ معلومات                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------------|
| منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ سے متعلق                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                   |
| منسلکہ کمپنی کا نام                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  | سندھ اینڈرکول مائننگ کمپنی لمیٹڈ                                                                  |
| تعلقات کار کی بنیاد                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  | کمپنی ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کیپٹل کے تقریباً 11.9 فیصد کی حامل ہے۔ |
| گزشتہ 3 سالوں کے لئے آمدنی فی شیئر                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  | پاک روپے                                                                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  | 2023 18.1                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  | 2022 4.9                                                                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  | 2021 6.8                                                                                          |
| بریک اپ ویلیو فی شیئر تازہ ترین آڈٹ شدہ مالیاتی حسابات پر مبنی                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  | تازہ ترین آڈٹ شدہ مالیاتی حسابات کے مطابق - 51/ پاک روپے فی شیئر۔                                 |
| مالیاتی پوزیشن بشمول مالیاتی پوزیشن کے کھاتوں کے مرکزی آئٹمز اور نفع یا نقصان کے کھاتے جو اس کے تازہ ترین مالیاتی حسابات کی بنیاد پر ہوں۔                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  | روپے ہزاروں میں                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  | ٹوٹل اثاثہ جات 232,904,866                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  | ایکویٹی 81,490,651                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  | طویل مدتی قرضہ 73,158,548                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  | موجودہ مالی ذمہ داریاں 78,255,667                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  | ٹرن اوور 109,407,088                                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  | سال کے لئے منافع 29,160,750                                                                       |
| منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ کے ایک ایسے پروجیکٹ کے سلسلے میں سرمایہ کاری کی صورت میں جس کے آپریشنز کا آغاز نہیں کیا گیا ہو، درج مزید معلومات، بنام (i) پروجیکٹ کی تفصیل اور اس کے قیام سے لیکر اب تک کی تاریخ۔ (ii) کام کے آغاز کی تاریخ اور کام کی تکمیل کی متوقع تاریخ۔ (iii) وہ وقت جس کے ذریعے یہ پروجیکٹ تجارتی لحاظ سے آپریشنل ہو جائے گا۔ (iv) متوقع وقت جس میں پروجیکٹ اپنی سرمایہ کاری پر منافع دینے کا آغاز کر دے گا، (v) اور انویسٹ کردہ فنڈز یا پروموترز، اسپانسرز، منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ کی جانب سے کی جانے والی سرمایہ کاری، جس میں نقد یا غیر نقد رقمات کے درمیان فرق بیان کیا گیا ہو۔ |  | قابل اطلاق نہیں                                                                                   |
| عمومی ضروری حقائق                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                   |
| کی جانے والی سرمایہ کی زیادہ سے زیادہ رقم                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  | 8.5 ملین امریکی ڈالر کے مساوی پاک روپے                                                            |

(سی) ریگولیشنز (c) 3 کے تحت مطلوبہ ضروری حقائق

| مطلوبہ معلومات                                                                                                                                                                                                              | فراہم کردہ معلومات                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| سرمایہ کاری کی کمیگاری کے لحاظ سے رقم                                                                                                                                                                                       | جیسا کہ پہلے بیان کی جا چکی ہے                                                                                |
| سرمایہ کار کمپنی کی اوسطاً قرضے کی مالیت۔ متعلقہ مدت کے لئے کراچی انٹر بینک آفرڈ ریٹ (KIBOR)، شریعت کے مطابق پروڈکٹس کے لیے متعلقہ مدت کے سلسلے میں منافع کی شرح اور ان فنڈز سہولتوں کیلئے منافع کی شرح جیسی بھی صورت ہو    | اسی وقت تعین کیا جائے گا (اگر کہا گیا)                                                                        |
| سرمایہ کار کمپنی کی جانب سے چارج کی جانے والی شرح سود، مارک اپ۔ منافع، فیس اور کمیشن وغیرہ                                                                                                                                  | گارنٹیز پر کمیشن اور کوئی بھی دیگر چارجز گارنٹیز کی فراہمی کیلئے بینک کے ساتھ طے کیے جائیں گے۔                |
| مجوزہ سرمایہ کے سلسلے میں حاصل کی جانے والی ضمانت یا سیکیورٹی کی تفصیلات                                                                                                                                                    | قرضہ دینے والی کمپنی سے کوئی سیکیورٹی حاصل نہیں کی جائے گی جیسا کہ یہ ایک ایکویٹی انویسٹمنٹ ہوگی، اگر کہا گیا |
| اگر سرمایہ کاری منتقلی کی خصوصیت کی حامل ہوئی، یعنی یہ سیکیورٹیز میں قابل منتقلی ہوئی، یہ حقیقت بشمول شرائط اور ضوابط سمیت منتقلی کا فارمولا، ان حالات میں جن میں منتقلی کی گئی ہے اور وہ وقت جب منتقلی عمل میں آئی ہو۔ اور | قابل اطلاق نہیں                                                                                               |
| منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیلنگ کو دیئے گئے قرضہ جات یا ایڈوانسز کی واپس ادائیگی کا شیڈول اور شرائط و ضوابط                                                                                                          | قابل اطلاق نہیں                                                                                               |

سندھ اینگریڈول مائننگ کمپنی لمیٹڈ ("ایس ای سی ایم سی") میں سرمایہ کاری۔ پے منٹ سروس ریزرو اکاؤنٹ (پی ایس آر اے) ایکویٹی یا ذیلی قرضے کی صورت میں:

اسپانسر سپورٹ ایگریمنٹ کے سیکشن 8.2 کے مطابق اگر پی ایس آر اے اکاؤنٹ کی کریڈٹ کے لیے موجود بینکس کی مجموعی رقم نافذ العمل جیمنٹ سروس ریزور کی رقم (جیسا کہ اسپانسر سپورٹ ایگریمنٹ میں درج ہے) سے کم نہیں ہے، تو ایس ای سی ایم سی کے اسپانسرز کے پاس مشترکہ طور پر بعد ازاں پی ایس آر اے LC فراہم کرنے کا اختیار اور حاصل ہوگا کہ ایس ای سی ایم سی کسی بھی پروجیکٹ اکاؤنٹ کے لیے پی ایس آر اے اکاؤنٹ کے کریڈٹ کے لیے موجود بینکس ٹرانسفر کرنے کی دستبرداری کا نوٹس جمع کرا سکے گی۔ (جیسا کہ اسپانسر سپورٹ ایگریمنٹ میں درج ہے)۔ جیسا کہ شیئر ہولڈر کی منظوری کمپنی کی جانب سے اسٹینڈ بائی لیٹر آف کریڈٹ کی فراہمی کے لیے لگ بھگ 8.5 ملین امریکی ڈالر تک کی رقم کے لیے بعد ازاں کے پی ایس آر اے LC کے اس کے حصے کو کور کرنے کے لیے حاصل کی جا رہی ہے۔ پی ایس آر اے کی رقم اگر قرض فراہم کنندگان یا ایس ای سی ایم سی کی جانب سے طلب کی گئی تو اس کی سرمایہ کاری کی جائے گی چاہے یہ 14.82 پاک روپے فی شیئر کے نرخ پر ایس ای سی ایم سی کے شیئرز کی سبسکریپشن کے ذریعے کی جائے یا ایس ای سی ایم سی قرضہ تصور کیا جائے جو کمپنی اور ایس ای سی ایم سی کے درمیان تحریری طور پر طے شدہ شرائط و ضوابط پر (ایس ای سی ایم سی سے متعلق اسپانسر سپورٹ ایگریمنٹ کے مطابق) لی گئی ہو۔

کمپنیز منسلکہ کمپنیوں یا ایسوسی ایٹڈ انڈر ٹیلنگز میں سرمایہ کاری (ریگولیشنز 2017) (دی ریگولیشنز) سے متعلق معلومات



| مطلوبہ معلومات                                                                                                                                                               | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ڈائریکٹرز، اسپانسرز، اکثریتی شیئر ہولڈرز اور ان کے عزیز واقارب، اگر کوئی ہوں، کا منسلک کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ یا زیر غور معاملت میں کوئی بلواسطہ یا بلاواسطہ مفاد۔  | جناب محمد طیب احمد ترین اور جناب محمد سلمان برنی کمپنی کے ڈائریکٹرز کی حیثیت سے فرائض انجام دینے کے ساتھ ایس ای سی ایم سی کے بورڈ آف ڈائریکٹرز پر بھی ہیں اور کوالیفائنگ شیئرز کے حامل ہیں۔                                                                                                                                            |
| منسلک کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ میں پہلے سے کی جانے والی کسی سرمایہ کاری کی صورت میں ایسی سرمایہ کی کارکردگی کا جائزہ بشمول کسی نقصان یا رائٹ آف کی معلومات/وضاحت: اور | کمپنی نے اب تک ایس ای سی ایم سی میں 2.8 پاک بلین روپے شامل کیے ہیں۔ اب تک کمپنی کو ایس ای سی ایم سی سے منافع منقسمہ میں 1.02 پاک بلین روپے وصول ہوئے ہیں۔ یہ سرمایہ ایس ای سی ایم سی میں کمپنی کی موجودہ سرمایہ کاری کو مزید تقویت دے گی۔ سرمایہ کاری پر کوئی نقصان دہ شرائط موجود نہیں اور اب تک کوئی چارج/رائٹ آف نہیں کرایا گیا ہے۔ |
| معاملت کو سمجھنے کے لیے ممبران کے سلسلے میں کوئی بھی دیگر اہم تفصیلات                                                                                                        | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                        |

### بی) ریگولیشنز 3(b) کے تحت مطلوبہ ضروری حقائق

| مطلوبہ معلومات                                                                                                                                | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| زیادہ سے زیادہ نرخ جس پر سیکیورٹیز حاصل کی جائیں گی                                                                                           | 14.82 پاک روپے فی شیئر                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| لسٹڈ سیکیورٹیز کی صورت میں قیمت خرید مارکیٹ ویلیو سے زیادہ ہونے کی صورت میں اور ان لسٹڈ سیکیورٹیز کی صورت میں فیئر ویلیو، اس کی وضاحت دی جائے | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| حاصل کی جانے والی سیکیورٹیز کی زیادہ سے زیادہ تعداد                                                                                           | جیسا کہ سرمایہ کاری کی رقم امریکی ڈالر میں سیٹ کر دی ہے، سیکیورٹیز کی تعداد کا تعین سبسکریپشن کی تاریخ پر منتقلی کی بنیاد پر کیا جائے گا۔                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| مجوزہ سرمایہ کاری سے قبل موجود اور بعد از اس سیکیورٹیز کی تعداد اور فیصدی شرح                                                                 | موجودہ ہولڈنگ 191,643,025 عمومی شیئرز جو ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کپٹل کے لگ بھگ 11.9 فیصد کے مساوی ہیں۔<br>مجوزہ سرمایہ کاری کے بعد زیادہ سے زیادہ ہولڈنگ: 268,139,191 عمومی شیئرز جو ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کپٹل کے لگ بھگ 16.65 فیصد کے مساوی ہیں۔<br>اسپانسر ایکویٹی کنٹری بیوشن کے بعد زیادہ سے زیادہ ہولڈنگ: بتایا گیا ہے کہ سرمایہ کاری کی رقم امریکی ڈالر میں منظور کی گئی ہے، اس کی اصل رقم کے حجم کا اندازہ لگانا ممکن نہ ہوگا کہ کمپنی کی سیکیورٹیز کا اصل حجم کیا ہے۔ تاہم یہ طے ہے کہ شیئرز 14.82 پاک روپے فی شیئر کے نرخ پر حاصل کیے جائیں گے اور کمپنی کی شیئر ہولڈنگ کی فیصدی شرح برقرار رکھی جائے گی۔ |
| موجودہ اور آنے والے بارہ ہفتوں کے اندازاً اوسط مارکیٹ پرائس جہاں سرمایہ مجوزہ طور پر لسٹڈ سیکیورٹیز میں کی جانی ہو۔                           | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| ان لسٹڈ سیکیورٹیز میں سرمایہ کاری کیلئے ریگولیشن 5 کے ذیلی ضابطے (1) کی شرائط کے تحت تعین کردہ فیئر ویلیو                                     | کمپنی کی جانب سے جانچ کردہ ویلیو ایشن کے مطابق فروخت ہونے والے شیئرز کی فیئر ویلیو لگ بھگ 36.6 پاک روپے فی شیئر ہے۔                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

| مطلوبہ معلومات                                                                                                                                                                                                                                                                                                                                                          | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>اس طرح کی سرمایہ کاری اور سرمایہ کاری کی مدت سے سرمایہ کار کمپنی اور اس کے ممبران کو حصول کا مقصد اور فوائد</p>                                                                                                                                                                                                                                                      | <p>یہ سرمایہ کاری ایس ای سی ایم سی میں کمپنی کی موجودہ سرمایہ کاری کو تقویت دے گی اور ایس ای سی ایم سی میں کمپنی کی پوزیشن وسیع ترین مشترکہ نجی سیکٹر کے شیئر ہولڈر کی حیثیت سے برقرار رکھے گی۔ کمپنی نے اب تک ایس ای سی ایم سی میں 2.8 بلین پاک روپے شامل کیے ہیں۔ اب تک کمپنی کو ایس ای سی ایم سی سے منافع منقسمہ میں 1.02 بلین پاک روپے وصول ہوئے ہیں۔</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p>سرمایہ کاری کیلئے استعمال کئے جانے والے فنڈز کے ذرائع اور جہاں قرضے لئے گئے وہاں فنڈز کا استعمال کرتے ہوئے سرمایہ کاری کا ارادہ ہے:</p> <ol style="list-style-type: none"> <li>1 قرض کے ذریعے سرمایہ کاری کا جواز؛</li> <li>2 ایسے فنڈز کے حصول کیلئے ضمانت، فراہم کردہ ضمانتوں اور گرووی رکھے گئے اثاثوں کی تفصیل؛ اور</li> <li>3 لاگت کے فائدے کا تجزیہ</li> </ol> | <p>کسی بھی فنڈنگ کی قلت کے سلسلے میں ذاتی وسائل سے حاصل کردہ فنڈز اور قرضہ جات (اگر درکار ہوں)</p> <ol style="list-style-type: none"> <li>i سرمایہ کاری بذریعہ قرضہ جات ایکویٹی کی لاگت کے مقابلے میں انویسٹر کے منافع میں اضافہ کرے گی کیونکہ قرضے کی لاگت کم ہوگی۔ قرضہ جات وہاں بھی استعمال ہوتے ہیں جہاں ذاتی وسائل سے حاصل کردہ نقد رقم سے فنڈنگ کی کمی ہو۔</li> <li>ii کمپنی کی اراضی اور/یا بلڈنگ پر رہن و گروی اور پلانٹ و مشینری پر مفروضے۔</li> <li>iii جیسا کہ اوپر بیان کیا گیا ہے، پروجیکٹ کا تسلسل برقرار رکھنے اور یقینی بنانے کیلئے کمپنی نے اسپانسر سپورٹ ایگریمنٹ کے تحت اپنی مالی ذمہ داریاں پوری کیں، اور ضرورت پڑنے پر معاونت فراہم کی۔</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p>منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ کے ساتھ مجوزہ سرمایہ کاری کے سلسلے میں کیے جانے والے معاہدے (معاہدوں) اگر کوئی ہوں، کے کلیدی نکات</p>                                                                                                                                                                                                                         | <p>ماسٹر ایس ایس ای سی ایم سی کی ایکویٹی میں ایس ای سی ایم سی کی طے کردہ سرمایہ کاری میں شامل ہوا جہاں اگر ایک موجودہ شیئر ہولڈر اپنے شیئرز کی فروخت کی پیشکش کسی دوسرے موجودہ شیئر ہولڈر کو کرتا ہے تو یہ لازمی ہے اس پیشکش کو تمام موجودہ شیئر ہولڈرز کیلئے کیا جائے تاکہ شیئرز کی فروخت کا باہمی طور پر فیصلہ کیا جائے اور موجودہ اسٹرکچر کو برقرار رکھنے کیلئے ترجیح دی جانی چاہئے۔</p> <p>اگرچہ کمپنی ایس ای سی ایم سی، اس کی منسلکہ کمپنی کے ساتھ مجوزہ معاملت کے سلسلے میں کسی معاہدے میں شامل نہیں ہوئی، جیسا کہ پہلے بیان کیا جا چکا ہے، کمپنی، حب کو، اور اینگریو شیئر پر چیز ایگریمنٹ کے بارے میں گفت و شنید کے مرحلے میں ہیں۔ اس کی متعدد نمایاں خصوصیات مفصل طور پر اوپر بیان کی جا چکی ہیں اور مزید درج ذیل میں دی گئی ہیں:</p> <ol style="list-style-type: none"> <li>(i) کمپنی کے ذریعے رکھی گئی متعدد شرائط کو پورا کرنا بشمول مجوزہ معاملت کیلئے کمپنی کے شیئر ہولڈرز کی منظوری، مسابقتی کمیشن آف پاکستان سے مجوزہ معاملت کیلئے کلیئرنس کا حصول، حبیب بینک لمیٹڈ کیلئے بطور انٹر کرڈیٹ ایجنٹ ایک اسپانسر ایکویٹی کنٹری بیوشن SBLC کے اجراء کا حصول جو SBLC کو ایگریمنٹ کے تحت کلوزنگ تاریخ پر موثر بنائے گا، اسپانسر سپورٹ ایگریمنٹ اور مالی ذمہ داریوں وغیرہ سے متعلق مکفول شدہ معاہدہ۔</li> <li>(ii) تمام پارٹیوں کی جانب سے لیے جانے والے متعدد آخری اقدامات اور</li> <li>(iii) تمام پارٹیوں کی جانب سے دی گئی نمائندگیاں اور وارنٹیز۔</li> </ol> <p>اس کے علاوہ ایکویٹی SBLC کے اجراء کے لیے مجوزہ فروخت کنندہ کی شرائط جن کے ذریعے کمپنی کی جانب سے ایگریمنٹ باقاعدہ طے شدہ معاہدہ ہو جائیگا، اس کے ذریعے اسپانسر سپورٹ ایگریمنٹ کی شق (b) 5.1، جس میں ایس ای سی ایم سی کے اسپانسرز (منجملہ کمپنی اور مجوزہ فروخت کنندہ) کے مختلف حقوق اور مالی ذمہ داریاں درج کی گئی ہیں، کے تحت فروخت کردہ شیئرز کا تناسب حاصل کیا جائے گا۔</p> |

کمپنیز (منسلکہ کمپنیوں یا ایسوسی ایٹڈ انڈر ٹیکنگٹوں میں سرمایہ کاری) ریگولیشنز 2017 (دی ریگولیشنز) کے مطابق معلومات:

اے) ریگولیشنز 3(a) کے تحت مطلوبہ ضروری حقائق:

| مطلوبہ معلومات                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  | فراہم کردہ معلومات                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------------|
| منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگٹوں سے متعلق                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                                                                                   |
| منسلکہ کمپنی کا نام                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  | سندھ اینگری کوئل مائننگ کمپنی لمیٹڈ                                                               |
| تعلقات کاری بنیاد                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  | کمپنی ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کیپٹل کے تقریباً 11.9 فیصد کی حامل ہے۔ |
| گزشتہ 3 سالوں کے لئے آمدنی فی شیئر                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  | پاک روپے                                                                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | 2023                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | 2022                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | 2021                                                                                              |
| بریک اپ ویلیو فی شیئر تازہ ترین آڈٹ شدہ مالیاتی حسابات پر مبنی                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  | تازہ ترین آڈٹ شدہ مالیاتی حسابات کے مطابق - 51/ پاک روپے فی شیئر۔                                 |
| مالیاتی پوزیشن بشمول مالیاتی پوزیشن کے کھاتوں کے مرکزی آئٹمز اور نفع یا نقصان کے کھاتے جو اس کے تازہ ترین مالیاتی حسابات کی بنیاد پر ہوں۔                                                                                                                                                                                                                                                                                                                                                                                                                              |  | روپے ہزاروں میں                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | ٹوٹل اثاثہ جات                                                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | 81,490,651                                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | ٹوٹل مدتی قرضہ                                                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | 73,158,548                                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | موجودہ مالی ذمہ داریاں                                                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | 78,255,667                                                                                        |
| قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | ٹرن اوور                                                                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | 109,407,088                                                                                       |
| سال کے لئے منافع                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  | 29,160,750                                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | سال کے لئے منافع                                                                                  |
| متعلقہ کمپنی یا اس سے وابستہ انڈر ٹیکنگ کے پروجیکٹ کے سلسلے میں سرمایہ کاری کی صورت میں جس نے کام شروع نہیں کیا ہے، مزید معلومات کے بعد، یعنی: (1) منصوبے کی تفصیل اور تصور کے بعد سے اس کی تاریخ؛ (2) شروع ہونے کی تاریخ اور کام کی تکمیل کی متوقع تاریخ؛ (3) وہ وقت جب تک اس طرح کا منصوبہ تجارتی طور پر کام کرے گا؛ (4) متوقع وقت جب تک پروجیکٹ سرمایہ کاری پر واپسی کی ادائیگی شروع کر دے گا اور (5) پرموٹرز، اسپانسرز، متعلقہ کمپنی یا اس سے منسلک انڈر ٹیکنگ کے طرف سے سرمایہ کاری کی گئی یا سرمایہ کاری کی جانے والی رقم نقد اور غیر نقد رقم میں فرق کرتے ہوئے۔ |  | قابل اطلاق نہیں                                                                                   |
| عمومی ضروری حقائق                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |                                                                                                   |
| کی جانے والی سرمایہ کی زیادہ سے زیادہ رقم                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  | 3.7 ملین امریکی ڈالر کے مساوی پاک روپے                                                            |

| مطلوبہ معلومات                                                                                                                                                                               | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| اگر ملحقہ کمپنی یا اس سے وابستہ انڈرٹیکنگ میں کوئی سرمایہ کاری پہلے ہی کی گئی ہو تو، اس طرح کی سرمایہ کاری کی کارکردگی کا جائزہ بشمول کسی بھی خرابی کے لئے مکمل معلومات/جواز یا رائٹ آف۔ اور | کمپنی نے اب تک ایس ای سی ایم سی میں 2.8 بلین روپے شامل کیے ہیں۔ اب تک کمپنی کو ایس ای سی ایم سی سے منافع منقسمہ میں 1.02 بلین روپے وصول ہوئے ہیں۔ یہ سرمایہ ایس ای سی ایم سی میں کمپنی کی موجودہ سرمایہ کاری کو مزید تقویت دے گی۔<br>سرمایہ کاری پر کوئی نقصان دہ شرائط موجود نہیں اور اب تک کوئی چارج/رائٹ آف نہیں کرایا گیا ہے۔ |
| لین دین کو سمجھنے کے لئے ممبران کے لئے کوئی اور اہم تفصیلات                                                                                                                                  | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                   |

### (بی) ریگولیشنز (b)3 کے تحت درکار ضروری حقائق

| مطلوبہ معلومات                                                                                                               | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                              |
|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| زیادہ سے زیادہ نرخ جس پر سیکورٹیز حاصل کی جائیں گی                                                                           | تقریباً -/35.3 پاک روپے فی شیئر یا ایسا کوئی دیگر ریٹ جیسا بھی پارٹیوں کے درمیان طے پایا جائے۔                                                                                                                                                                                                                  |
| سٹیکس کی صورت میں قیمت خرید مارکیٹ ویلیو سے زیادہ ہونے کی صورت میں اور ان سٹیکس کی صورت میں فیئر ویلیو، اس کی وضاحت دی جائے۔ | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                 |
| حاصل کی جانے والی سیکورٹیز کی زیادہ سے زیادہ تعداد                                                                           | ہر ایک/10 روپے کی ظاہری مالیت کے حامل 76,496,166 عمومی شیئرز تک۔                                                                                                                                                                                                                                                |
| مجوزہ سرمایہ کاری سے قبل موجود اور بعد از اس سیکورٹیز کی تعداد اور فیصدی شرح                                                 | موجودہ ہولڈنگ 191,643,025 عمومی شیئرز جو ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کپٹل کے لگ بھگ 11.9 فیصد کے مساوی ہیں۔<br>مجوزہ سرمایہ کاری کے بعد زیادہ سے زیادہ ہولڈنگ: 268,139,191 عمومی شیئرز جو ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کپٹل کے لگ بھگ 16.65 فیصد کے مساوی ہیں۔ |
| موجودہ اور آنے والے بارہ ہفتوں کے اندازاً اوسط مارکیٹ پر ایس جہاں سرمایہ مجوزہ طور پر سٹیکس کی صورت میں کی جانی ہو۔          | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                 |
| ان سٹیکس کی صورت میں سرمایہ کاری کیلئے ریگولیشن 5 کے ذیلی ضابطے (1) کی شرائط کے تحت تعین کردہ فیئر ویلیو                     | کمپنی کی جانب سے جانچ کردہ ویلیویشن کے مطابق فروخت ہونے والے شیئرز کی فیئر ویلیو لگ بھگ 36.6 پاک روپے فی شیئر ہے۔                                                                                                                                                                                               |

سندھ اینگروول مائننگ کمپنی لمیٹڈ (ایس ای سی ایم سی) میں سرمایہ کاری۔ حبیب بینک لمیٹڈ (مجوزہ فروخت کنندہ) سے حاصل کیے جانے والے اضافی شیئرز کے سلسلے میں اسپانسر ایکویٹی کنٹری بیوشن SBLC کا اجراء۔

درج ذیل مجوزہ سرمایہ کاری، واجب الادا اسپانسر ایکویٹی کمٹٹ 3.7 ملین ڈالر پر موجود ہوگی۔ جیسا کہ شیئر ہولڈر کی منظوری مزید اسپانسر ایکویٹی کنٹری بیوشن کے اکاؤنٹ پر زیادہ سے زیادہ 3.7 ملین امریکی ڈالر کی رقم کی سرمایہ کاری اور ترمیم شدہ اور دوبارہ بیان کردہ اسپانسر سپورٹ ایگریمنٹ جاری کردہ مورخہ 26 فروری 2016، وقتاً فوقتاً ترمیم شدہ اور دوبارہ بیان کردہ (اسپانسر سپورٹ ایگریمنٹ) جو مختلف پارٹیوں بشمول مجوزہ فروخت کنندہ اور کمپنی کے درمیان طے پایا ہے، کی شق (b) 5.1 کے مطابق حبیب بینک لمیٹڈ کو (بطور انٹر کریڈٹ ایجنٹ) کو 3.7 ملین امریکی ڈالر تک کی رقم میں اسپانسر ایکویٹی کنٹری بیوشن SBLC فراہم کرے (ایکویٹی ایس ای ایل سی)۔

| مطلوبہ معلومات                                                                                                                                                                                                                                                                                                                                                     | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>اس طرح کی سرمایہ کاری اور سرمایہ کاری کی مدت سے سرمایہ کاری کمپنی اور اس کے ممبران کو حصول کا مقصد اور فوائد</p>                                                                                                                                                                                                                                                | <p>یہ سرمایہ کاری ایس ای سی ایم سی میں کمپنی کی موجودہ سرمایہ کاری کو تقویت دے گی اور ایس ای سی ایم سی میں کمپنی کی پوزیشن وسیع ترین مشترکہ نجی سیکٹر کے شیئر ہولڈر کی حیثیت سے برقرار رکھے گی۔ کمپنی نے اب تک ایس ای سی ایم سی میں 2.8 بلین پاک روپے شامل کیے ہیں۔ اب تک کمپنی کو ایس ای سی ایم سی سے منافع منقسمہ میں 1.02 بلین پاک روپے وصول ہوئے ہیں۔</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p>سرمایہ کاری کیلئے استعمال کئے جانے والے فنڈز کے ذرائع اور جہاں قرضے لئے گئے وہاں فنڈز کا استعمال کرتے ہوئے سرمایہ کاری کا ارادہ ہے:</p> <ol style="list-style-type: none"> <li>1 قرض کے ذریعے سرمایہ کاری کا جواز؛</li> <li>2 ایسے فنڈز کے حصول کیلئے ضمانت، فراہم کردہ ضمانتوں اور گروی رکھے گئے اثاثوں کی تفصیل؛</li> <li>3 لاگت کے فائدے کا تجزیہ</li> </ol> | <p>کمپنی کے پاس مجوزہ فروخت کنندہ کی جانب سے پیش کردہ ایس ای سی ایم سی کے اضافی شیئرز کے حصول کیلئے اپنے ذاتی وسائل کے ذریعے مناسب نقد فنڈز موجود ہیں۔</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <p>مجوزہ سرمایہ کاری کے حوالے سے متعلقہ کمپنی یا متعلقہ انڈر ٹیکنگ کے ساتھ معاہدے کی نمایاں خصوصیات، اگر کوئی ہو؛</p>                                                                                                                                                                                                                                              | <p>ماسٹر ایس ایچ اے ایس ای سی ایم سی کی ایکویٹی میں ایس ای سی ایم سی کی طے کردہ سرمایہ کاری میں شامل ہوا جہاں اگر ایک موجودہ شیئر ہولڈر اپنے شیئرز کی فروخت کی پیشکش کسی دوسرے موجودہ شیئر ہولڈر کو کرتا ہے تو یہ لازمی ہے اس پیشکش کو تمام موجودہ شیئر ہولڈرز کے لیے کیا جائے تاکہ شیئرز کی فروخت کا باہمی طور پر فیصلہ کیا جائے اور موجودہ اسٹاک پر برقرار رکھنے کے لیے ترجیح دی جانی چاہیے۔</p> <p>اگرچہ کمپنی ایس ای سی ایم سی، اس کی منسلک کمپنی کے ساتھ مجوزہ معاملت کے سلسلے میں کسی معاہدے میں شامل نہیں ہوئی، جیسا کہ پہلے بیان کیا جا چکا ہے، کمپنی، جب کو، اور اینگرو شیئر پر چیز ایگریمنٹ کے بارے میں گفت و شنید کے مرحلے میں ہیں۔ اس کی متعدد نمایاں خصوصیات مفصل طور پر اوپر بیان کی جا چکی ہیں اور مزید درج ذیل میں دی گئی ہیں:</p> <p>(i) کمپنی کے ذریعے رکھی گئی متعدد شرائط کو پورا کرنا بشمول مجوزہ معاملت کے لیے کمپنی کے شیئر ہولڈرز کی منظوری، مسابقتی کمیشن آف پاکستان سے مجوزہ معاملت کے لیے کلیئرنس کا حصول، حبیب بینک لمیٹڈ کے لیے بطور انٹر کریڈیٹ ایجنٹ ایک اسپانسر ایکویٹی کنٹری بیوشن SBLC کے اجرا کا حصول جو SBLC کو ایگریمنٹ کے تحت کلوزنگ تاریخ پر موثر بنائے گا، اسپانسر سپورٹ ایگریمنٹ اور مالی ذمے داریوں وغیرہ سے متعلق مکفول شدہ معاہدہ۔</p> <p>(ii) تمام پارٹیوں کی جانب سے لیے جانے والے متعدد آخری اقدامات اور</p> <p>(iii) تمام پارٹیوں کی جانب سے دی گئی نمائندگیاں اور وارنٹیز</p> |
| <p>متعلقہ کمپنی یا متعلقہ انڈر ٹیکنگ یا زیر غور لین دین میں ڈائریکٹرز، اسپانسرز، اکثریتی شیئر ہولڈرز اور ان کے رشتے داروں کا براہ راست یا بلا واسطہ مفاد، اگر کوئی ہو۔</p>                                                                                                                                                                                         | <p>جناب محمد طیب احمد ترین اور جناب محمد سلمان برنی کمپنی کے ڈائریکٹرز کی حیثیت سے فرائض انجام دینے کے ساتھ ایس ای سی ایم سی کے بورڈ آف ڈائریکٹرز پر بھی ہیں اور کو ایفاننگ شیئرز کے حامل ہیں۔</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

اے) ریگولیشنز (a)3 کے تحت مطلوبہ ضروری حقائق:

| مطلوبہ معلومات                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | فراہم کردہ معلومات                                                                                                                                                                                                                                                                                                                                                                        |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--|-------------|----------------|------------|---------|------------|----------------|------------|------------------------|-------------|----------|------------|------------------|
| منسلکہ کمپنی یا ایسوسی ایٹڈ انڈر ٹیکنگ سے متعلق                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                           |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| منسلکہ کمپنی کا نام                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | سندھ اینگروکول میننگ کمپنی لمیٹڈ                                                                                                                                                                                                                                                                                                                                                          |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| تعلقات کار کی بنیاد                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | کمپنی ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کیپٹل کے تقریباً 11.9 فیصد کی حامل ہے۔<br>جناب محمد طیب احمد ترین اور جناب محمد سلمان برنی بطور کمپنی کے ڈائریکٹرز فرائض انجام دینے کے ساتھ ایس ای سی ایم سی کے بورڈ آف ڈائریکٹرز پر بھی ہیں۔                                                                                                                                  |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| گزشتہ 3 سالوں کے لئے آمدنی فی شیئر                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <table> <tr> <th>پاک روپے</th><th></th></tr> <tr> <td>18.1</td><td>2023</td></tr> <tr> <td>4.9</td><td>2022</td></tr> <tr> <td>6.8</td><td>2021</td></tr> </table>                                                                                                                                                                                                                        | پاک روپے        |  | 18.1        | 2023           | 4.9        | 2022    | 6.8        | 2021           |            |                        |             |          |            |                  |
| پاک روپے                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                           |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| 18.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2023                                                                                                                                                                                                                                                                                                                                                                                      |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| 4.9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 2022                                                                                                                                                                                                                                                                                                                                                                                      |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| 6.8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 2021                                                                                                                                                                                                                                                                                                                                                                                      |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| بریک آپ ویلیو فی شیئر تازہ ترین آڈٹ شدہ مالیاتی حسابات پر مبنی                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | تازہ ترین آڈٹ شدہ مالیاتی حسابات کے مطابق - 51 روپے فی شیئر۔                                                                                                                                                                                                                                                                                                                              |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| مالیاتی پوزیشن بشمول مالیاتی پوزیشن کے کھاتوں کے مرکزی آئٹمز اور نفع یا نقصان کے کھاتے جو اس کے تازہ ترین مالیاتی حسابات کی بنیاد پر ہوں۔                                                                                                                                                                                                                                                                                                                                                                                                                              | <table> <tr> <th>روپے ہزاروں میں</th><th></th></tr> <tr> <td>232,904,866</td><td>ٹوکل اثاثہ جات</td></tr> <tr> <td>81,490,651</td><td>ایکویٹی</td></tr> <tr> <td>73,158,548</td><td>طویل مدتی قرضہ</td></tr> <tr> <td>78,255,667</td><td>موجودہ مالی ذمہ داریاں</td></tr> <tr> <td>109,407,088</td><td>ٹرن اوور</td></tr> <tr> <td>29,160,750</td><td>سال کے لئے منافع</td></tr> </table> | روپے ہزاروں میں |  | 232,904,866 | ٹوکل اثاثہ جات | 81,490,651 | ایکویٹی | 73,158,548 | طویل مدتی قرضہ | 78,255,667 | موجودہ مالی ذمہ داریاں | 109,407,088 | ٹرن اوور | 29,160,750 | سال کے لئے منافع |
| روپے ہزاروں میں                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                           |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| 232,904,866                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | ٹوکل اثاثہ جات                                                                                                                                                                                                                                                                                                                                                                            |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| 81,490,651                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | ایکویٹی                                                                                                                                                                                                                                                                                                                                                                                   |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| 73,158,548                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | طویل مدتی قرضہ                                                                                                                                                                                                                                                                                                                                                                            |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| 78,255,667                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | موجودہ مالی ذمہ داریاں                                                                                                                                                                                                                                                                                                                                                                    |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| 109,407,088                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | ٹرن اوور                                                                                                                                                                                                                                                                                                                                                                                  |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| 29,160,750                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | سال کے لئے منافع                                                                                                                                                                                                                                                                                                                                                                          |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| متعلقہ کمپنی یا اس سے وابستہ انڈر ٹیکنگ کے پروجیکٹ کے سلسلے میں سرمایہ کاری کی صورت میں جس نے کام شروع نہیں کیا ہے، مزید معلومات کے بعد، یعنی: (1) منصوبے کی تفصیل اور تصور کے بعد سے اس کی تاریخ؛ (2) شروع ہونے کی تاریخ اور کام کی تکمیل کی متوقع تاریخ؛ (3) وہ وقت جب تک اس طرح کا منصوبہ تجارتی طور پر کام کرے گا؛ (4) متوقع وقت جب تک پروجیکٹ سرمایہ کاری پر واپسی کی ادائیگی شروع کر دے گا اور (5) پرموٹرز، اسپانسرز، متعلقہ کمپنی یا اس سے منسلک انڈر ٹیکنگ کے طرف سے سرمایہ کاری کی گئی یا سرمایہ کاری کی جانے والی رقم نقد اور غیر نقد رقم میں فرق کرتے ہوئے۔ | قابل اطلاق نہیں                                                                                                                                                                                                                                                                                                                                                                           |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| عمومی ضروری حقائق                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                           |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |
| کی جانے والی سرمایہ کی زیادہ سے زیادہ رقم                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | زیادہ سے زیادہ 2,700,314,625 پاک روپے تک                                                                                                                                                                                                                                                                                                                                                  |                 |  |             |                |            |         |            |                |            |                        |             |          |            |                  |



قومی شناختی کارڈ (سی این آئی سی) کی کاپی کے ساتھ کمپنی کے رجسٹرڈ ایڈریس، تھل لمیٹڈ، چوتھی منزل، ہاؤس آف حبیب، 3- جناح کوآپریٹو ہاؤسنگ سوسائٹی، بلاک 7/8، شاہراہ فیصل، کراچی یا ”پوسٹل بیلٹ کے ذریعے دوئنگ“ کے موضوع کے ساتھ ای میل tl@hoh.net پر 21 اکتوبر 2024 سے قبل دوران اوقات کار بذریعہ ڈاک اجلاس کے چیئرمین کو موصول ہونے چاہئیں۔ بیلٹ پیپر پر دستخط سی این آئی سی کے دستخط سے مماثل ہونے چاہئیں۔ پوسٹل بیلٹ پیپر اجلاس سے کم از کم سات (7) دن قبل کمپنی کی ویب سائٹ www.thallimited.com پر رکھے جائیں گے۔

### کمپنیز ایکٹ، 2017 کے سیکشن (3) 134 کے مطابق اسٹیٹمنٹ

کمپنیز ایکٹ، 2017 کے سیکشن (3) 134 کے مطابق اس اسٹیٹمنٹ میں کمپنی کے سالانہ اجلاس عام (اے جی ایم) منعقدہ 24 اکتوبر 2024 میں انجام دیئے جانے والے مذکورہ بالا خصوصی امور سے متعلق ضروری حقائق درج کیے گئے ہیں۔

### سندھ اینگروول مائننگ کمپنی لمیٹڈ (ایس ای سی ایم سی) میں سرمایہ کاری۔ حبیب بینک لمیٹڈ (مجوزہ فروخت کنندہ) سے شیئرز کا حصول

کمپنی بشمول حب پاور کمپنی لمیٹڈ (”ایچ پی سی او“) اور اینگروانرجی لمیٹڈ (اینگرو) (مشتکرہ۔ ”مجوزہ خریدار“) ایس ای سی ایم سی کے موجودہ شیئرز ہولڈرز ہونے کی حیثیت سے مشترکہ طور پر ایس ای سی ایم سی کے ہر ایک دس روپے کی ظاہری مالیت کے 152,992,331 (ایک سو باون ملین نو سو بانوے ہزار تین سو اکتیس) اضافی عمومی شیئرز (یا اس کا کچھ حصہ جیسا کہ تفصیل ذیل میں درج ہے) لگ بھگ 35.3 پاک روپے کی قیمت پر (شیئرز کی فروخت) مجوزہ فروخت کنندہ سے حاصل کرنے کے خواہشمند ہیں جو کارپوریٹ اور قانونی شرائط سے مشروط ہے۔ کمپنی فروخت ہونے والے شیئرز کا ایک حصہ حاصل کرنے کا ارادہ رکھتی ہے جیسا بھی اس امر کو یقینی بنانے کیلئے ضروری ہو کہ ایس ای سی ایم سی میں کمپنی کی شیئرز ہولڈنگ کسی بھی وقت ایس ای سی ایم سی میں کسی بھی نجی شیئرز ہولڈر سے کم نہ ہو۔

کمپنی بشمول حب کو اور اینگرو مجوزہ فروخت کنندہ کے ساتھ شیئرز کی خریداری کے معاہدے کے مسودے پر گفت و شنید کے عمل سے گزر رہی ہیں جو کہ مجوزہ معاملت کی نظر ثانی شدہ کلیدی شرائط و ضوابط کا حامل ہوگا اور اس میں حب کو اور اینگرو مجوزہ خریداروں کے طور پر شامل ہوں گے (دی ایگریمنٹ)۔ ایگریمنٹ کی نمایاں خصوصیات درج ذیل میں بیان کی گئی ہیں:

اے مجوزہ خریدار ایسے تناسب میں سیل شیئرز کی خریداری کریں گے کہ ان میں سے ہر ایک مجوزہ معاملت کے اختتام پر ایس ای سی ایم سی میں لگ بھگ 13.8 فیصد کی مساوی شیئرز ہولڈنگ کا حامل ہوگا۔

بی ایسی صورت میں جب کہ ایک مجوزہ خریدار متعدد شرائط کو پوری کرنے سے قاصر ہو تو باقی ماندہ مجوزہ خریدار باقی سیل شیئرز کا مساوی حصہ خرید سکتے گا تا کہ ایس ای سی ایم سی میں مشترکہ طور پر مساوی شیئرز ہولڈنگ حاصل ہو جائے۔

سی اس کے مطابق سیل شیئرز کی اس رقم تک کیلئے خریداری کے سلسلے میں شیئرز ہولڈرز سے منظوری حاصل کی جا رہی ہے، جس کے ذریعے زیادہ سے زیادہ شیئرز ہولڈنگ یہ ہوگی کہ کمپنی مجوزہ خریداری کی جانب سے فروخت کیے جانے والے سیل شیئرز کا 4.75 فیصد حاصل کر سکیں گے جس کے نتیجے میں ایس ای سی ایم سی میں کمپنی کی ہولڈنگ زیادہ سے زیادہ تقریباً 16.65 فیصد ہو جائے گی۔

کمپنی موجودہ طور پر ایس ای سی ایم سی کے لگ بھگ 191,643,025 عمومی شیئرز کی حامل ہے جو کمپنی کے جاری کردہ اور ادا شدہ عمومی شیئرز کمپنیل کے 11.9 فیصد کے مساوی ہیں۔ اس سرمایہ کاری کی منظوری 22 اکتوبر 2018 کو ہونے والے شیئرز ہولڈرز کے اجلاس میں دی گئی تھی۔ کمپنی نے ایس ای سی ایم سی کے دیگر شیئرز ہولڈرز کے ساتھ 17 اگست 2015 کو ایک ماسٹر شیئرز ہولڈرز ایگریمنٹ (وقتاً فوقتاً ترمیم شدہ) (ایس ای سی ایم سی شیئرز ہولڈرز ایگریمنٹ) کیا تھا جس نے ایس ای سی ایم سی کے شیئرز ہولڈرز کے ساتھ تعلقات کا رومستحکم کیا۔

ڈائریکٹرشپ کی شرائط میں کمپنی نے جناب محمد طیب احمد ترین اور جناب محمد سلمان برنی کو ایس ای سی ایم سی کے بورڈ پر اپنے ڈائریکٹرز کے طور پر نامزد کیا ہے۔

کمپنی، جناب محمد طیب احمد ترین اور جناب محمد سلمان برنی، جو ایس ای سی ایم سی میں اس کے نامزد ڈائریکٹرز ہیں، کا اس سرمایہ کاری میں کوئی ذاتی مفاد نہیں، ماسوائے ان کے شیئرز کی قدر و قیمت کے، جو کہ وہ ایس ای سی ایم سی میں رکھتے ہیں/رکھیں گے۔

کمپنیز (منسلکہ کمپنیوں یا ایسوسی ایٹڈ اداروں میں سرمایہ کاری) ریگولیشنز، 2017 (دی ”ریگولیشنز“) کے مطابق معلومات:

ایکٹ کے سیکشن 244 کی شقوں کے مطابق کوئی بھی جاری شیئرز یا کمپنی کی جانب سے اعلان کردہ منافع منقسمہ اس تاریخ، جب وہ واجب اور قابل ادائیگی تھا، سے تین سالوں کی مدت کیلئے غیر کلیم کردہ/غیر ادا شدہ رہا ہو، اسے شیئرز ہولڈرز کو ان کے کلیم داخل کرنے کے نوٹس جاری کرنے کے بعد وفاقی حکومت کے کریڈٹ کیلئے ایس ای سی پی کے پاس جمع کرانا لازم ہے۔ جاری کردہ شیئرز اور کمپنی کی جانب سے اعلان کردہ منافع منقسمہ کی تفصیلات جو تین سال کی مدت سے زائد عرصہ گزر جانے کے بعد بھی واجب الادا ہیں، شیئرز ہولڈرز کو ارسال کر دی گئی تھیں۔ شیئرز ہولڈرز سے درخواست ہے کہ وہ فوری طور پر غیر کلیم کردہ منافع منقسمہ اور شیئرز کیلئے اپنے کلیمز کو یقینی بنائیں۔ مقررہ مدت کے اندر کمپنی کے پاس کوئی کلیم داخل نہ کیے جانے کی صورت میں کمپنی اخبار میں نوٹس دینے کے بعد غیر کلیم کردہ/غیر ادا شدہ رقم اور شیئرز کو ایکٹ کے سیکشن 244(2) کی شقوں کے مطابق وفاقی حکومت کے پاس جمع کرا دے گی۔

## 12 سالانہ رپورٹ کی بذریعہ ای میل ترسیل (اختیاری)

ایس ای سی پی نے لسٹڈ کمپنیز کو ایس آر او نمبر 389(I)/2023 مورخہ 21 مارچ 2023 کے ذریعے سالانہ آڈٹ شدہ مالیاتی حسابات کمپنی کے ممبران کو QR فعال کوڈ اور ویب لنک (CD/DVD/USB کے بجائے) ارسال کرنے کی اجازت دی ہے، جس کی 57 واں اے جی ایم عام میں شیئرز ہولڈرز سے منظوری لی جا چکی ہے۔ شیئرز ہولڈرز کی جانب سے ایک ای میل ایڈریس فراہم کرنے کی صورت میں کمپنی سالانہ آڈٹ شدہ مالیاتی حسابات ممبر کو کمپنیز ایکٹ، 2017 کے سیکشن 223(6) کی شقوں کے مطابق ای میل کے ذریعے ارسال کر دے گی۔ کوئی بھی ممبر کمپنی سے سالانہ آڈٹ شدہ مالیاتی حسابات کی ہارڈ کاپی کی فراہمی کیلئے درخواست کر سکتا ہے اور کمپنی باقاعدہ مکمل شدہ درخواست فارم، جو کمپنی کی ویب سائٹ [www.thallimited.com](http://www.thallimited.com) پر دستیاب ہے، کی وصولی پر یہ کاپی شیئرز ہولڈرز کے رجسٹرڈ پتے پر بلا قیمت ارسال کر دے گی۔

30 جون 2024 کو ختم ہونے والے سال کیلئے کمپنی کے آڈٹ شدہ مالیاتی حسابات کمپنی کی ویب سائٹ ([www.thallimited.com](http://www.thallimited.com)) پر گزشتہ سالوں کے لئے سالانہ اور سہ ماہی مالیاتی حسابات کے علاوہ دستیاب ہیں۔

## 13 فزیکل شیئرز کی بک اینٹری فارم کی صورت میں منتقلی

کمپنیز ایکٹ، 2017 کے سیکشن 72 کے مطابق یہ لازم ہے کہ تمام لسٹڈ کمپنیاں فزیکل صورت میں موجود شیئرز کو کمپنیز ایکٹ، 2017 کے نفاذ کی تاریخ سے 4 سالوں کے اندر بک اینٹری کی صورت میں جاری کردہ شیئرز سے تبدیل کر دیں۔ ایس ای سی پی کے لیٹر نمبر CSD/ED/Misc./2016-639-640 مورخہ 26 مارچ 2021 کے مطابق کمپنی فزیکل صورت میں شیئرز کے حامل تمام شیئرز ہولڈرز سے رابطہ کر کے ان سے درخواست کریں کہ وہ کمپنیز ایکٹ، 2017 کی شقوں پر عملدرآمد کرتے ہوئے اپنے شیئرز کو بک اینٹری کی صورت میں تبدیل کرالیں۔ شیئرز ہولڈرز فزیکل صورت میں موجود شیئرز کو بک اینٹری کی شکل میں تبدیل کرانے کے عمل اور اس کے فوائد کو سمجھنے کیلئے کمپنی کے شیئرز رجسٹرار سے رابطہ کر سکتے ہیں۔

## 14 ای ووٹنگ اور پوسٹل بیلٹ کیلئے طریقہ کار

کمپنیز (پوسٹل بیلٹ) ریگولیشنز، 2018 اور اس کی ترامیم SRO 2192(I)/2022 مورخہ 5 دسمبر 2022 کے تحت مطلع کیا گیا ہے، کہ ممبران کو مذکورہ ریگولیشنز میں بیان کردہ شرائط کے تحت سالانہ اجلاس عام میں خصوصی کاروبار کیلئے ووٹ کا حق استعمال کرنے کی اجازت ہوگی۔ کمپنی اپنے ممبران کو ووٹنگ کیلئے درج ذیل اختیارات فراہم کرے گی۔

### ای ووٹنگ کا طریقہ کار

i ای ووٹنگ کے ذریعے اپنے ووٹ کا حق استعمال کرنے کے خواہشمند ممبران [tl@hoh.net](mailto:tl@hoh.net) پر "ای ووٹنگ کی درخواست" کے موضوع کے ساتھ ای میل بھیجیں اور اپنے درست شناختی کارڈ نمبرز، موبائل نمبرز اور ای میل ایڈریس 16 اکتوبر 2024 کو یا اس سے قبل فراہم کریں۔ ای ووٹنگ کی سہولت کی تفصیلات ممبران کے ساتھ ای میل کے ذریعے شیئرز کی جائیں گی۔

ii ممبران کو ویب ایڈریس، لاگ ان کی تفصیلات اور پاس ورڈ سے بذریعہ ای میل مطلع کیا جائے گا۔ ممبران کو سکیورٹی کوڈز میسرز فیکس شیئرز رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کے ویب پورٹل سے بذریعہ ای ایم ایس فراہم کئے جائیں گے۔

ii ای ووٹنگ کے ذریعے ووٹ ڈالنے کے خواہشمند ممبران کی شناخت الیکٹرونک دستخط یا لاگ ان کی تصدیق کے ذریعے کی جائے گی۔

iv ای ووٹنگ لائنز 17 اکتوبر 2024، صبح 9:00 بجے سے شروع ہوں گی اور 12 اکتوبر 2024 کو شام 5:00 بجے بند ہوں گی۔ ممبران اس مدت کے دوران کسی بھی وقت اپنا ووٹ ڈال سکتے ہیں۔ ایک بار کسی ممبر کی طرف سے قرارداد پر ووٹ ڈالنے کے بعد، اسے بعد میں تبدیل کرنے کی اجازت نہیں ہوگی۔

## پوسٹل بیلٹ

ممبران متبادل طور پر پوسٹل بیلٹ کے ذریعے ووٹ ڈالنے کا انتخاب کر سکتے ہیں۔ ممبران اس بات کو یقینی بنائیں کہ بیلٹ پیپر مکمل طور پر پُر کئے گئے اور دستخط شدہ ہوں اور کمپیوٹرائزڈ

اجلاس عام میں شرکت کرنے اور ووٹ دینے کا استحقاق رکھنے والا کوئی بھی ممبر اجلاس میں اپنی جگہ شرکت کرنے، بولنے اور ووٹ دینے کیلئے پراسی کا تقرر کر سکتا/ سکتی ہے۔ پراسی کے تقرر کی دستاویز لازماً اجلاس کے وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں یا کمپنی کے شیئر رجسٹرار کے درج بالا پتہ پر پراسی کی سی این آئی سی کی کاپی کے ساتھ جمع کرادی جائے۔ کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد پورا آف انٹارنی معہ نامزد کردہ کے نمونہ دستخط بشمول ان کی سی این آئی سی کی کاپی اجلاس سے کم از کم 48 گھنٹے قبل فراہم کر دی جائے۔ پراسی فارم اردو اور انگریزی زبان میں سالانہ رپورٹ کے ساتھ منسلک ہے اور اسے دو افراد کی گواہی کے ساتھ ارسال کیا جائے جن کے نام، پتے اور سی این آئی سی نمبرز فارم میں درج ہونے چاہئیں۔ پراسی فارم کمپنی کی ویب سائٹ [www.thallimited.com](http://www.thallimited.com) پر بھی دستیاب ہے۔

#### 4 کوائف کو آپ ڈیٹ کرنا

شیئر ہولڈرز سے درخواست ہے کہ اپنے پتوں میں کسی بھی تبدیلی، اگر کوئی ہو، سے کمپنی کے شیئر رجسٹرار کو فوری طور پر مطلع کریں۔ کارپوریٹ ادارے کی صورت میں شیئر ہولڈرز سے درخواست ہے کہ اپنے مجاز نمائندے، اگر لاکو ہو، کے کوائف میں تبدیلی کے بارے میں مطلع کریں۔

#### 6 ابھی تک فراہم نہ کئے جانے والے سی این آئی سی کی نقول کا جمع کرنا

انفرادی شیئر ہولڈرز سے ایک مرتبہ پھر درخواست ہے کہ اگر انہوں نے ابھی تک اپنی کارآمد سی این آئی سی کی نقول کمپنی کے شیئر رجسٹرار، فیکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کو جمع نہیں کرائیں تو فوری جمع کرادیں، شیئر ہولڈرز کی کارآمد کاپی کی کمپنی کے ریکارڈز میں عدم دستیابی کی صورت میں کمپنی سیکشن 243 بابت کمپنیز ایکٹ 2017 کی شقوں کے تحت منافع منقسمہ روک لے گی۔

#### 7 منافع منقسمہ پروڈ ہولڈنگ ٹیکس

موجودہ طور پر کمپنیز کی جانب سے ادا کئے جانے والے منافع منقسمہ کی رقم پر پروڈ ہولڈنگ ٹیکس کی کوئی اہم ٹیکس آرڈیننس 2001 کے سیکشن 150 کے تحت کی جارہی ہے جو درج ذیل کے مطابق ہے:

- اے۔ ایکٹیو ٹیکس پیئر لسٹ (اے ٹی ایل) پر موجود افراد کے لئے 15 فیصد  
بی۔ ایکٹیو ٹیکس پیئر لسٹ (اے ٹی ایل) پر موجود نہ ہونے والے افراد کے لئے 30 فیصد

وہ شیئر ہولڈرز جو اپنے گوشوارے داخل کر چکے ہوں انہیں ہدایت کی جاتی ہے کہ وہ اپنے ناموں کی ایف بی آر کی ویب سائٹ پر فراہم کردہ تازہ ترین ٹیکس پیئر لسٹ (اے ٹی ایل) پر موجودگی کو منافع منقسمہ کی ادائیگی کے وقت یقینی بنائیں بصورت دیگر انہیں اے ٹی ایل پر موجود نہ ہونے والا فرد تصور کیا جائے گا اور ان کے نقد منافع منقسمہ پر 15 فیصد کے بجائے 30 فیصد کی شرح سے کوئی کی جائے گی۔

#### 8 جوائنٹ اکاؤنٹ ہولڈرز کی صورت میں منافع منقسمہ پروڈ ہولڈنگ ٹیکس

کمپنی کو ریگولیشنز کی ہدایات پر عمل کرتے ہوئے جوائنٹ اکاؤنٹ ہولڈرز (ہولڈرز) کے شیئر ہولڈنگ کے تناسب کا تعین (جہاں پرنسپل شیئر ہولڈرز کی جانب سے شیئر ہولڈنگ کا تعین نہ کیا گیا ہو) برائے کمپنی کے منافع منقسمہ پروڈ ہولڈنگ ٹیکس کی کوئی کے سلسلے میں شیئر ہولڈرز سے درخواست ہے کہ وہ اپنے پاس موجود شیئر ہولڈنگ کے تناسب کی تفصیل بطور پرنسپل شیئر ہولڈرز ان کے مشترکہ ہولڈرز کمپنی کے شیئر رجسٹرار کو فراہم کر دیں تاکہ کمپنی اس کے مطابق ہر ایک شیئر ہولڈر کے وہ ہولڈنگ ٹیکس کا تعین کر سکے۔ مطلوبہ معلومات لازماً کمپنی کے شیئر رجسٹرار کو 16 اکتوبر 2024 تک موصول ہو جائیں بصورت دیگر ہر ایک شیئر ہولڈر کو شیئر کے مساوی تعداد کا حامل تصور کیا جائے گا اور اس کے مطابق ٹیکس کی کوئی کی جائے گی۔

#### 9 نقد منافع منقسمہ کی الیکٹرانک ادائیگی (ای۔ مینڈیٹ)

کمپنیز ایکٹ، 2017 کے سیکشن 242 کی شقوں اور کمپنیز (منافع منقسمہ کی تقسیم) ریگولیشنز، 2017 کے مطابق یہ لازم ہے کہ نقد کی صورت میں قابل ادائی منافع منقسمہ صرف بذریعہ الیکٹرونک طریقہ کار براہ راست استحقاق کے حامل شیئر ہولڈرز کی جانب سے نامزد کردہ بینک اکاؤنٹ میں جمع کرایا جائے۔ اس سلسلے میں ضوابط کے تحت اخبارات میں نوٹسز پہلے ہی شائع کرائے جا چکے ہیں۔ تمام شیئر ہولڈرز کو ایک بار پھر مطلع کیا جاتا ہے کہ وہ اپنے بینک مینڈیٹ کی تفصیلات جس میں (۱) اکاؤنٹ کا نمائند (۲) اکاؤنٹ نمبر (۳) آئی بی اے این (۴) بینک کا نام (۵) برانچ کا نام، کوڈ اور پتہ شامل ہو، کمپنی کے شیئر رجسٹرار کو فراہم کر دیں۔ ایسے شیئر ہولڈرز جو پارٹنیشنس سینٹرل ڈپازٹری کمپنی آف پاکستان (سی ڈی سی) کے پاس شیئرز کے حامل ہوں، اُن کو آگاہ کیا جاتا ہے کہ وہ اپنا مینڈیٹ متعلقہ بروکر/سی ڈی سی کو فراہم کر دیں۔

#### 10 زکوٰۃ کی کوئی

زکوٰۃ کی لازمی کوئی سے استثنیٰ کا حکم کرنے کیلئے شیئر ہولڈرز سے درخواست ہے کہ 50 روپے کے نان۔ جوڈیشل اسٹامپ پیپر پر زکوٰۃ ڈیکلریشن فارم "CZ-50" کی نوٹری پبلک سے تصدیق شدہ کاپی شیئر رجسٹرار کو جمع کرائیں۔ منافع منقسمہ سے زکوٰۃ کی کوئی شیئر کی ادا شدہ ویلیو (پانچ روپے فی) کے 2.5 فیصد کی شرح پر سروس کے منافع منقسمہ سے کی جائے گی اور اسے مقررہ مدت کے اندر متعلقہ اتھارٹی کے پاس جمع کرادیا جائے گا۔ استثنیٰ کا حکم کرنے کی صورت میں براہ مہربانی زکوٰۃ و عشر آؤٹیننس 1980 اور زکوٰۃ (کوئی اور ری فنڈ) رولز 1981 کے تحت اپنا زکوٰۃ ڈیکلریشن جمع کرائیں۔ ایسے شیئر ہولڈرز جو بک اینٹری کی صورت میں شیئرز کے حامل ہیں وہ فارم CZ-50 پر زکوٰۃ ڈیکلریشن سی ڈی سی انویسٹر اکاؤنٹ سروسز/سی ڈی سی پارٹنیشن/اسٹاک بروکر کے پاس سی ڈی ایس اکاؤنٹ نمبر اور شیئر ہولڈر کا نام درج کر کے جمع کرائیں۔

مزید قرار پایا کہ کمپنی کے چیف ایگزیکٹو آفیسر، چیف فنانسل آفیسر اور کمپنی سیکریٹری مشترکہ اور/یا اجتماعی طور پر مجاز ہیں کہ وہ مجوزہ انویسٹمنٹ اور لینڈرز اسپانسر سپورٹ کے مقاصد کیلئے تمام اقدامات، معاہدے اور کارروائیاں کریں اور تمام قانونی اور کارپوریٹ کارروائیوں کو مکمل کرنے کیلئے تمام ضروری اقدامات کریں، جیسا بھی لازم، ضروری، اتفاقی یا مذکورہ قراردادوں اور مجوزہ سرمایہ کاری اور لینڈرز اسپانسر سپورٹ بشمول اس تک محدود نہیں، مذکورہ دستاویزات کی تکمیل، ضروری فارمز داخل کرنے اور اجازت ناموں اور مجوزہ سرمایہ کاری اور لینڈرز اسپانسر سپورٹ کو نافذ کرنے کے سلسلے ضروری درخواستوں، ریکویزیشنز اور مجاز حکام اور ریگولیٹری اتھارٹیز کے ساتھ روابط اور اجازت ناموں کے اجراء اور ان کو حتمی شکل دینے اور ان سے متعلق کوئی بھی اتفاقی یا لازمی امور انجام دینے کیلئے مجاز ہیں۔

بحکم بورڈ

سمیرا ملانی  
کمپنی سیکریٹری

کراچی:

مورخہ: 10 ستمبر 2024

نوٹس:

## 1 سالانہ اجلاس عام کی کارروائیوں میں بذریعہ ڈیو کا نفرنس شرکت کی سہولت

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) نے وقتاً فوقتاً جاری کردہ اپنے سرکلرز کے تحت اس کمپنیز کو ہدایت کی ہے کہ فزیکل اجلاسوں کے انعقاد کی شرائط کے لئے اجلاس عام اور عملی طور پر منعقد کئے جائیں گے۔ شیئر ہولڈرز کو سہولت پہنچانے کی غرض سے کمپنی فزیکل اجلاسوں کے انعقاد کے علاوہ شیئر ہولڈرز کی شرکت کے سلسلے میں اور فزیکل اجلاس بذریعہ ڈیو لنک سہولت کے بھی انتظامات کرتی ہے۔

سالانہ اجلاس عام میں شرکت کے خواہشمند شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنے ضروری کوائف نامزد کردہ ای میل ایڈریس [tl@hoh.net](mailto:tl@hoh.net) پر ارسال کر کے اپنی تقرری اور پراکسی کی تصدیق کیلئے خود کو رجسٹرڈ کرائیں۔ ویڈیو لنک اور لاگ ان کی تفصیل صرف ان ممبران کے ساتھ شیئر کی جائیں گی، جن کی ای میلز، جن میں درج ذیل تمام تفصیلات شامل ہوں گی، اور اجلاس سے کم از کم 48 گھنٹے پہلے موصول ہوں گی:

| شیئر ہولڈر کا نام | فولیو/سی ڈی سی نمبر | سی این آئی سی نمبر | سیل نمبر | رجسٹرڈ ای میل ایڈریس |
|-------------------|---------------------|--------------------|----------|----------------------|
|                   |                     |                    |          |                      |

شیئر ہولڈرز رجسٹریشن کیلئے اپنے تبصرے اور استفسارات برائے سالانہ اجلاس عام کے ایجنڈا آؤٹ لائن بھی ارسال کر سکتے ہیں۔

## 2 شیئر ٹرانسفر بکس کی بندش

کمپنی کی شیئر ٹرانسفر بکس 17 اکتوبر 2024 تا 24 اکتوبر 2024 تک (بشمول دونوں ایام) اے جی ایم اور حتمی منافع منقسمہ کی ادائیگی کے مقاصد کیلئے بند رہیں گی۔ پیر ٹرانسفر ہمارے شیئر رجسٹرار، میسرز فیکو شیئر رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ کے دفتر F-8، ہوٹل فاران سے آگے، نرسری، بلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی، فون نمبر: (009-21-34384621-3, 009-21-34380101-5 (Ext-103)، پر 16 اکتوبر 2024 کو کاروباری اوقات کے اختتام تک موصول ٹرانسفر حتمی نقد منافع منقسمہ کی ادائیگی اور اے جی ایم میں شرکت کیلئے ٹرانسفریز کے تعین کے مقصد کیلئے بروقت تصور کئے جائیں گے۔

## 3 سالانہ جائزہ اجلاس میں شرکت

انفرادی صورت میں، اکاؤنٹ ہولڈرز یا ذیلی اکاؤنٹ ہولڈرز اور/یا وہ افراد جن کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضوابط کے مطابق آپ لوڈ کی گئی ہیں، اجلاس میں شرکت کے وقت اصل شناختی کارڈ یا اصل پاسپورٹ دکھا کر اپنی شناخت کی تصدیق کرائیں گے۔

کارپوریٹ ادارے کی صورت میں، اجلاس میں شرکت کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی جس میں نامزد شخص کے دستخط کے نمونے ہوں گے (اگر اس سے قبل فراہم نہیں کئے گئے ہوں) پیش کیا جائے گا۔



کرتے ہیں، اور یہ 2,700,314,655 پاک روپے (دوبلین، سات سو ملین، تین سو چودہ ہزار چھ سو پچپن روپے) (مجوزہ سرمایہ کاری) کی زیادہ سے زیادہ سرمایہ کاری کی رقم سے مشروط ہے جس کے نتیجے میں اس حصول کے بعد ایس ای سی ایم سی میں کمپنی کی شیئر ہولڈنگ 16.65 فیصد مجوزہ سرمایہ کاری (زیادہ سے زیادہ) ہو جائے گی۔

مزید قرار پایا کہ کمپنی کے ممبران کی منظوری حاصل کی جائے اور ذریعہ ہذا حاصل کی جاتی ہے اور 2017 ایکٹ کے سیکشن 199 کے مطابق کمپنی مجاز ہے کہ مجوزہ سرمایہ کاری کے علاوہ ایس ای سی ایم سی میں مزید سرمایہ کاری (ایکویٹی اور قرضے کی شکل میں جیسا کہ نیچے درج کیا گیا ہے) اسپانسر سپورٹ ایگریمنٹ (جیسا کہ نیچے درج ہے) کے تحت اس کی اسپانسر سپورٹ مالی ذمہ داریوں کے اطمینان کیلئے کی جائے، جو مجوزہ سرمایہ کاری کے اکاؤنٹ (لینڈرز اسپانسر سپورٹ) پر ترمیم شدہ اور دوبارہ بیان کردہ پر موجود ہوگی بشمول:

اے۔ ایس ای سی ایم سی میں مزید ایکویٹی سرمایہ کاری، وقتاً فوقتاً دینے کیلئے جو لگ بھگ 3.7 ملین امریکی ڈالر (پاکستانی روپے کے مساوی، مختلف مرحلوں میں) سے زائد نہ ہو، اور یہ 14.82 پاک روپے فی شیئر (اسپانسر ایکویٹی مالی ذمہ داری) کے نرخ پر شیئرز کی سبسکریپشن کے ذریعے کی جائے۔

بی۔ ایس ای سی ایم سی میں ایکویٹی سرمایہ کاری ممکن بنانے کیلئے کمپنی کو بذریعہ ہذا اختیار دیا جاتا ہے کہ وہ ایس ای سی ایم سی کے قرض دینے والوں کے اطمینان کیلئے ایک پروجیکٹ اسپانسر کے طور پر اپنی گنجائش کے مطابق ایکویٹی مالی عزم کی ایکویٹی سرمایہ کاری کو کور کرنے کیلئے اسٹینڈ بائی لیٹر آف کریڈٹ کا انتظام اور اسے فراہم کرے۔

سی۔ بعد ازاں پی سی آر اے LC کو کور کرنے کے لیے اسٹینڈ بائی لیٹر آف کریڈٹ کی فراہمی کے لیے اسپانسر سپورٹ کی فراہمی جو زیادہ سے زیادہ 8.5 ملین امریکی ڈالر (پاکستانی روپے کے مساوی) کی رقم تک کیلئے ہو۔ چاہے وہ 14.82 پاک روپے فی شیئر کے نرخ پر شیئرز کی سبسکریپشن کے ذریعے کیا جائے یا ایسی رقم کو ذیلی قرضے کی رقم تصور کیا جائے جو کمپنی اور ایس ای سی ایم سی کے دیگر شیئر ہولڈرز/شیئر ہولڈز منسلک (جیسی بھی صورت ہو) اور لینڈرز کے درمیان تحریری طور پر طے شدہ شرائط و ضوابط پر حاصل کی گئی ہو (بمطابق ایس ای سی ایم سی سے متعلق ترمیم شدہ اور دوبارہ بیان کردہ سپورٹ ایگریمنٹ)۔

ڈی۔ لاگت سے زائد صرف ہونے والے اخراجات 1.8 ملین امریکی ڈالر (پاکستانی روپوں کے مساوی) تک کی فنڈنگ کی قلت، جیسا بھی ایس ای سی ایم سی یا لینڈرز کی جانب سے درخواست کی جائے، کو کور کرنے کیلئے اسپانسر کی سپورٹ فراہم کرنا اور فنڈنگ کی فراہمی چاہے وہ 14.82 پاک روپے فی شیئر کے ریٹ پر ایس ای سی ایم سی کے شیئرز کی سبسکریپشن کے ذریعے ہو یا کمپنی، ایس ای سی ایم سی اور لینڈرز کے درمیان تحریری طور پر رضامندی کیلئے متعلقہ شرائط و ضوابط پر ذیلی قرضے کے طور پر دی جانے والی رقم ہو۔ (بمطابق ایس ای سی ایم سی سے متعلق ترمیم شدہ اور دوبارہ بیان کردہ سپورٹ ایگریمنٹ)

ای۔ ایس ای سی ایم سی کے لیے اسٹینڈ بائی لیٹر آف کریڈٹ (ایس بی ایل سی) اور/یا گارنٹی فراہم کرنا جو مذکورہ بالا ایکویٹی انویسٹمنٹ، زائد صرف ہونے والی لاگت، فنڈنگ کی قلت، نقد رقم کی ضرورت اور ادائیگی کی سروس ریزرو میں کمی، مجوزہ فروخت کنندہ کو ایس ای سی ایم سی کے لینڈرز کیلئے ان کی مالی ذمہ داریوں سے متعلق ان شرائط و ضوابط پر جو مجاز نمائندوں (یا ان میں سے کوئی ایک) کی جانب سے درست اور موزوں تصور کی جائیں تاہم نافذ العمل قوانین کی شکوک پر عملدرآمد کے تحت یہ لگ بھگ 14 ملین امریکی ڈالر (یا کسی زائد رقم) سے زائد نہ ہو، چاہے یہ 14.82 پاک روپے فی شیئر کے ریٹ پر سبسکریپشن کے ذریعے ہو یا کمپنی، ایس ای سی ایم سی اور لینڈرز کے درمیان تحریری طور پر رضامندی سے متعلقہ شرائط و ضوابط پر ذیلی قرضے کے طور پر تصور کی جانے والی رقم ہو۔ (بمطابق ایس ای سی ایم سی سے متعلق ترمیم شدہ اور دوبارہ بیان کردہ سپورٹ ایگریمنٹ)

مزید قرار پایا کہ مذکورہ بالا قراردادیں سابق شیئر ہولڈرز کی قراردادوں کے مطابق ایس ای سی ایم سی میں کسی امتیاز کے بغیر سرمایہ کاریوں کی توسیع کے لیے ہیں اور موجودہ قراردادیں مجوزہ فروخت کنندہ سے شیئرز کے حصول کے ذریعے مجوزہ سرمایہ کاری کی روشنی میں پہلے کی قراردادوں کے ضمنی حصے کے طور پر یہاں درج کی گئی ہیں اور ایس ای سی ایم سی کے قرض فراہم کنندگان (لینڈرز) کو ضروری سپورٹ میں توسیع دینے کے لیے ہیں۔

لینڈرز اسپانسر سپورٹ کیلئے منظوری سینئر ڈسچارج تاریخ تک کارآمد رہے گی جیسا کہ ایس ای سی ایم سی سے متعلق انٹر کریڈیٹ ایگریمنٹ مورخہ 21 دسمبر 2015، وقتاً فوقتاً ترمیم شدہ میں صراحت کی گئی ہے۔

مزید قرار پایا کہ مجوزہ سرمایہ کاری اور لینڈرز اسپانسر سپورٹ کے مقاصد کیلئے کمپنی کے چیف ایگزیکٹو آفیسر اور/یا کمپنی کے ڈائریکٹر (مجاز نمائندے) کو اختیار دیا جائے اور بذریعہ ہذا اختیار دیا جاتا ہے کہ وہ انفرادی اور/یا اجتماعی طور پر مجوزہ سرمایہ کاری اور مجوزہ فروخت کنندہ (بشمول اس کے مجاز نمائندوں) یا ایس ای سی ایم سی کے لینڈرز یا کسی بھی ضروری دیگر افراد/حکام کے ساتھ مجوزہ سرمایہ کاری کی شرائط و ضوابط پر بات چیت کرنے اور اسے حتمی شکل دینے اور کمپنی کی جانب سے شیئر ٹرانسفر ڈیڈ اور ایس ای سی ایم سی کے شیئر ہولڈرز ایگریمنٹ کیلئے ترمیم اور کوئی بھی دیگر معاہدوں، دستاویزات، ترمیم، ازسرنو بیانات، گفت و شنید کرنے، حتمی معاملہ طے کرنے، اجراء اور اس کی تکمیل، کسی بھی دستاویزات/معاہدوں کیلئے جدت یا ضمیمہ جات (جیسا بھی لازمی، اتفاقی، ضروری یا مجاز نمائندوں یا ان میں سے کسی ایک کی طرف سے درست تصور کیا جائے) کے سلسلے میں ایس ای سی ایم سی اور/یا اس کے شیئر ہولڈرز/اسپانسرز اور/یا اس کے لینڈرز کے ساتھ ان شرائط پر بات کرنے کیلئے اختیار ہیں جو کہ متعلقہ مجاز حکام کی جانب سے درست اور موزوں تصور کی جائیں اور وقتاً فوقتاً کسی بھی معاملات کی تکمیل یا اجراء کریں (جیسی بھی صورت ہو) اور تمام ترمیمات یا تبدیلیاں، روابط، سرٹیفیکیشن، نوٹس، اعتراضات یا ایسے معاہدوں سے متعلق یا اس کے مطابق دیگر دستاویزات تیار یا جاری کریں۔

## تھل لمیٹڈ کے 58 ویں سالانہ اجلاس عام کی اطلاع

بذریعہ ہذا اطلاع دی جاتی ہے کہ کمپنی کے ممبران کا 58 واں سالانہ اجلاس عام (اے جی ایم) بروز جمعرات 24 اکتوبر 2024 کو صبح 9:30 بجے بمقام دی انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان (آئی سی اے پی) آڈیٹوریم، چارٹرڈ اکاؤنٹنٹس ایونیو، کلفٹن، کراچی میں منعقد کیا جائے گا جس میں الیکٹرونک ویڈیولنک سہولت کے ذریعے بھی درج ذیل امور کی انجام دہی کیلئے غور کیا جائے گا:

### عمومی کارروائی

1 30 جون 2024 کو ختم ہونے والے سال کیلئے کمپنی کے سالانہ آڈٹ شدہ مالیاتی حسابات کے ساتھ چیئرمین کا جائزہ، ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، غور و خوض اور منظوری۔

کمپنیز ایکٹ، 2017 کے سیکشن (6) 233 اور ایس آر او 389(I)/2023 مورخہ 21 مارچ 2023 کے مطابق کمپنی کے مالیاتی حسابات کمپنی کی ویب سائٹ پر اپ لوڈ کر دیے گئے ہیں جن کو درج ذیل ویب لنک اور QR فعال کوڈ سے ڈاؤن لوڈ کیا جاسکتا ہے:



2 2023-24 کیلئے حتمی نقد منافع منقسمہ بشرح 120 فیصد (یعنی 6.00 روپے فی شیئر) کی منظوری، جیسا کہ بورڈ آف ڈائریکٹرز نے سفارش کی ہے۔ یہ پہلے ہی سے ادا کئے جانے والے 40 فیصد عبوری منافع منقسمہ (یعنی 2.00 روپے فی شیئر) کے علاوہ ہے۔ 2023-24 کیلئے مجموعی منافع منقسمہ کی رقم 160 فیصد (یعنی 8.00 روپے فی شیئر) ہو جائے گی۔

3 30 جون 2025 کو ختم ہونے والے سال کیلئے آڈیٹرز کا تقرر اور ان کے معاوضے کا تعین۔ بورڈ آف ڈائریکٹرز نے کمپنی کی بورڈ آڈٹ کمیٹی کی سفارشات پر میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آڈیٹرز کی حیثیت سے دوبارہ تقرری کی تجویز دی ہے۔

### خصوصی کارروائی

4 درج ذیل قراردادوں پر بطور خصوصی قراردادوں کے غور و خوض کرنا اور اگر موزوں و درست پایا جائے تو ان کی ترمیم یا بلاتر ترمیم منظوری دینا:

### سندھ اینگری و کول مائننگ کمپنی لمیٹڈ میں سرمایہ کاری

قرارداد پایاکہ بورڈ آف ڈائریکٹرز کے اجلاسوں میں منظور کردہ قراردادوں کے علاوہ کمپنی کے ممبران کی اجازت حاصل کی جائے اور ذریعہ ہذا کمپنیز ایکٹ، 2017 (دی 2017 ایکٹ) کے سیکشن 199 کی شرائط اور اس کے تحت آنے والے ضوابط کے مطابق اور قانونی اور ریگل کارروائیوں پر عملدرآمد سے مشروط اجازت حاصل کی جاتی ہے کہ کمپنی کے فنڈز کی سرمایہ کاری سندھ اینگری و کول مائننگ کمپنی لمیٹڈ ("ایس ای سی ایم سی") اس کی منسلک کمپنی (جیسا کہ 2017 ایکٹ میں وضاحت کی گئی ہے) کے لگ بھگ 30,598,467 تیس ملین، پانچ سو اٹھانوے ہزار، چار سو ستر سٹھ عمومی شیئرز کے حبیب بینک لمیٹڈ (مجوزہ فروخت کنندہ) سے حصول کے ذریعے تقریباً 35.3 پاک روپے فی شیئر کی قیمت پر کی جائے جو کہ ایس ای سی ایم سی کے جاری کردہ اور ادا شدہ عمومی شیئر کیپٹل کے لگ بھگ 1.90 فیصد کے مساوی ہیں اور یہ 1,080,125,862 پاک روپے (ایک بلین، اسی ملین، ایک سو پچیس ہزار آٹھ سو باسٹھ روپے) کی سرمایہ کاری سے مشروط ہے جس کے نتیجے میں اس حصول کے بعد ایس ای سی ایم سی میں کمپنی کی شیئر ہولڈنگ 13.8 فیصد ہو جائے گی۔

تاہم اگر مجوزہ خریدار (جیسا کہ ذیل میں وضاحت کی گئی ہے) کسی بھی وجہ سے ایس ای سی ایم سی میں سب سے بڑے مشترکہ نجی سیکٹر کے شیئر ہولڈز کے طور پر اپنی پوزیشن برقرار رکھنے کے اغراض و مقاصد کے مطابق مجوزہ فروخت کنندہ سے ایس ای سی ایم سی میں کمپنی کے متعلقہ شیئرز کا حصہ حاصل کرنے میں ناکام رہتا ہے تو کمپنی ایک اضافی سرمایہ کاری کرنے کیلئے مجاز ہوگی۔ اس کے مطابق کمپنی مجوزہ فروخت کنندہ سے لگ بھگ 35.3 روپے فی شیئر کی قیمت پر ایس ای سی ایم سی کے تقریباً 76,496,166 (تھیرتھری ملین، چار سو چھیانوے ہزار ایک سو چھیاسٹھ) عمومی شیئرز حاصل کرنے کی مجاز ہوگی جو ایس ای سی ایم سی کے زیادہ سے زیادہ 4.75 فیصد جاری کردہ اور ادا شدہ عمومی شیئر کیپٹل کی نمائندگی



# Statement of Compliance with Listed Companies

(Code of Corporate Governance) Regulations, 2019

## Name of Company Thal Limited (the Company)

Year ended June 30, 2024

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

1. The total number of directors are Seven (7) as per the following:
  - a. Male: Six (6)
  - b. Female: One (1)
2. The composition of Board is as follows:

| Independent Directors            |
|----------------------------------|
| Ms. Aliya Saeeda Khan            |
| Mr. Khayam Husain                |
| Non-Executive Directors          |
| Mr. Rafiq M. Habib               |
| Mr. Mohamedali R. Habib          |
| Mr. Imran Ali Habib              |
| Mr. Salman Burney                |
| Executive Director               |
| Mr. Muhammad Tayyab Ahmed Tareen |

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 Board/shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected

by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.

8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. All of the Directors of the Board have certification / exemption under the Directors Training Program (DTP).
10. The Board has approved the remuneration of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit and Company Secretary.
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                           |             |
|----------------------------------------------|-------------|
| Mr. Khayam Husain                            | Chairman    |
| Mr. Mohamedali R. Habib                      | Member      |
| Mr. Imran Ali Habib                          | Member      |
| Mr. Salman Burney                            | Member      |
| b. Human Resource and Remuneration Committee |             |
| Ms. Aliya Saeeda Khan                        | Chairperson |
| Mr. Mohamedali R. Habib                      | Member      |
| Mr. Salman Burney                            | Member      |
| Mr. Muhammad Tayyab Ahmad Tareen             | Member      |

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

The functions of the Nomination Committee and Risk Management Committee are being performed by the Board. Further board itself and through its Audit Committee regularly reviews business risk and ensures that risk mitigation measures are robust. Therefore, separate committees for Nomination and Risk Management are not required. In addition, the Board provides governance and oversight in relation to the Company's initiatives on Environmental, Social and Governance (ESG) matters.

14. The frequency of meetings (quarterly / half-yearly / yearly) of the committees were as per following:

- a) Audit Committee – Four meetings were held during the year; at least one meeting was held in each quarter of the year.
- b) Human Resource, Nomination and Remuneration Committee - Two meetings were held during the year.

15. The Board has outsourced the internal audit function to Noble Computer Services (Private) Limited (associated company) who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in

the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the Company.

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

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

19. Explanations for not rounding up the fractional number under Regulation 6(1) is as follows:

In a Board comprising 7 members, one-third works out to 2.33. Since the fraction is below half (i.e. 0.5), the fraction contained in such one-third is not rounded up to one. Further, the Company has enough experienced and well reputed independent directors on the Board who perform and carry out their responsibilities diligently.



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Tayyab Tareen  
Chief Executive Officer



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Rafiq M. Habib  
Chairman Board of Directors



## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Thal 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 Thal Limited (the Company) for the year ended June 30, 2024 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, 2024.

A. F. Ferguson & Co.  
Chartered Accountants  
Karachi

Dated: September 25, 2024  
UDIN: CR202410068j6hRPyt7A

## Key Figures



|           |               |
|-----------|---------------|
| 2023-2024 | <b>26,551</b> |
| 2022-2023 | <b>31,921</b> |



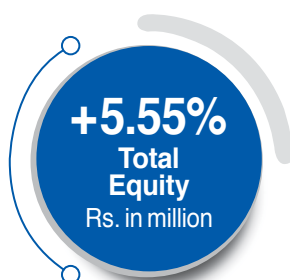
|           |              |
|-----------|--------------|
| 2023-2024 | <b>2,190</b> |
| 2022-2023 | <b>2,751</b> |



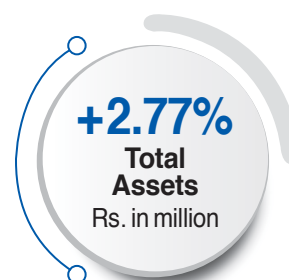
|           |              |
|-----------|--------------|
| 2023-2024 | <b>6,335</b> |
| 2022-2023 | <b>8,519</b> |



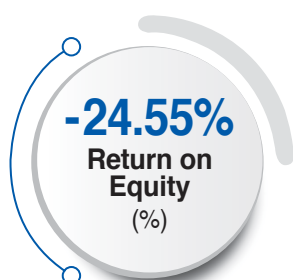
|           |              |
|-----------|--------------|
| 2023-2024 | <b>27.03</b> |
| 2022-2023 | <b>33.95</b> |



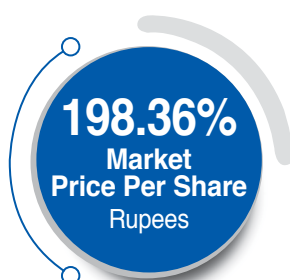
|           |               |
|-----------|---------------|
| 2023-2024 | <b>31,247</b> |
| 2022-2023 | <b>29,605</b> |



|           |               |
|-----------|---------------|
| 2023-2024 | <b>42,755</b> |
| 2022-2023 | <b>41,602</b> |



|           |             |
|-----------|-------------|
| 2023-2024 | <b>7.01</b> |
| 2022-2023 | <b>9.29</b> |



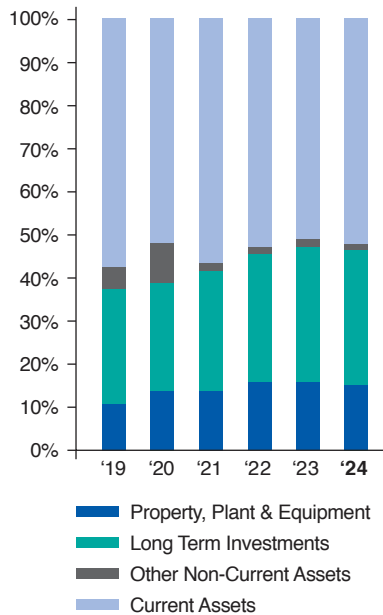
|           |               |
|-----------|---------------|
| 2023-2024 | <b>483.34</b> |
| 2022-2023 | <b>162.00</b> |



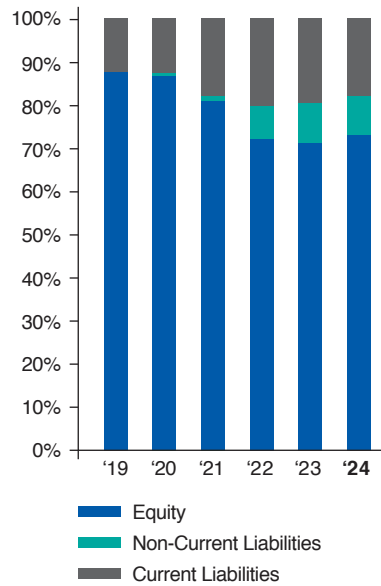
|           |               |
|-----------|---------------|
| 2023-2024 | <b>39,165</b> |
| 2022-2023 | <b>13,127</b> |

# Graphical Presentation Six Years at a Glance

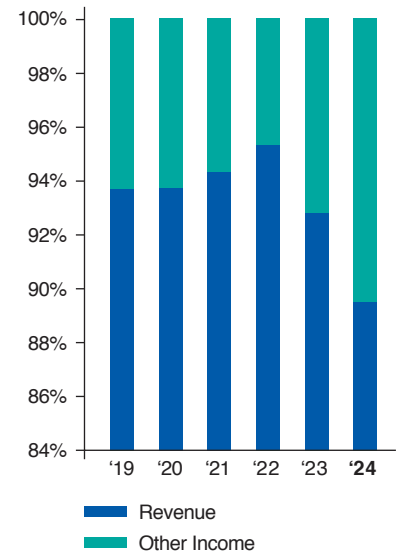
Balance Sheet Analysis  
Assets (%)



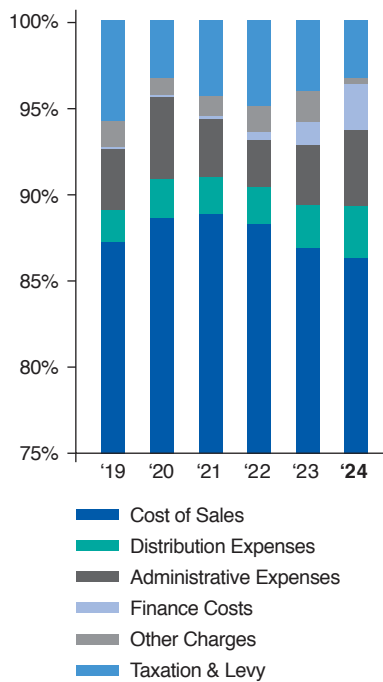
Balance Sheet Analysis  
Equity & Liabilities (%)



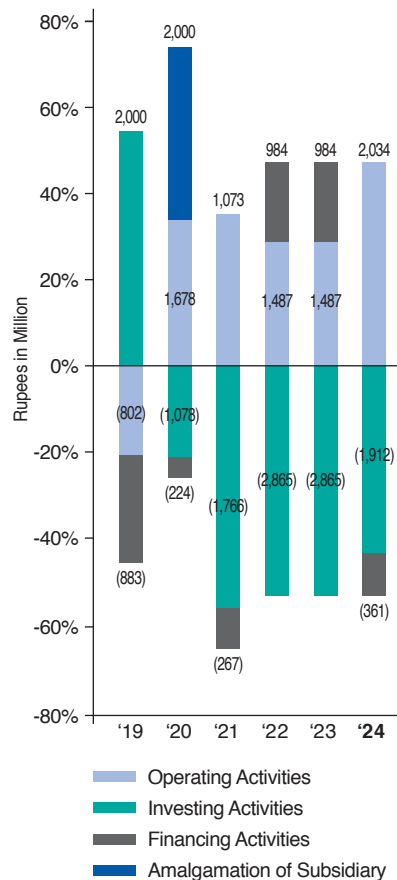
Profit & Loss Analysis  
Income (%)



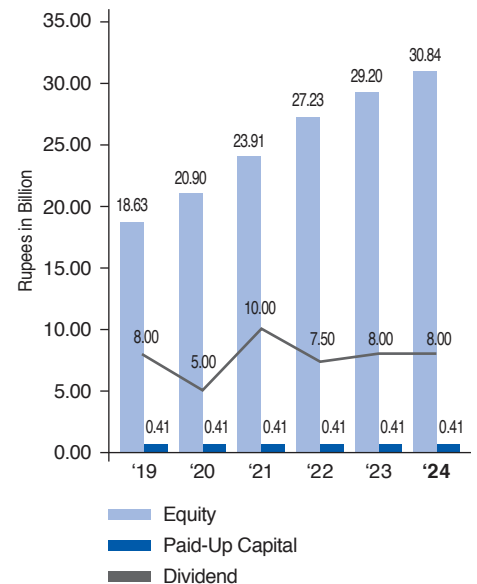
Profit & Loss Analysis  
Expenses (%)



Cash Flow Analysis  
Rs. in Millions

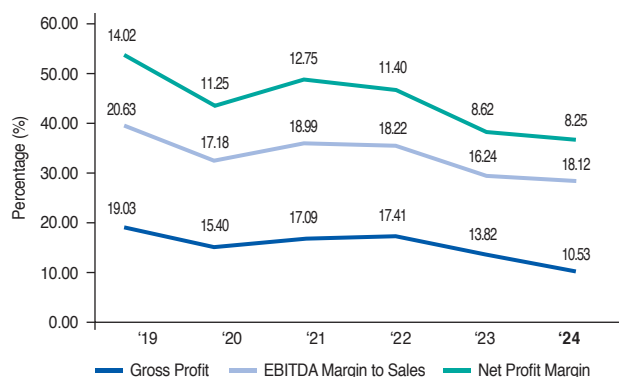


Equity, Paid-Up Capital & Dividend  
Rs. in Billion

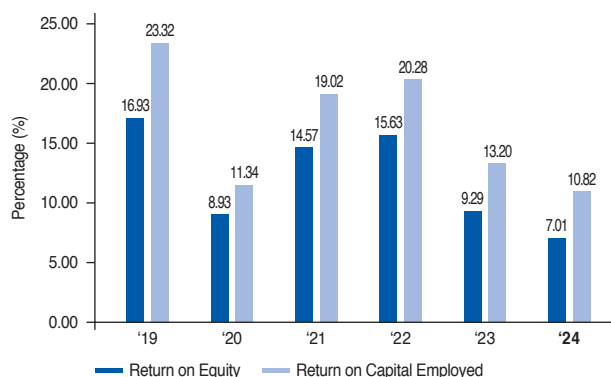


# Graphical Presentation of Ratios

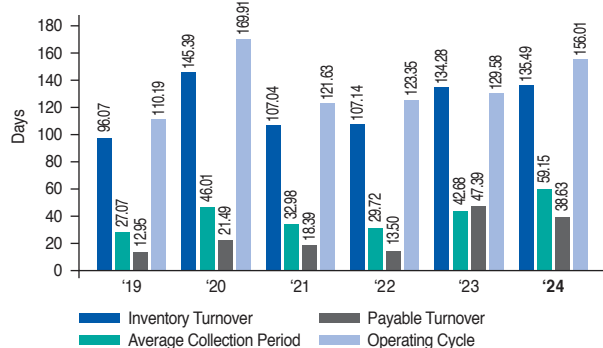
## Profitability Ratios



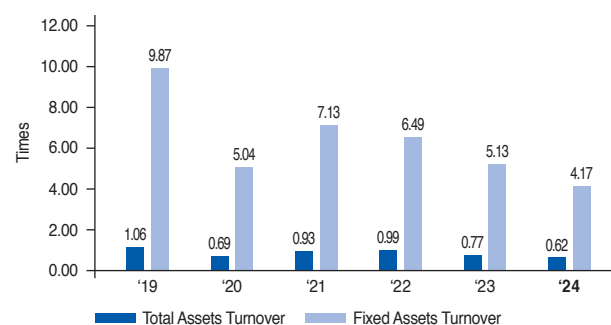
## Profitability Ratios



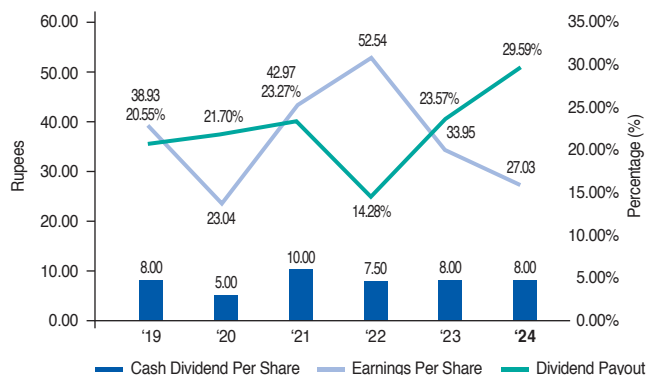
## Activity / Turnover Ratios



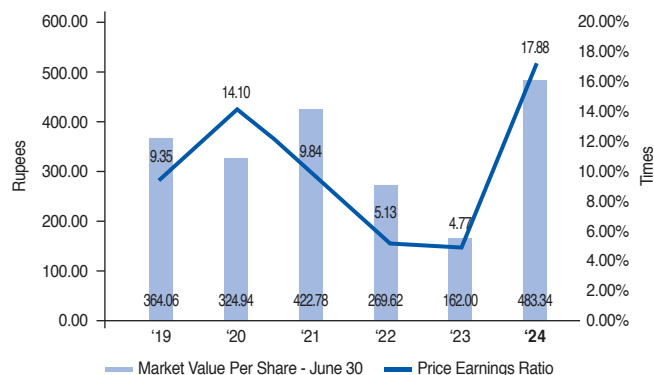
## Activity / Turnover Ratios



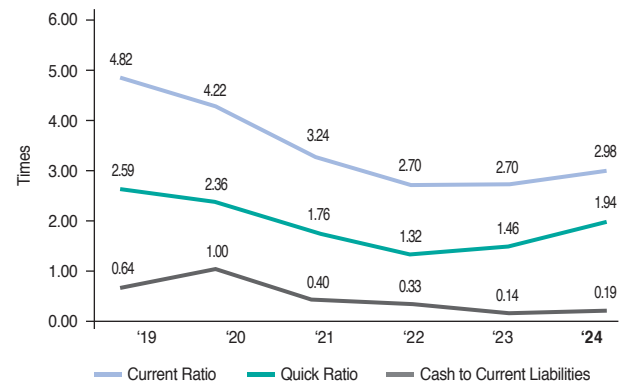
## Investment / Market Ratios



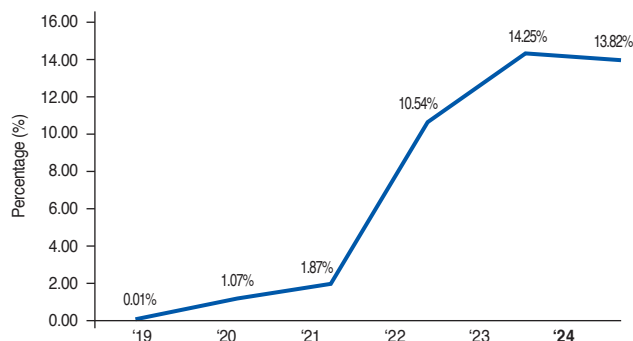
## Investment / Market Ratios



## Liquidity Ratios



## Debt Equity Ratio





# Financial Performance Six Years at a Glance

|                                                                  | 2024             | 2023    | 2022    | 2021    | 2020    | 2019   |
|------------------------------------------------------------------|------------------|---------|---------|---------|---------|--------|
|                                                                  | (Rupees in '000) |         |         |         |         |        |
| <b>Summary of Balance Sheet</b>                                  |                  |         |         |         |         |        |
| Property, Plant and Equipment                                    | 6,119            | 6,136   | 5,678   | 3,711   | 3,118   | 2,188  |
| Intangible Assets                                                | 252              | 89      | 75      | 121     | 173     | 91     |
| Investment Property                                              | 1                | 1       | 1       | 1       | 1       | 1      |
| Long Term Investments                                            | 13,082           | 12,882  | 10,909  | 8,007   | 5,796   | 5,432  |
| Long Term Loans                                                  | —                | 245     | —       | 275     | 1,927   | 861    |
| Long Term Deposits                                               | 31               | 36      | 31      | 20      | 16      | 15     |
| Deferred Tax Asset                                               | 303              | 292     | 193     | 219     | 205     | 165    |
| Net Current Assets                                               | 15,266           | 13,789  | 13,039  | 11,871  | 9,831   | 9,881  |
|                                                                  | 35,054           | 33,470  | 29,926  | 24,226  | 21,067  | 18,633 |
| <b>Non-Current Liabilities</b>                                   |                  |         |         |         |         |        |
| Long Term Deposits                                               | 11               | 11      | 11      | 12      | 17      | 1      |
| Long Term Loan                                                   | 3,569            | 3,533   | 2,273   | 185     | 149     | —      |
| Lease Liabilities                                                | 25               | 55      | 80      | 101     | —       | —      |
| Deferred Income                                                  | 202              | 266     | 333     | 22      | —       | —      |
|                                                                  | 3,807            | 3,865   | 2,696   | 320     | 166     | 1      |
| <b>Net Assets Employed</b>                                       | 31,247           | 29,605  | 27,230  | 23,906  | 20,901  | 18,631 |
| <b>Financed by</b>                                               |                  |         |         |         |         |        |
| Issued, Subscribed and Paid-up Capital                           | 405              | 405     | 405     | 405     | 405     | 405    |
| Reserves                                                         | 30,842           | 29,200  | 26,825  | 23,500  | 20,496  | 18,226 |
| <b>Shareholders' Equity</b>                                      | 31,247           | 29,605  | 27,230  | 23,906  | 20,901  | 18,631 |
| <b>Summary of Profit &amp; Loss</b>                              |                  |         |         |         |         |        |
| Sales                                                            | 26,551           | 31,921  | 37,351  | 27,317  | 16,600  | 22,499 |
| Gross Profit                                                     | 2,797            | 4,411   | 6,504   | 4,669   | 2,556   | 4,281  |
| Profit Before Taxation                                           | 3,065            | 4,013   | 5,925   | 4,572   | 2,372   | 4,334  |
| Profit After Taxation                                            | 2,190            | 2,751   | 4,257   | 3,482   | 1,867   | 3,154  |
| <b>Summary of Cash Flows</b>                                     |                  |         |         |         |         |        |
| Cash Flows from Operating Activities                             | 2,034            | 1,487   | 1,048   | 1,073   | 1,678   | (802)  |
| Cash Flows from Investing Activities                             | (1,912)          | (2,866) | (2,352) | (1,766) | (1,078) | 2,000  |
| Cash Flows from Financing Activities                             | (361)            | 984     | 1,765   | (267)   | (224)   | (883)  |
| Cash and Cash Equivalents Acquired on Amalgamation of Subsidiary | —                | —       | —       | —       | 2,000   | —      |
| Cash and Cash Equivalents at Year End                            | 1,924            | 2,163   | 2,558   | 2,096   | 3,055   | 1,657  |

# Six Years' Ratio Analysis

|                                      |                | 2024   | 2023   | 2022   | 2021   | 2020   | 2019   |
|--------------------------------------|----------------|--------|--------|--------|--------|--------|--------|
| <b>Profitability Ratios</b>          |                |        |        |        |        |        |        |
| Gross Profit                         | %              | 10.53  | 13.82  | 17.41  | 17.09  | 15.40  | 19.03  |
| EBITDA Margin to Sales               | %              | 18.12  | 16.24  | 18.22  | 18.99  | 17.18  | 20.63  |
| Net Profit Margin                    | %              | 8.25   | 8.62   | 11.40  | 12.75  | 11.25  | 14.02  |
| Return on Equity                     | %              | 7.01   | 9.29   | 15.63  | 14.57  | 8.93   | 16.93  |
| Return on Capital Employed           | %              | 10.82  | 13.20  | 20.28  | 19.02  | 11.34  | 23.32  |
| <b>Liquidity Ratios</b>              |                |        |        |        |        |        |        |
| Current Ratio                        | times          | 2.98   | 2.70   | 2.70   | 3.24   | 4.22   | 4.82   |
| Quick Ratio                          | times          | 1.94   | 1.46   | 1.32   | 1.76   | 2.36   | 2.59   |
| Cash to Current Liabilities          | times          | 0.19   | 0.14   | 0.33   | 0.40   | 1.00   | 0.64   |
| Cash Flow from Operations to Sales   | times          | 0.08   | 0.05   | 0.06   | 0.07   | 0.13   | 0.02   |
| <b>Activity / Turnover Ratios</b>    |                |        |        |        |        |        |        |
| Inventory Turnover                   | times          | 2.69   | 2.72   | 3.41   | 3.41   | 2.51   | 3.80   |
| Inventory Turnover                   | days           | 135.49 | 134.28 | 107.14 | 107.04 | 145.39 | 96.07  |
| Inventory Turnover - Finished Goods  | times          | 16.19  | 18.75  | 34.00  | 35.98  | 21.61  | 31.71  |
| Inventory Turnover - Finished Goods  | days           | 22.55  | 19.47  | 10.73  | 10.14  | 16.89  | 11.51  |
| Inventory Turnover - Raw Material    | times          | 2.48   | 2.65   | 3.56   | 3.40   | 2.37   | 3.87   |
| Inventory Turnover - Raw Material    | days           | 147.11 | 137.92 | 102.41 | 107.43 | 154.25 | 94.35  |
| Debtors Turnover                     | times          | 6.17   | 8.55   | 12.28  | 11.07  | 7.93   | 13.48  |
| Average Collection Period            | days           | 59.15  | 42.68  | 29.72  | 32.98  | 46.01  | 27.07  |
| Creditors Turnover                   | times          | 9.45   | 7.70   | 27.03  | 19.85  | 16.98  | 28.19  |
| Payable Turnover                     | days           | 38.63  | 47.39  | 13.50  | 18.39  | 21.49  | 12.95  |
| Operating Cycle                      | days           | 156.01 | 129.58 | 123.35 | 121.63 | 169.91 | 110.19 |
| Total Assets Turnover                | times          | 0.62   | 0.77   | 0.99   | 0.93   | 0.69   | 1.06   |
| Fixed Assets Turnover                | times          | 4.17   | 5.13   | 6.49   | 7.13   | 5.04   | 9.87   |
| <b>Investment / Market Ratios</b>    |                |        |        |        |        |        |        |
| Earnings Per Share                   | Rs.            | 27.03  | 33.95  | 52.54  | 42.97  | 23.04  | 38.93  |
| Price Earnings Ratio                 | times          | 17.88  | 4.77   | 5.13   | 9.84   | 14.10  | 9.35   |
| Cash Dividend Per Share              | Rs.            | 8.00   | 8.00   | 7.50   | 10.00  | 5.00   | 8.00   |
| Dividend Yield                       | %              | 1.66   | 4.94   | 2.78   | 2.37   | 1.54   | 2.20   |
| Dividend Payout                      | %              | 29.59  | 23.57  | 14.28  | 23.27  | 21.70  | 20.55  |
| Dividend Cover                       | times          | 3.38   | 4.24   | 7.01   | 4.30   | 4.61   | 4.87   |
| Market Value Per Share - June 30     | Rs.            | 483.34 | 162.00 | 269.62 | 422.78 | 324.94 | 364.06 |
| Market Value Per Share - High        | Rs             | 499.99 | 164.00 | 424.37 | 487.36 | 395.09 | 471.98 |
| Market Value Per Share - Low         | Rs             | 465.10 | 162.00 | 253.46 | 321.92 | 228.37 | 347.85 |
| Market Capitalization                | Rs. in million | 39,165 | 13,127 | 21,847 | 34,258 | 26,330 | 29,500 |
| Breakup Value - Net Assets Per Share | Rs.            | 385.63 | 365.36 | 336.05 | 295.02 | 257.94 | 229.93 |
| <b>Capital Structure Ratios</b>      |                |        |        |        |        |        |        |
| Financial Leverage                   | %              | 36.83  | 40.52  | 38.10  | 23.54  | 15.38  | 13.91  |
| Debt Equity Ratio                    | %              | 13.82  | 14.25  | 10.54  | 1.87   | 1.07   | 0.01   |
| Interest Cover                       | times          | 5.20   | 10.90  | 41.87  | 132.31 | 141.27 | 443.08 |

# Horizontal Analysis

|  | 2024           |             | 2023           |             | 2022           |             | 2021           |             | 2020           |             | 2019           |             |
|--|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|
|  | Rs. in million | 24 vs. 23 % | Rs. in million | 23 vs. 22 % | Rs. in million | 22 vs. 21 % | Rs. in million | 21 vs. 20 % | Rs. in million | 20 vs. 19 % | Rs. in million | 19 vs. 18 % |

(Rs. in million)

|                                    |          |        |          |        |          |         |          |        |          |        |          |        |
|------------------------------------|----------|--------|----------|--------|----------|---------|----------|--------|----------|--------|----------|--------|
| <b>BALANCE SHEET</b>               |          |        |          |        |          |         |          |        |          |        |          |        |
| <b>EQUITY AND LIABILITIES</b>      |          |        |          |        |          |         |          |        |          |        |          |        |
| Equity                             | 31,247   | 5.5%   | 29,605   | 8.7%   | 27,230   | 13.9%   | 23,906   | 14.4%  | 20,901   | 12.2%  | 18,631   | 13.3%  |
| Non-Current Liabilities            | 3,806    | -1.5%  | 3,865    | 43.4%  | 2,696    | 742.5%  | 320      | 92.8%  | 166      | 165.0% | 1        | -50.0% |
| Current Liabilities                | 7,702    | -5.3%  | 8,132    | 5.9%   | 7,679    | 44.7%   | 5,306    | 74.0%  | 3,049    | 17.7%  | 2,590    | 4.6%   |
| Total Equity & Liabilities         | 42,755   | 2.8%   | 41,602   | 10.6%  | 37,605   | 27.3%   | 29,532   | 22.5%  | 24,116   | 13.6%  | 21,222   | 12.2%  |
| <b>ASSETS</b>                      |          |        |          |        |          |         |          |        |          |        |          |        |
| Non-Current Assets                 | 19,789   | 0.6%   | 19,679   | 16.5%  | 16,886   | 36.7%   | 12,354   | 10.0%  | 11,236   | 28.4%  | 8,752    | 18.9%  |
| Current Assets                     | 22,966   | 4.8%   | 21,923   | 5.8%   | 20,719   | 20.6%   | 17,173   | 33.3%  | 12,880   | 3.3%   | 12,470   | 7.9%   |
| Assets Classified As Held For Sale | —        | 0.0%   | —        | 0.0%   | —        | -100.0% | 5        | 100.0% | —        | 0.0%   | —        | —      |
| Total Assets                       | 42,755   | 2.8%   | 41,602   | 10.6%  | 37,605   | 27.3%   | 29,532   | 22.5%  | 24,116   | 13.6%  | 21,222   | 12.2%  |
| <b>PROFIT AND LOSS ACCOUNT</b>     |          |        |          |        |          |         |          |        |          |        |          |        |
| Turnover - net                     | 26,551   | -16.8% | 31,921   | -14.5% | 37,351   | 36.7%   | 27,317   | 64.6%  | 16,600   | -26.2% | 22,499   | 15.9%  |
| Cost of Sales                      | (23,754) | -13.7% | (27,510) | -10.8% | (30,847) | 36.2%   | (22,648) | 61.3%  | (14,045) | -22.9% | (18,217) | 16.5%  |
| Gross Profit                       | 2,797    | -36.6% | 4,411    | -32.2% | 6,504    | 39.3%   | 4,669    | 82.7%  | 2,556    | -40.3% | 4,281    | 13.5%  |
| Distribution Costs                 | (795)    | 1.0%   | (787)    | 7.3%   | (734)    | 34.8%   | (545)    | 56.0%  | (349)    | -7.4%  | (377)    | 15.1%  |
| Administrative Expenses            | (1,243)  | 12.3%  | (1,107)  | 12.3%  | (985)    | 12.3%   | (878)    | 13.5%  | (773)    | 2.6%   | (754)    | -7.4%  |
| Other Income                       | 3,132    | 26.2%  | 2,482    | 35.5%  | 1,832    | 10.9%   | 1,652    | 48.3%  | 1,114    | -27.1% | 1,528    | 5.7%   |
| Other Charges                      | (97)     | -83.3% | (580)    | 6.1%   | (547)    | 87.5%   | (292)    | 84.1%  | (158)    | -52.7% | (335)    | 26.8%  |
| Operating Profit                   | 3,794    | -14.1% | 4,418    | -27.2% | 6,070    | 31.8%   | 4,607    | 92.9%  | 2,389    | -45.0% | 4,344    | 13.9%  |
| Finance Costs                      | (729)    | 79.8%  | (405)    | 179.7% | (145)    | 316.4%  | (35)     | 105.9% | (17)     | 72.4%  | (10)     | 8.9%   |
| Profit Before Taxation             | 3,065    | -23.6% | 4,013    | -32.3% | 5,925    | 29.6%   | 4,572    | 92.8%  | 2,372    | -45.3% | 4,334    | 13.9%  |
| Taxation & Levy                    | (875)    | -30.7% | (1,262)  | -24.3% | (1,668)  | 53.0%   | (1,090)  | 116.0% | (504)    | -57.2% | (1,180)  | 5.5%   |
| Profit After Taxation              | 2,190    | -20.4% | 2,751    | -35.4% | 4,257    | 22.3%   | 3,482    | 86.5%  | 1,867    | -40.8% | 3,154    | 17.4%  |

# Vertical Analysis

|                                    | 2024             | 2023             | 2022             | 2021             | 2020             | 2019             |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|                                    | Rs. in million   | Rs. in million   | Rs. in million   | Rs. in million   | Rs. in million   | Rs. in million   |
|                                    | %                | %                | %                | %                | %                | %                |
|                                    | (Rs. in million) | (Rs. in million) | (Rs. in million) | (Rs. in million) | (Rs. in million) | (Rs. in million) |
| <b>BALANCE SHEET</b>               |                  |                  |                  |                  |                  |                  |
| <b>EQUITY AND LIABILITIES</b>      |                  |                  |                  |                  |                  |                  |
| Equity                             | 31,247           | 29,605           | 27,230           | 23,906           | 20,901           | 18,631           |
| Non-Current Liabilities            | 3,807            | 3,864            | 2,696            | 320              | 166              | 1                |
| Current Liabilities                | 7,701            | 8,133            | 7,679            | 5,306            | 3,049            | 2,590            |
| Total Equity & Liabilities         | 42,755           | 41,602           | 37,605           | 29,532           | 24,116           | 21,222           |
|                                    | 100.0%           | 100.0%           | 100.0%           | 100.0%           | 100.0%           | 100.0%           |
| <b>ASSETS</b>                      |                  |                  |                  |                  |                  |                  |
| Non-Current Assets                 | 19,789           | 19,679           | 16,886           | 12,354           | 11,236           | 8,752            |
| Current Assets                     | 22,966           | 21,923           | 20,719           | 17,173           | 12,880           | 12,470           |
| Assets Classified As Held For Sale | —                | —                | —                | 5                | —                | —                |
| Total Assets                       | 42,755           | 41,602           | 37,605           | 29,532           | 24,116           | 21,222           |
|                                    | 100.0%           | 100.0%           | 100.0%           | 100.0%           | 100.0%           | 100.0%           |
| <b>PROFIT AND LOSS ACCOUNT</b>     |                  |                  |                  |                  |                  |                  |
| Turnover - net                     | 26,551           | 31,921           | 37,351           | 27,317           | 16,600           | 22,499           |
| Cost of Sales                      | (23,754)         | (27,510)         | (30,847)         | (22,648)         | (14,045)         | (18,217)         |
| Gross Profit                       | 2,797            | 4,411            | 6,504            | 4,669            | 2,556            | 4,281            |
| Distribution Costs                 | (795)            | (787)            | (734)            | (545)            | (349)            | (377)            |
| Administrative Expenses            | (1,243)          | (1,107)          | (985)            | (878)            | (773)            | (754)            |
| Other Income                       | 3,132            | 2,482            | 1,832            | 1,652            | 1,114            | 1,528            |
| Other Charges                      | (97)             | (580)            | (547)            | (292)            | (158)            | (335)            |
| Operating Profit                   | 3,794            | 4,418            | 6,070            | 4,607            | 2,389            | 4,344            |
| Finance Costs                      | (729)            | (405)            | (145)            | (35)             | (17)             | (10)             |
| Profit Before Taxation             | 3,065            | 4,012            | 5,925            | 4,572            | 2,372            | 4,335            |
| Taxation                           | (875)            | (1,262)          | (1,668)          | (1,090)          | (504)            | (1,180)          |
| Profit After Taxation              | 2,190            | 2,751            | 4,257            | 3,482            | 1,867            | 3,155            |
|                                    | 8.2%             | 8.6%             | 11.4%            | 12.7%            | 11.2%            | 14.0%            |

# Statement of Value Addition

| WEALTH GENERATED                                    | 2024       |         | 2023       |         |
|-----------------------------------------------------|------------|---------|------------|---------|
|                                                     | Rs. 000    | %       | Rs. 000    | %       |
| Gross                                               | 30,792,039 | 90.77%  | 37,040,646 | 93.72%  |
| Other Income                                        | 3,132,432  | 9.23%   | 2,481,546  | 6.28%   |
|                                                     | 33,924,471 | 100.00% | 39,522,192 | 100.00% |
| Bought in Material, Services and Other Expenses     | 19,882,126 | 58.61%  | 23,329,007 | 59.03%  |
|                                                     | 14,042,345 | 41.39%  | 16,193,185 | 40.97%  |
| <b>WEALTH DISTRIBUTED</b>                           |            |         |            |         |
| <b>Employees</b>                                    |            |         |            |         |
| Salaries, Wages & Other Benefits and WPPF           | 3,730,673  | 26.57%  | 3,642,165  | 22.49%  |
| <b>Society</b>                                      |            |         |            |         |
| Donations towards Education, Health and Environment | 40,124     | 0.29%   | 59,455     | 0.37%   |
| <b>Providers of Finance</b>                         |            |         |            |         |
| Finance Costs                                       | 729,415    | 5.19%   | 405,451    | 2.50%   |
| <b>Government</b>                                   |            |         |            |         |
| Contribution to National Exchequer                  | 6,335,362  | 45.12%  | 8,519,229  | 52.61%  |
| <b>Shareholders</b>                                 |            |         |            |         |
| Dividend                                            | 688,755    | 4.90%   | 648,240    | 4.00%   |
| Retained within the Business for Future Growth      | 2,518,016  | 17.93%  | 2,918,645  | 18.03%  |
|                                                     | 14,042,345 | 100.00% | 16,193,185 | 100.00% |

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# Financial Statements

As at une 30 2024



## INDEPENDENT AUDITOR'S REPORT

To the members of Thal Limited

Report on the Audit of the Unconsolidated Financial Statements

### Opinion

We have audited the annexed unconsolidated financial statements of Thal Limited (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2024, and the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 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.

Following are the Key audit matters:

| S.No. | Key audit matter                                                                                                                                                                                                                                         | How the matter was addressed in our audit                                                                                                                                                                                                      |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1     | <b>Revenue from contracts with customers</b><br>(Refer notes 6.23 and 32 of the annexed unconsolidated financial statements)                                                                                                                             |                                                                                                                                                                                                                                                |
|       | Revenue from contracts with customers for the year ended June 30, 2024, amounted to Rs. 26,550 million. The Company earns revenue from multiple business lines which operate as distinct business units with significant volume of revenue transactions. | Our audit procedures, amongst others, included the following: <ul style="list-style-type: none"> <li>Obtained understanding and evaluated the accounting policies and the Company's procedures with respect to revenue recognition;</li> </ul> |



| S.No. | Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       | <p>Revenue is recognised when the Company satisfies performance obligations as specified in the contracts with the customers.</p> <p>We considered revenue as a key audit matter, being one of the Company's key performance indicators of the Company. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.</p>                                                                                                                                                                             | <ul style="list-style-type: none"> <li>Evaluated the design and tested the operating effectiveness of key internal controls involved in revenue recognition;</li> <li>Reviewed contracts with customers for each business segment to obtain an understanding of the terms particularly relating to timing and transfer of control of the products and assessed the appropriateness of revenue recognition policies and practices followed by the Company;</li> <li>Tested on a sample basis, specific revenue transactions by inspecting underlying documentation including dispatch documents and sales invoices;</li> <li>Performed analytical procedures over revenue transactions to identify trends and any unusual change in revenue for each segment;</li> <li>Tested specific revenue transactions on a sample basis recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period; and</li> <li>Assessed the related disclosures made in the annexed unconsolidated financial statements in accordance with the requirements of the applicable financial reporting framework.</li> </ul> |
| 2     | <p><b>Capital expenditure</b><br/>(Refer notes 6.1 and 7 of the annexed unconsolidated financial statements)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|       | <p>During the year, the Company has incurred significant amount of capital expenditure on account of modification in the existing lines and import of jigs and moulds for product development.</p> <p>Capital expenditures incurred during the year constitute a substantial transaction and require significant judgment regarding the capitalisation of eligible cost components in accordance with the relevant reporting standards.</p> <p>Accordingly, we have identified capital expenditure and related transfers as a key audit matter.</p> | <p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the Company's process with respect to capital expenditure;</li> <li>Assessed, on a sample basis, costs capitalised during the year by comparing the costs capitalised with the relevant underlying documentation, which included purchase agreements and invoices;</li> <li>Assessed whether the components of costs capitalised meet the recognition criteria of an asset, in accordance with the applicable financial reporting framework;</li> <li>Checked on a sample basis the date of transferring capital work-in-progress to operating fixed assets by examining the completion certificates, on a sample basis; and</li> <li>Assessed the related disclosures made in the annexed unconsolidated financial statements in accordance with the requirements of the applicable financial reporting framework.</li> </ul>                                                                                                                                                                                                       |

### 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 or 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 scepticism 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, 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.

#### **Other Matter**

The unconsolidated financial statements of the Company for the year ended June 30, 2023 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon, vide their report dated September 25, 2023.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar**.



A. F. Ferguson & Co.  
Chartered Accountants  
Karachi  
Dated: September 25, 2024  
UDIN: AR202410068meNgxflaX



# Unconsolidated Statement of Financial Position

## As at June 30, 2024

|                                                                 | Note | 2024              | 2023              |
|-----------------------------------------------------------------|------|-------------------|-------------------|
| ----- (Rupees in '000) -----                                    |      |                   |                   |
| <b>ASSETS</b>                                                   |      |                   |                   |
| <b>NON-CURRENT ASSETS</b>                                       |      |                   |                   |
| Property, plant and equipment                                   | 7    | 6,119,445         | 6,135,696         |
| Intangible assets                                               | 8    | 252,199           | 88,591            |
| Investment property                                             | 9    | 972               | 976               |
| Long-term investments                                           | 10   | 13,081,737        | 12,881,576        |
| Long-term deposits and advances                                 | 11   | 31,321            | 280,637           |
| Deferred tax asset                                              | 12   | 302,917           | 291,500           |
|                                                                 |      | <u>19,788,591</u> | <u>19,678,976</u> |
| <b>CURRENT ASSETS</b>                                           |      |                   |                   |
| Stores, spares and loose tools                                  | 13   | 221,519           | 196,753           |
| Stock-in-trade                                                  | 14   | 7,772,559         | 9,862,917         |
| Trade debts                                                     | 15   | 4,969,103         | 3,635,820         |
| Loans and advances                                              | 16   | 162,431           | 313,067           |
| Trade deposits and short-term prepayments                       | 17   | 144,692           | 1,468,741         |
| Interest accrued                                                |      | 21,024            | 23,352            |
| Other receivables                                               | 18   | 939,418           | 814,800           |
| Short-term investments                                          | 19   | 7,288,577         | 4,202,547         |
| Sales tax refundable - net                                      |      | —                 | 252,699           |
| Cash and bank balances                                          | 20   | 1,447,121         | 1,151,888         |
|                                                                 |      | <u>22,966,444</u> | <u>21,922,584</u> |
| <b>TOTAL ASSETS</b>                                             |      | <u>42,755,035</u> | <u>41,601,560</u> |
| <b>EQUITY AND LIABILITIES</b>                                   |      |                   |                   |
| <b>SHARE CAPITAL AND RESERVES</b>                               |      |                   |                   |
| Authorised capital                                              |      |                   |                   |
| 200,000,000 (2023: 200,000,000) ordinary shares of Rs. 5/- each | 21   | 1,000,000         | 1,000,000         |
| Issued, subscribed and paid-up capital                          | 21   | 405,150           | 405,150           |
| Reserves                                                        | 22   | 30,842,114        | 29,200,280        |
|                                                                 |      | <u>31,247,264</u> | <u>29,605,430</u> |
| <b>NON-CURRENT LIABILITIES</b>                                  |      |                   |                   |
| Long-term deposits and payables                                 | 23   | 10,513            | 10,513            |
| Long-term borrowings                                            | 24   | 3,568,823         | 3,533,138         |
| Lease liabilities                                               | 25   | 24,809            | 54,652            |
| Deferred income                                                 | 26   | 202,323           | 266,151           |
|                                                                 |      | <u>3,806,468</u>  | <u>3,864,454</u>  |
| <b>CURRENT LIABILITIES</b>                                      |      |                   |                   |
| Trade and other payables                                        | 27   | 4,814,297         | 5,458,543         |
| Warranty obligations                                            | 28   | 921,900           | 857,171           |
| Accrued mark-up                                                 |      | 95,290            | 75,661            |
| Unclaimed dividend                                              |      | 107,990           | 103,451           |
| Unpaid dividend                                                 |      | 23,137            | 23,531            |
| Current portion of long-term borrowing                          | 24   | 417,041           | 256,582           |
| Current portion of lease liabilities                            | 25   | 29,996            | 25,158            |
| Current portion of deferred income                              | 26   | 63,487            | 72,119            |
| Short-term borrowings                                           | 29   | 780,000           | 555,000           |
| Income tax - net                                                | 30   | 446,812           | 704,460           |
| Sales tax payable - net                                         |      | 1,353             | —                 |
|                                                                 |      | <u>7,701,303</u>  | <u>8,131,676</u>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                             |      | <u>42,755,035</u> | <u>41,601,560</u> |

### CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 55 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 30, 2024

|                                               | Note | 2024<br>----- (Rupees in '000) ----- | 2023<br>----- (Rupees in '000) -----<br>Restated |
|-----------------------------------------------|------|--------------------------------------|--------------------------------------------------|
| Revenue from contracts with customers         | 32   | 26,550,600                           | 31,920,690                                       |
| Cost of sales                                 | 33   | (23,754,145)                         | (27,510,072)                                     |
| <b>Gross profit</b>                           |      | <b>2,796,455</b>                     | <b>4,410,618</b>                                 |
| Distribution and selling expenses             | 34   | (794,545)                            | (787,458)                                        |
| Administrative expenses                       | 35   | (1,243,333)                          | (1,107,018)                                      |
| Other charges                                 | 36   | (96,673)                             | (596,161)                                        |
|                                               |      | (2,134,551)                          | (2,490,637)                                      |
| Other income                                  | 37   | 3,132,432                            | 2,497,901                                        |
| <b>Operating profit</b>                       |      | <b>3,794,336</b>                     | <b>4,417,882</b>                                 |
| Finance costs                                 | 38   | (729,414)                            | (405,451)                                        |
| <b>Profit before taxation and levy</b>        |      | <b>3,064,922</b>                     | <b>4,012,431</b>                                 |
| Levy                                          | 39   | (445,515)                            | (87,660)                                         |
| <b>Profit before taxation</b>                 |      | <b>2,619,407</b>                     | <b>3,924,771</b>                                 |
| Taxation                                      | 39   | (428,979)                            | (1,174,012)                                      |
| <b>Profit for the year</b>                    |      | <b>2,190,428</b>                     | <b>2,750,759</b>                                 |
|                                               |      | ----- (Rupees in '000) -----         |                                                  |
| <b>Earnings per share - basic and diluted</b> | 40   | <b>27.03</b>                         | <b>33.95</b>                                     |

The annexed notes 1 to 55 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 30, 2024

|                                                                                                                   | Note | 2024<br>----- (Rupees in '000) ----- | 2023             |
|-------------------------------------------------------------------------------------------------------------------|------|--------------------------------------|------------------|
| <b>Profit for the year</b>                                                                                        |      | 2,190,428                            | 2,750,759        |
| <b>Other comprehensive income / (loss)</b>                                                                        |      |                                      |                  |
| <b>Item that will not be reclassified to consolidated statement of profit or loss in subsequent periods</b>       |      |                                      |                  |
| Gain / (loss) on long-term equity investments classified at fair value through other comprehensive income (FVOCI) | 10.4 | 140,161                              | (51,034)         |
| <b>Total comprehensive income for the year</b>                                                                    |      | <u>2,330,589</u>                     | <u>2,699,725</u> |

The annexed notes 1 to 55 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# Unconsolidated Statement of Changes in Equity

## For the year ended June 30, 2024

|                                                                                | Reserves                                        |                     |                     |                            |                                                                                                  |              |
|--------------------------------------------------------------------------------|-------------------------------------------------|---------------------|---------------------|----------------------------|--------------------------------------------------------------------------------------------------|--------------|
|                                                                                | Issued,<br>subscribed<br>and paid-up<br>capital | Capital<br>reserves | General<br>reserves | Unappropri-<br>ated profit | Remeasure-<br>ment of<br>investment at<br>fair value<br>through other<br>comprehensive<br>income | Total equity |
|                                                                                | (Rupees in '000)                                |                     |                     |                            |                                                                                                  |              |
| Balance as at July 01, 2022                                                    | 405,150                                         | 1,006,915           | 21,739,000          | 3,875,077                  | 203,685                                                                                          | 27,229,827   |
| Transfer to general reserve                                                    | —                                               | —                   | 3,649,500           | (3,649,500)                | —                                                                                                | —            |
| <b>Transactions with owners</b>                                                |                                                 |                     |                     |                            |                                                                                                  |              |
| Final dividend @ Rs. 2.50/-<br>per share for the year ended<br>June 30, 2022   | —                                               | —                   | —                   | (202,576)                  | —                                                                                                | (202,576)    |
| Interim dividend @ Rs. 1.50/-<br>per share for the year ended<br>June 30, 2023 | —                                               | —                   | —                   | (121,546)                  | —                                                                                                | (121,546)    |
|                                                                                | —                                               | —                   | —                   | (324,122)                  | —                                                                                                | (324,122)    |
| Profit for the year                                                            | —                                               | —                   | —                   | 2,750,759                  | —                                                                                                | 2,750,759    |
| Other comprehensive loss                                                       | —                                               | —                   | —                   | —                          | (51,034)                                                                                         | (51,034)     |
| Total comprehensive income<br>for the year                                     | —                                               | —                   | —                   | 2,750,759                  | (51,034)                                                                                         | 2,699,725    |
| <b>Balance as at June 30, 2023</b>                                             | 405,150                                         | 1,006,915           | 25,388,500          | 2,652,214                  | 152,651                                                                                          | 29,605,430   |
| Transfer to general reserve                                                    | —                                               | —                   | 2,000,000           | (2,000,000)                | —                                                                                                | —            |
| <b>Transactions with owners</b>                                                |                                                 |                     |                     |                            |                                                                                                  |              |
| Final dividend @ Rs. 6.50/-<br>per share for the year ended<br>June 30, 2023   | —                                               | —                   | —                   | (526,695)                  | —                                                                                                | (526,695)    |
| Interim dividend @ Rs. 2.00/-<br>per share for the year ended<br>June 30, 2024 | —                                               | —                   | —                   | (162,060)                  | —                                                                                                | (162,060)    |
|                                                                                | —                                               | —                   | —                   | (688,755)                  | —                                                                                                | (688,755)    |
| Profit for the year                                                            | —                                               | —                   | —                   | 2,190,428                  | —                                                                                                | 2,190,428    |
| Other comprehensive income                                                     | —                                               | —                   | —                   | —                          | 140,161                                                                                          | 140,161      |
| Total comprehensive income<br>for the year                                     | —                                               | —                   | —                   | 2,190,428                  | 140,161                                                                                          | 2,330,589    |
| <b>Balance as at June 30, 2024</b>                                             | 405,150                                         | 1,006,915           | 27,388,500          | 2,153,887                  | 292,812                                                                                          | 31,247,264   |

The annexed notes 1 to 55 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 30, 2024

|                                                                       | Note | 2024<br>----- (Rupees in '000) ----- | 2023<br>Restated |
|-----------------------------------------------------------------------|------|--------------------------------------|------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                           |      |                                      |                  |
| <b>Cash generated from operations</b>                                 | 41   | 3,576,469                            | 3,310,060        |
| Finance costs paid                                                    |      | (709,785)                            | (354,072)        |
| Retirement benefits paid                                              |      | (9,890)                              | (8,795)          |
| Income taxes paid                                                     |      | (698,045)                            | (1,396,697)      |
| Levies paid                                                           |      | (129,567)                            | (58,218)         |
| Long-term deposits - net                                              |      | 4,479                                | (5,069)          |
| <b>Net cash generated from operating activities</b>                   |      | 2,033,661                            | 1,487,209        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                           |      |                                      |                  |
| Additions to property, plant and equipment                            |      | (1,000,529)                          | (1,228,116)      |
| Additions to intangible assets                                        |      | (232,924)                            | (62,657)         |
| Proceeds from disposal of operating fixed assets                      |      | 38,383                               | 80,163           |
| Long-term advances                                                    |      | 244,837                              | (244,837)        |
| Long-term investments                                                 |      | (60,000)                             | (2,023,870)      |
| Short-term investments - net                                          |      | (3,254,377)                          | (1,785,152)      |
| Long-term loans (issued) / repaid by subsidiaries - net               |      | (10,000)                             | 314,432          |
| Dividend income                                                       |      | 2,252,002                            | 1,912,060        |
| Interest income                                                       |      | 110,653                              | 172,647          |
| <b>Net cash used in investing activities</b>                          |      | (1,911,955)                          | (2,865,330)      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                           |      |                                      |                  |
| Principal portion of lease rentals                                    |      | (25,005)                             | (20,774)         |
| Short-term borrowings obtained / (repaid)                             |      | 225,000                              | (42,080)         |
| SBP's Refinance Facility for Salaries and Wages repaid - net          |      | —                                    | (74,678)         |
| SBP's Temporary Economic Refinance Facility repaid                    |      | (144,060)                            | —                |
| SBP's Financing Scheme for Renewable Energy (repaid) / obtained - net |      | (12,235)                             | (7,220)          |
| Long-term loans obtained                                              |      | 279,979                              | 1,451,770        |
| Dividends paid                                                        |      | (684,610)                            | (323,030)        |
| <b>Net cash (used in) / generated from financing activities</b>       |      | (360,931)                            | 983,988          |
| <b>Net decrease in cash and cash equivalents</b>                      |      | (239,225)                            | (394,133)        |
| Cash and cash equivalents at the beginning of the year                |      | 2,163,495                            | 2,557,628        |
| <b>Cash and cash equivalents at the end of the year</b>               | 42   | 1,924,270                            | 2,163,495        |

The annexed notes 1 to 55 form an integral part of these unconsolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# Notes to an forming part of the nconsoli ate Financial Statements For the year en e une 30 2024

## 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Thal Limited (the Company) was incorporated on January 31, 1966 as a public company limited by shares and is listed on the Pakistan Stock Exchange Limited.

The Company is engaged in the manufacture of engineering goods, jute goods, packaging and laminate sheets.

## 1.2 Geographical location and address of business units

### Head Office:

The registered office of the Company is situated at 4<sup>th</sup> Floor, House of Habib, 3-Jinnah Cooperative Housing Society, Block 7/8, Shahrah-e-Faisal, Karachi.

### Plants:

- Engineering operations are located at Korangi and Port Qasim, Karachi, Sindh.
- Jute operations are located at Muzaffargarh, Punjab.
- Packaging operations are located at Hub, Balochistan and Gadoon, Khyber Pakhtunkhwa.
- Laminates operations are located at Hub, Balochistan.

- 1.3 These unconsolidated financial statements are the separate financial statements of the Company in which investments in subsidiaries and associates are accounted for at cost less accumulated impairment losses, if any, and are not consolidated or accounted for by using the equity method of accounting.

## 2. STATEMENT OF COMPLIANCE

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

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

Where provisions of and directives issued under the Act differ from the IFRSs, the provision of and directives issued under the Act have been followed.

## 3. BASIS OF MEASUREMENT

- 3.1 These unconsolidated financial statements have been prepared under the historical cost convention, except for investments in shares of listed companies, mutual funds, government securities which are measured at fair value.
- 3.2 The unconsolidated financial statements are presented in Pakistani rupees, which is also the Company's functional currency.

## 4. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO ACCOUNTING AND REPORTING STANDARDS

- 4.1 Amendments to accounting and reporting standards and interpretation / guidance which became effective during the year ended June 30, 2024:

There were certain amendments that became applicable for the Company during the year but are not considered to be relevant or did not have any significant effect on the Company's operations and have, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 Presentation of Financial Statements have become applicable to the Company which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). In accordance with the Guidance, the Company has changed its accounting policy to recognise minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognised as 'Income tax'.

The Company has accounted for the effects of this change in accounting policy retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been restated in these unconsolidated financial statements. The effects of restatements are as follows:

| Had there<br>been no<br>change in<br>accounting<br>policy | Impact of<br>change in<br>accounting<br>policy | After<br>incorporating<br>effects of<br>change in<br>accounting<br>policy |
|-----------------------------------------------------------|------------------------------------------------|---------------------------------------------------------------------------|
| -----                                                     | (Rupees in '000)                               | -----                                                                     |

#### Effect on statement of profit or loss

##### For the year ended June 30, 2024

Tax on export sales, dividends on investments in mutual funds and minimum tax classified as levy

Profit before tax

Taxation

Profit after tax

|           |           |           |
|-----------|-----------|-----------|
| –         | 445,515   | 445,515   |
| 3,064,922 | (445,515) | 2,619,407 |
| (874,494) | 445,515   | (428,979) |
| 2,190,428 | –         | 2,190,428 |

##### For the year ended June 30, 2023

Tax on export sales and dividends on investments in mutual funds classified as levy

Profit before tax

Taxation

Profit after tax

|             |          |             |
|-------------|----------|-------------|
| –           | 87,660   | 87,660      |
| 4,012,431   | (87,660) | 3,924,771   |
| (1,261,672) | 87,660   | (1,174,012) |
| 2,750,759   | –        | 2,750,759   |

The related changes to the statement of financial position and the statement of cash flows with respect to the amount of profit before taxation have been made as well. There is no impact on profit after tax and earnings per share, basic and diluted.

#### 4.2 Standards, interpretations and amendments to accounting and reporting standards that are not yet effective and not early adopted by the Company:

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Company for its annual periods beginning on or after July 01, 2024. However, these are not considered to be relevant or will not have any material effect on the Company's unconsolidated financial statements except for:

| Amendments        |                                                                                                                          | Effective date<br>(annual periods<br>beginning on or after) |
|-------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| IAS 1             | Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1 | January 01, 2024                                            |
| IAS 7 and IFRS 7  | Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7                                              | January 01, 2024                                            |
| IFRS 18           | Presentation and Disclosure in Financial Statements                                                                      | January 01, 2027                                            |
| IFRS 9 and IFRS 7 | Classification and Measurement of Financial Instruments                                                                  | January 01, 2026                                            |

#### 5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these unconsolidated financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amount of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are 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.

The estimates, assumptions and judgements made by the management that are significant to these unconsolidated financial statements are as follows:

|                                                                                                                                            | Notes             |
|--------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| a. capitalization of new assets, determining the residual values and useful lives of property, plant and equipment and investment property | 6.1, 6.3, 7 & 9   |
| b. determining the residual values and useful lives of intangibles assets                                                                  | 6.2 & 8           |
| c. impairment of financial and non-financial assets                                                                                        | 6.21              |
| d. net realizable value estimation for inventories                                                                                         | 6.5, 6.6, 13 & 14 |
| e. allowance for expected credit losses                                                                                                    | 6.7, 6.21 & 15    |
| f. provision(s) and warranty obligation                                                                                                    | 6.12 & 28         |
| g. contingencies                                                                                                                           | 6.18 & 31         |
| h. determining the lease term of contracts with renewal and termination options                                                            | 6.17.3 & 25       |
| i. leases - estimating the incremental borrowing rate                                                                                      | 6.17.4 & 25       |
| j. provision(s) for current tax, levy and recognition of deferred tax asset                                                                | 12, 30, 6.4 & 39  |



## **6. MATERIAL ACCOUNTING POLICY INFORMATION**

### **6.1 Property, plant and equipment**

#### **6.1.1 Operating fixed assets**

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is stated at cost less impairment loss, if any.

Depreciation is charged to the unconsolidated statement of profit or loss applying the straight line method at the rates stated in note 7 to these unconsolidated financial statements. Depreciation on additions is charged from the month asset is available for use and in case of deletion, up to the month preceding the month of disposal.

Maintenance and normal repairs are charged to unconsolidated statement of profit or loss as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

An item of operating fixed assets and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the unconsolidated statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of operating fixed assets are reviewed at each reporting date and adjusted prospectively, if appropriate.

#### **6.1.2 Right-of-use assets**

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

#### **6.1.3 Capital work-in-progress**

All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when assets are available for use.

### **6.2 Intangible assets**

These are stated at cost less accumulated amortization and accumulated impairment losses, if any.

Costs in relation to intangible assets are only capitalized when it is probable that future economic benefits attributable to those asset will flow to the Company and the same is amortized applying the straight line method at the rates stated in note 8 to these unconsolidated financial statements.

### **6.3 Investment property**

Investment property is stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on investment properties is charged to the unconsolidated statement of profit or loss applying the reducing balance method at the rate stated in note 9 to the unconsolidated financial statements. Depreciation on additions is charged from the month of addition and in case of deletion, upto the month preceding the month of disposal.

Maintenance and normal repairs are charged to unconsolidated statement of profit or loss as and when incurred while major repairs and renewals are capitalised. Any gains or losses on disposal of an investment property are recognised in profit or loss in the year of disposal. The carrying values of investment properties are reviewed at each financial year end for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, and where the carrying values exceed the estimated recoverable amount, the investment properties are written down to their recoverable amount.

## **6.4 Taxation - Levy and Income tax**

### **6.4.1 Levy**

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these unconsolidated financial statements.

#### **Income Tax**

The tax expense for the year comprises of current and deferred tax. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income (OCI) or directly in equity. In which case, the tax is also recognised in OCI or directly in equity.

#### **– Current**

Provision for current taxation is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Current tax assets and tax liabilities are offset where the Company has the legally enforceable right to offset and intends either to settle on net basis or to realise the asset and settle the liability simultaneously.

#### **– Deferred**

Deferred tax is recognised using the balance sheet liability method, providing for all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. 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 offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

## **6.5 Stores, spares and loose tools**

These are valued at lower of cost, determined using weighted average method, and net realisable value, less provision for obsolete items (if any). Items in transit are valued at cost comprising purchase price, freight value and other charges incurred thereon. Provision is made for items which are obsolete and slow moving and is determined based on management estimate regarding their future usability.

## **6.6 Stock-in-trade**

Stock-in-trade, except goods-in-transit, is valued at the lower of weighted average cost or net realisable value. The cost is determined as follows:

|                                  |                                               |
|----------------------------------|-----------------------------------------------|
| Raw and packing materials        | Purchase cost.                                |
| Work-in-process & finished goods | Cost of materials, labour cost and overheads. |

Goods-in-transit are valued at cost comprising purchase price, freight value and other charges incurred thereon.

Net realisable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provision is made for items which are obsolete and slow moving and is determined based on management estimate regarding their future usability.

#### **6.7 Trade debts and other receivables**

These are recognized and carried at original invoice amount being the fair value and subsequently measured at amortised cost. Allowance is made on the basis of lifetime Expected Credit Loss (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.

Exchange gains or losses arising in respect of trade debts and other receivables in foreign currency are added to their respective carrying amounts.

#### **6.8 Loans, advances, deposits and short term prepayments (other than financial assets)**

These are initially recognised at cost, which is the fair value of the consideration given. Subsequent to initial recognition, assessment is made at each statement of financial position date to determine whether there is an indication that a financial asset or group of assets may be impaired. If such indication exists, the estimated recoverable amount of that asset or group of assets is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

#### **6.9 Cash and cash equivalents**

For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand, bank balances and short-term investments with a maturity of three months or less from the date of acquisition net of bank overdraft/running finance facility that are deemed integral to the Company's cash management. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

#### **6.10 Share capital**

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### **6.11 Trade and other payables**

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

Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

#### **6.12 Provisions**

##### **6.12.1 General**

Provisions are recognised in the unconsolidated statement of financial position where the Company has a legal or constructive obligation as a result of past event, it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

##### **6.12.2 Warranty obligations**

The Company recognizes the estimated liability on accrual basis to repair or replace products under warranty at the reporting date. These are recognised when the product is sold or service is provided to the customer.

Initial recognition is based on historical experience and estimate of probability weighted expected outcome. The estimates of warranty-related costs is reviewed annually and adjusted, if required.

### **6.13 Staff retirement benefits - defined contribution plan**

#### **6.13.1 Provident fund**

The Company operates an approved provident fund scheme for its permanent employees. Equal monthly contributions are made to the fund by the Company and the employees in accordance with the rules of the scheme. The Company has no further obligation once the contributions have been paid. The contributions made by the Company are recognised as employee benefit expense when they are due.

#### **6.13.2 Retirement benefit fund**

The Company operates an approved funded scheme for retirement benefits for all employees on the basis of defined contribution made by the Company on attaining the retirement age or in the event of death, with a minimum qualifying period of ten years which is managed by a Trust.

### **6.14 Contract liabilities**

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

### **6.15 Unclaimed dividend**

This is recognised at the amount of dividend declared and unclaimed by shareholders from the date it became due and payable.

### **6.16 Unpaid dividend**

This is recognised at the amount of dividend declared and claimed by shareholders but remained unpaid for the period of 3 years from the date it became due and payable.

### **6.17 Leases**

The Company assesses at contract inception whether a contract is, or contains, 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.

#### **6.17.1 Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **6.17.2 Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less lease incentives receivable (if any), variable lease payments that depend on an index or a rate (if any), and amounts expected to be paid under residual value guarantees (if any). The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company (if any) and payments of penalties for terminating the lease (if any), if the termination option is reasonably certain to be exercised. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments at the lease commencement date, the Company uses the interest rate implicit in the lease. In case where the interest rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate. After the commencement

date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

#### **6.17.3 Determination of the lease term for lease contracts with extension and termination options**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g. construction of significant leasehold improvements or significant customisation of the leased asset).

#### **6.17.4 Estimating the incremental borrowing rate.**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

#### **6.18 Contingent liabilities**

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

#### **6.19 Financial assets**

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVPL, transaction costs that are directly attributable to its acquisition.

##### **6.19.1 Classification and measurement**

Under IFRS 9 Financial assets are classified, at initial recognition, as subsequently measured at the following:

- a. at amortised cost;
- b. at fair value through other comprehensive income (FVOCI); and
- c. at fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them.

##### **a. At amortised cost**

A financial asset is measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

**b. At fair value through other comprehensive income**

A debt instrument is measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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.

Debt instruments that are initially recognised at fair value through OCI are subsequently measured at fair value. Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the unconsolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. The Company has irrevocably elected to carry its quoted investments in equity instruments under this category.

Equity instruments that are initially recognised at fair value through OCI are subsequently measured at fair value. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the unconsolidated statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

**c. At fair value through profit or loss**

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

**6.19.2 Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor



transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## **6.20 Financial liabilities**

### **6.20.1 Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **6.20.1.1 Subsequent measurement**

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

### **6.20.2 Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 is satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

### **6.20.3 Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

### **6.20.4 Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

### **6.20.5 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **6.21 Impairment of financial and non financial assets**

### **6.21.1 Impairment of financial assets**

The impairment model under IFRS 9 applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

At each reporting date, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset.

The Company uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment. The Company considers a financial asset in default when contractual payments are 90 days past due.

### **6.21.2 Impairment of non-financial assets**

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in unconsolidated statement of profit or loss and other comprehensive income. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flow have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised previously. Reversal of an impairment loss is recognised immediately in unconsolidated statement of comprehensive income.

## **6.22 Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by 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 (if any).

## **6.23 Revenue recognition**

Revenue is recognised at amounts that reflect the consideration that the Company expects to be entitled to in exchange for transferring goods to a customer. Revenue is measured at the fair value of the consideration received or receivable, and is recognised at a point in time when control of goods have passed to the customer either on the dispatch / acceptance of goods for local sales or on the issuance of bill of lading in case of export sales. The normal credit period ranges between 30 to 90 days.

## 6.24 Other income

Other income is recognised to the extent it is probable that the economic benefits will flow to the Company and amount can be measured reliably. Other income is measured at the fair value of the consideration received or receivable and is recognised on the following basis:

- Dividend income is recognised when the right to receive the dividend is established;
- Interest on Term Deposit Receipts are recognised on constant rate of return to maturity;
- Interest on deposit accounts is recognised on accrual basis;
- Interest on loan is recognised on accrual basis;
- Capital gain on treasury bill is recognized as the difference between sales proceeds and carrying value at the time of disposal;
- Rental income arising from investment property is accounted for on a straight-line basis over the lease term;
- Scrap sales are recognised on an accrual basis;
- Claim from customers is recognised as income when the claim is accepted by customer;
- Service income is recognised on a straight line basis over the period that the services are rendered; and
- Gain on disposal of property, plant and equipment is recognised at the difference between sales proceeds and carrying value when the relevant item of property, plant and equipment is disposed off.

## 6.25 Foreign currency transactions

Foreign currency transactions are translated into Pakistani rupee at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at the exchange rates prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined. Exchange gains or losses are included in unconsolidated statement of profit or loss of the current period.

## 6.26 Deferred income

Benefit of a loan at a below-market rate of interest is recognised as deferred income. Deferred income is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

## 6.27 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Executive of the Company.

## 6.28 Dividend and appropriation to reserves

Dividend declared and appropriations to reserves are recognised in these unconsolidated financial statements in the period in which they are approved.

|                                         | Note | 2024                         | 2023             |
|-----------------------------------------|------|------------------------------|------------------|
|                                         |      | ----- (Rupees in '000) ----- |                  |
| <b>7. PROPERTY, PLANT AND EQUIPMENT</b> |      |                              |                  |
| Operating fixed assets                  | 7.1  | 5,943,372                    | 5,465,346        |
| Capital work-in-progress                | 7.3  | 176,073                      | 670,350          |
|                                         |      | <u>6,119,445</u>             | <u>6,135,696</u> |

## 7.1 Operating fixed assets

|                                      | Additions / Transfers (note 7.1.1) |           |                     |                  | Depreciation rate | Charge for the year (note 7.2) |          | As at June 30, 2024 | As at June 30, 2024 |
|--------------------------------------|------------------------------------|-----------|---------------------|------------------|-------------------|--------------------------------|----------|---------------------|---------------------|
|                                      | As at July 01, 2023                | Disposals | As at July 30, 2024 | On disposals     |                   |                                |          |                     |                     |
|                                      | (Rupees in '000)                   |           |                     | (Rupees in '000) |                   |                                |          |                     |                     |
|                                      |                                    |           |                     | %                |                   |                                |          |                     |                     |
| Freehold land                        | 4,362                              | -         | 4,362               | -                | -                 | -                              | -        | -                   | 4,362               |
| Right of use asset - lands           | 15,661                             | -         | 15,661              | 1-5              | 1,997             | 489                            | -        | 2,486               | 13,175              |
| Right of use asset - office premises | 132,145                            | -         | 132,145             | 20               | 66,173            | 23,693                         | -        | 89,866              | 42,279              |
| Factory building                     | 1,649,092                          | 16,921    | 1,666,013           | 5-20             | 413,402           | 71,489                         | -        | 484,891             | 1,181,122           |
| Non factory building                 | 141,696                            | 419       | 142,115             | 5-20             | 56,146            | 6,090                          | -        | 62,236              | 79,879              |
| Railway sliding                      | 4,216                              | -         | 4,216               | 5                | 1,484             | 161                            | -        | 1,645               | 2,571               |
| Plant and machinery                  | 5,372,223                          | 672,434   | 6,031,157           | 5-25             | 2,419,227         | 439,968                        | (13,410) | 2,845,785           | 3,185,372           |
| Furniture and fittings               | 46,178                             | 35,052    | 80,252              | 10-33            | 36,059            | 8,368                          | (978)    | 43,449              | 36,803              |
| Vehicles                             | 344,048                            | 48,224    | 365,932             | 20               | 92,543            | 38,677                         | (10,114) | 121,106             | 244,826             |
| Office and mills equipment           | 680,875                            | 31,158    | 706,060             | 10-33            | 252,524           | 92,675                         | (5,946)  | 339,253             | 366,807             |
| Computer equipment                   | 232,576                            | 18,279    | 245,712             | 20-33            | 172,302           | 36,649                         | (5,037)  | 203,914             | 41,798              |
| Jigs and fixtures (note 7.1.2)       | 905,267                            | 635,075   | 1,540,342           | 10-33            | 605,919           | 269,728                        | -        | 875,647             | 664,695             |
| Capital stores and spares            | 65,974                             | 3,884     | 69,858              | 20               | 11,191            | 10,120                         | -        | 21,311              | 48,547              |
| Leasehold improvements               | -                                  | 33,360    | 33,360              | 5                | -                 | 2,224                          | -        | 2,224               | 31,136              |
|                                      | 9,594,313                          | 1,494,806 | 11,037,185          |                  | 4,128,967         | 1,000,331                      | (35,485) | 5,093,813           | 5,943,372           |
| 2024                                 |                                    |           |                     |                  |                   |                                |          |                     |                     |

|                                      | Cost                               |              |                     | Accumulated Depreciation |                     |                                | Written down value |
|--------------------------------------|------------------------------------|--------------|---------------------|--------------------------|---------------------|--------------------------------|--------------------|
|                                      | Additions / Transfers (note 7.1.1) |              | As at July 30, 2023 | Depreciation rate        | As at July 01, 2022 | Charge for the year (note 7.2) |                    |
|                                      | Disposals                          | On disposals |                     |                          |                     |                                |                    |
|                                      | (Rupees in '000)                   |              |                     |                          | (Rupees in '000)    |                                |                    |
| Freehold land                        | 4,362                              | –            | 4,362               | –                        | –                   | –                              | 4,362              |
| Right of use asset - lands           | 15,661                             | –            | 15,661              | 1-5                      | 1,482               | 515                            | 13,664             |
| Right of use asset - office premises | 132,145                            | –            | 132,145             | 20                       | 44,918              | 21,255                         | 66,173             |
| Factory building                     | 1,125,991                          | 523,101      | 1,649,092           | 5-20                     | 353,833             | 59,569                         | 413,402            |
| Non factory building                 | 127,691                            | 14,355       | 141,696             | 5-20                     | 51,020              | 5,476                          | 56,146             |
| Railway sliding                      | 4,216                              | –            | 4,216               | 5                        | 1,322               | 162                            | 2,732              |
| Plant and machinery                  | 4,981,007                          | 391,369      | 5,372,223           | 5-25                     | 2,024,749           | 394,629                        | 2,419,227          |
| Furniture and fittings               | 38,862                             | 7,876        | 46,178              | 10-33                    | 32,664              | 3,955                          | 36,059             |
| Vehicles                             | 247,202                            | 102,786      | 344,048             | 20                       | 67,244              | 27,640                         | 92,543             |
| Office and mills equipment           | 502,350                            | 181,112      | 680,875             | 10-33                    | 168,605             | 86,493                         | 252,524            |
| Computer equipment                   | 216,736                            | 23,841       | 232,576             | 20-33                    | 140,674             | 39,629                         | 428,351            |
| Jigs and fixtures (note 7.1.2)       | 702,347                            | 202,920      | 905,267             | 10-33                    | 484,096             | 121,823                        | 172,302            |
| Capital stores and spares            | 41,288                             | 24,686       | 65,974              | 20                       | 5,045               | 6,146                          | 605,919            |
|                                      |                                    |              |                     |                          |                     |                                | 11,191             |
|                                      | 8,139,858                          | 1,472,046    | 9,594,313           |                          | 3,375,652           | 767,292                        | 4,128,967          |
| 2023                                 |                                    |              |                     |                          |                     | (13,977)                       | 5,465,346          |

- 7.1.1 This includes transfers to operating fixed assets from capital work-in-progress.
- 7.1.2 Jigs and fixtures include moulds having written down value of Rs. 24.945 million (2023: Rs. 3.007) in the possession of sub-contractors dispersed all over the country.
- 7.1.3 Operating fixed assets include items having an aggregate cost of Rs. 1,418.629 million (2023: Rs. 952.281 million) which have been fully depreciated and are still in use of the Company.
- 7.1.4 The following operating fixed assets of the Company are under charge as security against guarantees issued by commercial banks in respect of the investment by the Company and its wholly-owned subsidiary, Thal Power (Private) Limited, in Sindh Engro Coal Mining Company Limited and ThalNova Power Thar (Private) Limited, respectively (note 10.1 & 10.3). The amount of charge over these fixed assets is Rs. 11,704.246 million (2023: Rs. 11,704.246 million).

|                                                                                                                                                                                                                                                          | 2024<br>Written down<br>value | 2023<br>Written down<br>value |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------------|
|                                                                                                                                                                                                                                                          | ----- (Rupees in '000) -----  |                               |
| Mortgage over the following leasehold lands and buildings over leasehold lands:                                                                                                                                                                          |                               |                               |
| 1. Plot numbers 1, 2, 25 and 26, Sector 22, Korangi Industrial Area (Engineering Division);                                                                                                                                                              | 325,464                       | 118,349                       |
| 2. Plot numbers 35-42, 69 and 70 of Survey 749 and 749/1, Mauza Pathra, Tehsil Hub, District Lasbella, (Packaging and Laminates Division); and                                                                                                           | 410,918                       | 402,782                       |
| 3. An area measuring 1425 Kanals and 8 Marlas comprising of Khasra numbers 1757, 1758, 1765, 1766, 1767, 1768, 1780, 1775, 1777, 1778, 1764, 1779 ,1792-1795/1, 1776, 1793, 1794, 1791, situated in Mouza Rakh, Khanpur, Tehsil & District Muzaffargarh. | 89,348                        | 83,444                        |
|                                                                                                                                                                                                                                                          | <u>825,730</u>                | <u>604,575</u>                |
| Plant, machinery, jigs and fixtures of the Company present at the following locations:                                                                                                                                                                   |                               |                               |
| 1. Plot numbers 1, 2, 25 and 26, Sector 22, Korangi Industrial Area (Engineering Division);                                                                                                                                                              | 495,290                       | 400,516                       |
| 2. Plot numbers 35-42, 69 and 70 of Survey 749 and 749/1, Mauza Pathra, Tehsil Hub, District Lasbella, (Packaging and Laminates Division);                                                                                                               | 931,751                       | 1,079,169                     |
| 3. Thal Limited Industrial building and machinery situated at Plot bearing number DSU-14, Sector II, Downstream Industrial Estate, Bin Qasim, Karachi (Yazaki Unit); and                                                                                 | 762,098                       | 358,925                       |
| 4. An area measuring 1425 Kanals and 8 Marlas comprising of Khasra numbers 1757, 1758, 1765, 1766, 1767, 1768, 1780, 1775, 1777, 1778, 1764, 1779 ,1792-1795/1, 1776, 1793, 1794, 1791, situated in Mouza Rakh, Khanpur, Tehsil & District Muzaffargarh. | 614,354                       | 131,566                       |
|                                                                                                                                                                                                                                                          | <u>2,803,493</u>              | <u>1,970,176</u>              |

- 7.1.5 Details of disposal of operating fixed assets with a written down value exceeding amount of Rs. 0.5 million are as follows:

|                | Cost                         | Accumulated depreciation | Written down value | Sales proceeds | Gain / (loss) on disposal | Mode of disposal      | Particulars of buyers |
|----------------|------------------------------|--------------------------|--------------------|----------------|---------------------------|-----------------------|-----------------------|
|                | ----- (Rupees in '000) ----- |                          |                    |                |                           |                       |                       |
| Motor vehicles |                              |                          |                    |                |                           |                       |                       |
|                | 2,797                        | 1,219                    | 1,578              | 3,300          | 1,722                     | Employee's car scheme | Mr. Tariq Qadir       |
|                | 2,695                        | 802                      | 1,893              | 3,588          | 1,695                     | Employee's car scheme | Mr. Naveed Qaiser     |
|                | 2,775                        | 1,058                    | 1,717              | 1,737          | 20                        | Employee's car scheme | Mr. Eijaz Raza        |
|                | 3,232                        | 1,044                    | 2,188              | 4,358          | 2,170                     | Employee's car scheme | Mr. Nayab Rizvi       |
|                | 2,005                        | 609                      | 1,396              | 2,916          | 1,520                     | Employee's car scheme | Mr. Rizwan Bhojani    |
|                | 4,005                        | 1,525                    | 2,480              | 2,568          | 88                        | Employee's car scheme | Mr. Asim Aqil         |
|                | 3,024                        | 555                      | 2,469              | 2,975          | 506                       | Employee's car scheme | Mr. Yasir Ahmed Khan  |
|                | 1,975                        | 901                      | 1,074              | 3,045          | 1,971                     | Negotiation           | MM Motors             |

7.2 The depreciation charge for the year has been allocated as follows:

|                                   | Note | 2024                         | 2023           |
|-----------------------------------|------|------------------------------|----------------|
|                                   |      | ----- (Rupees in '000) ----- |                |
| Cost of sales                     | 33   | 934,155                      | 701,968        |
| Distribution and selling expenses | 34   | 3,732                        | 5,717          |
| Administrative expenses           | 35   | 62,444                       | 59,607         |
|                                   |      | <u>1,000,331</u>             | <u>767,292</u> |

7.3 **Capital work-in-progress**

|                            | Opening balance              | Additions during the year | Transfers to operating fixed assets | Closing balance |
|----------------------------|------------------------------|---------------------------|-------------------------------------|-----------------|
|                            | ----- (Rupees in '000) ----- |                           |                                     |                 |
| Civil works                | 11,823                       | 33,658                    | (17,926)                            | 27,555          |
| Plant and machinery        | 98,912                       | 642,160                   | (660,028)                           | 81,044          |
| Furniture and fittings     | 1,857                        | 31,490                    | (32,828)                            | 519             |
| Vehicles                   | 1,000                        | 28,039                    | (13,187)                            | 15,852          |
| Office and mills equipment | 1,217                        | 15,439                    | (10,603)                            | 6,053           |
| Computer equipment         | —                            | 27,304                    | (27,210)                            | 94              |
| Jigs and fixtures          | 555,541                      | 125,969                   | (638,777)                           | 42,733          |
| Leasehold Improvements     | —                            | 35,583                    | (33,360)                            | 2,223           |
| 2024                       | <u>670,350</u>               | <u>939,642</u>            | <u>(1,433,919)</u>                  | <u>176,073</u>  |
| Civil works                | 459,123                      | 114,446                   | (561,746)                           | 11,823          |
| Plant and machinery        | 373,345                      | 107,766                   | (382,199)                           | 98,912          |
| Furniture and fittings     | —                            | 7,944                     | (6,087)                             | 1,857           |
| Vehicles                   | 16,497                       | 63,606                    | (79,103)                            | 1,000           |
| Office and mills equipment | 3,698                        | 121,057                   | (123,538)                           | 1,217           |
| Computer equipment         | 8,796                        | 12,591                    | (21,387)                            | —               |
| Jigs and fixtures          | 52,821                       | 609,277                   | (106,557)                           | 555,541         |
| 2023                       | <u>914,280</u>               | <u>1,036,687</u>          | <u>(1,280,617)</u>                  | <u>670,350</u>  |

7.4 Details of the Company's immovable operating fixed assets are as under:

|                                                                                                                   | 2024                         |                                     | 2023                     |                                     |
|-------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------------|--------------------------|-------------------------------------|
| Locations                                                                                                         | Land area (square yards)     | Building Covered Area (square feet) | Land area (square yards) | Building Covered Area (square feet) |
|                                                                                                                   | ----- (Rupees in '000) ----- |                                     |                          |                                     |
| 1. Thal Limited (Jute Division), D.G. Khan Road, Muzaffargarh, Punjab.                                            | 862                          | 697                                 | 862                      | 697                                 |
| 2. Plot numbers 448 & 449, Sundar Industrial Estate Raiwind Road, Lahore, Punjab.                                 | 8                            | 39                                  | 8                        | 39                                  |
| 3. Plot numbers 1, 2, 25 & 26, Sector 22, Korangi Industrial Area, Karachi, Sindh.                                | 51                           | 229                                 | 51                       | 229                                 |
| 4. DSU-14, Sector II, Downstream Industrial Estate, Bin Qasim, Karachi, Sindh.                                    | 24                           | 32                                  | 24                       | 32                                  |
| 5. Plot numbers 35, 36, 37, 38, 39, 39A, 40, 40A, 41, 42, 69, 69A, 70 and 71, Zila Moza Pathra, Hub, Balochistan. | 92                           | 329                                 | 92                       | 329                                 |
| 6. Plot numbers C-49-58, Sector C, Hub Industrial Area, Hub, Balochistan.                                         | 6                            | 12                                  | 6                        | 12                                  |
| 7. Plot number 38, Road No.3, Industrial Estate, Gadoon Amazai, Swabi, Khyber Pakhtunkhwa.                        | 19                           | 40                                  | 19                       | 40                                  |



## 8. INTANGIBLE ASSETS

| Note | Cost            |           |           |           |                 | Accumulated Amortisation |                 |                     |           |           | Written down value |                 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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|      | Opening balance | Additions | Transfers | Disposals | Closing balance | Amortisation rate        | Opening balance | Charge for the year | Transfers | Disposals |                    | Closing balance |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|      |                 |           |           |           |                 |                          |                 |                     |           |           |                    |                 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

8.1 The amortisation charge for the year has been allocated as follows:

|                                   | Note | 2024   | 2023   |
|-----------------------------------|------|--------|--------|
|                                   |      |        |        |
|                                   |      |        |        |
| Cost of sales                     | 33   | 65,370 | 43,994 |
| Distribution and selling expenses | 34   | 166    | 216    |
| Administrative expenses           | 35   | 3,780  | 4,621  |
|                                   |      | 69,316 | 48,831 |

8.2 This represents patent rights and technical services acquired in respect of engineering business.

8.3 Intangible assets include items having an aggregate cost of Rs. 228 million (2023: Rs. 114 million) which are fully amortised and still in use of the Company.

## 9. INVESTMENT PROPERTY

|                           | Cost             |           |                 | Accumulated amortisation |                               |                 | Written down value |                   |
|---------------------------|------------------|-----------|-----------------|--------------------------|-------------------------------|-----------------|--------------------|-------------------|
|                           | Opening balance  | Additions | Closing balance | Opening balance          | Charge for the year (Note 35) | Closing balance | As at June 30      | Depreciation rate |
|                           | (Rupees in '000) |           |                 |                          |                               |                 |                    | %                 |
| Freehold land             | 891              | —         | 891             | —                        | —                             | —               | 891                | —                 |
| Building on freehold land | 694              | —         | 694             | 609                      | 4                             | 613             | 81                 | 5                 |
| 2024                      | 1,585            | —         | 1,585           | 609                      | 4                             | 613             | 972                |                   |
| 2023                      | 1,585            | —         | 1,585           | 605                      | 4                             | 609             | 976                |                   |

9.1 Investment property represents godown in Multan, the fair value of which has been determined on the basis of a valuation carried out by an independent valuer, as of June 30, 2024 which amounts to Rs.148.500 million (2023: Rs. 139.774 million) and forced sale value of Rs. 118.800 million (2023: Rs. 111.819 million). The valuation was arrived on the basis of market intelligence, indexation of the original cost, year of construction and present physical condition and location. The Company has entered into a long-term agreement with Shabbir Tiles and Ceramics Limited, a related party in respect of investment property. The rental agreement has a remaining lease term of 6 months, with escalation clause upon renewal of contract based on mutual agreement. The rental income from investment property is disclosed in note 37 to these unconsolidated financial statements.

9.2 The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements. Further, there is no material direct operating cost in relation to the said property.

9.3 Details of the Company's immovable investment property are as under:

|                                                                                                                                                        | Land Area<br>(square yards)<br>2024 | Building<br>Covered Area<br>(square feet)<br>2024 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------------------|
|                                                                                                                                                        | (Rupees in '000)                    |                                                   |
| Industrial property bearing Khewat No. 861, 862, 890, 895, 905,<br>Khatooni numbers 1086, 1087, 1116, 1121, 1133,<br>Mouza Taraf Ravi, Multan, Punjab. | 5                                   | 20                                                |

## 10. LONG-TERM INVESTMENTS

|                                            | Note | 2024                  | 2023  | 2024                         | 2023       |
|--------------------------------------------|------|-----------------------|-------|------------------------------|------------|
|                                            |      | ----- Holding % ----- |       | ----- (Rupees in '000) ----- |            |
| <b>Investments in related parties</b>      |      |                       |       |                              |            |
| <b>Subsidiaries, unquoted - at cost</b>    |      |                       |       |                              |            |
| Noble Computer Services (Private) Limited  |      | 100                   | 100   | 1,086                        | 1,086      |
| Pakistan Industrial Aids (Private) Limited |      | 100                   | 100   | 10,000                       | 10,000     |
| Habib METRO Pakistan (Private) Limited     |      | 60                    | 60    | 2,789,223                    | 2,789,223  |
| Thal Power (Private) Limited               | 10.1 | 100                   | 100   | 6,083,970                    | 6,023,970  |
| Thal Electrical (Private) Limited          |      | 100                   | 100   | 100                          | 100        |
| Thal Boshoku Pakistan (Private) Limited    |      | 55                    | 55    | 929,500                      | 929,500    |
| Makro-Habib Pakistan Limited               |      | 100                   | 100   | 223,885                      | 223,885    |
| Less: Provision for impairment             |      |                       |       | (223,885)                    | (223,885)  |
|                                            |      |                       |       | —                            | —          |
|                                            |      |                       |       | 9,813,879                    | 9,753,879  |
| <b>Associates - at cost</b>                |      |                       |       |                              |            |
|                                            | 10.2 |                       |       |                              |            |
| <b>Quoted</b>                              |      |                       |       |                              |            |
| Indus Motor Company Limited                |      | 6.22                  | 6.22  | 48,900                       | 48,900     |
| Habib Insurance Company Limited            |      | 4.63                  | 4.63  | 561                          | 561        |
| Agriauto Industries Limited                |      | 7.35                  | 7.35  | 9,473                        | 9,473      |
| Shabbir Tiles & Ceramics Limited           |      | 1.30                  | 1.30  | 21,314                       | 21,314     |
|                                            |      |                       |       | 80,248                       | 80,248     |
| <b>Unquoted</b>                            |      |                       |       |                              |            |
| Sindh Engro Coal Mining Company Limited    | 10.3 | 11.90                 | 11.90 | 2,840,150                    | 2,840,150  |
|                                            |      |                       |       | 2,920,398                    | 2,920,398  |
| <b>Other investments</b>                   |      |                       |       |                              |            |
| <b>Listed Shares - at FVOCI</b>            |      |                       |       |                              |            |
| Habib Sugar Mills Limited                  |      |                       |       | 116,757                      | 61,608     |
| GlaxoSmithKline (Pakistan) Limited         |      |                       |       | 242                          | 127        |
| Haleon Pakistan Limited                    |      |                       |       | 149                          | 71         |
| Dynea Pakistan Limited                     |      |                       |       | 184,247                      | 102,949    |
| Allied Bank Limited                        |      |                       |       | 20,037                       | 12,182     |
| Habib Bank Limited                         |      |                       |       | 8,076                        | 4,769      |
| TPL Properties Limited                     |      |                       |       | 17,952                       | 25,593     |
|                                            | 10.4 |                       |       | 347,460                      | 207,299    |
|                                            |      |                       |       | 13,081,737                   | 12,881,576 |

- 10.1 The Company, through its subsidiary, Thal Power (Private) Limited (TPL), undertook to invest USD 34.3 million in PKR equivalent in ThalNova Power Thar (Private) Limited (TNTPL), which is a company developing a coal based power plant. Upto the statement of financial position date, through TPL, the Company has invested Rs. 6,091.33 million in TNTPL acquiring 609,132,957 ordinary shares having face value of Rs. 10 each. TNTPL achieved its financial close and commercial operations on September 30, 2020 and February 17, 2023, respectively.

To secure the Company's commitment as above, a commercial bank has issued a guarantee in favour of the TPL amounting to Rs. 113.323 million (2023: Rs. 177.284 million).

10.2 Although the Company has less than 20% equity interest in all its associates, the management believes that significant influence over these associates exists by virtue of the Company's representation on the Board of Directors and participation in policy making decisions of these companies.

10.3 This represents investment in Sindh Engro Coal Mining Company Limited (SECMC), an associate established for the construction of coal mine. Although the Company has less than 20% equity interest in the associate, the management believes that it has significant influence due to the contractual agreement with the shareholders. The Company invested a total of USD 23.1 million (in PKR equivalent) to develop a cumulative mine capacity of 7.6 mtpa. Phase I of the Project achieved commercial operations in July 2019 and Phase II achieved commercial operation in September 2022. As of the statement of financial position date, the Company has invested Rs. 2,840.15 million acquiring 191,643,025 ordinary shares having face value of Rs. 10 each, at a price of Rs. 14.82 per share.

To secure the Company's commitment as above, a commercial bank has issued a guarantee in favour of the Company amounting to Rs. 960.476 million (2023: Rs. 1,544.277 million).

10.4 The cost of these investments is Rs. 54.648 million (2023: Rs. 54.648 million). The Company recognised gain of Rs. 140.161 million (2023: loss of Rs. 51.034 million) on revaluation of these equity instruments in other comprehensive income.

|                                            | Note | 2024                         | 2023           |
|--------------------------------------------|------|------------------------------|----------------|
|                                            |      | ----- (Rupees in '000) ----- |                |
| <b>11. LONG-TERM DEPOSITS AND ADVANCES</b> |      |                              |                |
| Capital advances                           |      | –                            | 244,837        |
| Utilities                                  |      | 16,956                       | 22,322         |
| Security deposits                          | 11.1 | 7,470                        | 7,470          |
| Others                                     |      | 6,895                        | 6,008          |
|                                            |      | <u>31,321</u>                | <u>280,637</u> |

11.1 These are not discounted to present value since the impact is not considered to be material to these unconsolidated financial statements.

|                                                     | Note | 2024                         | 2023           |
|-----------------------------------------------------|------|------------------------------|----------------|
|                                                     |      | ----- (Rupees in '000) ----- |                |
| <b>12. DEFERRED TAX ASSET</b>                       |      |                              |                |
| <b>Deductible temporary differences arising on:</b> |      |                              |                |
| Provisions                                          |      | 790,765                      | 723,299        |
| Lease liabilities                                   |      | 21,373                       | 31,125         |
| Unrealized loss on investments classified as FVPL   |      | 3,607                        | 12,357         |
|                                                     |      | <u>815,745</u>               | <u>766,781</u> |
| <b>Taxable temporary differences arising on:</b>    |      |                              |                |
| Accelerated tax depreciation                        |      | (512,828)                    | (475,281)      |
|                                                     |      | <u>302,917</u>               | <u>291,500</u> |

|                                           |             |                |                |
|-------------------------------------------|-------------|----------------|----------------|
| <b>13. STORES, SPARES AND LOOSE TOOLS</b> |             |                |                |
| Stores in hand                            |             | 87,170         | 70,742         |
| Spares in hand                            |             | 266,367        | 228,838        |
| Loose tools                               |             | 248            | 180            |
| Less: Provision for obsolescence          | 13.1 & 13.2 | (132,266)      | (103,007)      |
|                                           |             | <u>221,519</u> | <u>196,753</u> |

|      |                                                                                                                                                                                                                                                                                                        | 2024                         | 2023      |           |
|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------|-----------|
|      |                                                                                                                                                                                                                                                                                                        | ----- (Rupees in '000) ----- |           |           |
| 13.1 | <b>Movement - provision for obsolescence</b>                                                                                                                                                                                                                                                           |                              |           |           |
|      | Opening balance                                                                                                                                                                                                                                                                                        | 103,007                      | 71,955    |           |
|      | Charge for the year - net                                                                                                                                                                                                                                                                              | 29,259                       | 31,052    |           |
|      | Closing balance                                                                                                                                                                                                                                                                                        | 132,266                      | 103,007   |           |
| 13.2 | Aggregate cost of stores, spares and loose tools which have been provided for based on obsolescence amount to Rs. 241.310 million (2023: Rs. 185.447 million). Accordingly, net realisable value of such inventory amounts to Rs. 109.044 million (2023: Rs. 88.339 million).                          |                              |           |           |
|      | Note                                                                                                                                                                                                                                                                                                   | 2024                         | 2023      |           |
|      |                                                                                                                                                                                                                                                                                                        | ----- (Rupees in '000) ----- |           |           |
| 14.  | <b>STOCK-IN-TRADE</b>                                                                                                                                                                                                                                                                                  |                              |           |           |
|      | Raw material                                                                                                                                                                                                                                                                                           |                              |           |           |
|      | In hand                                                                                                                                                                                                                                                                                                | 14.1                         | 5,272,993 | 6,496,867 |
|      | In transit                                                                                                                                                                                                                                                                                             |                              | 1,182,781 | 1,901,911 |
|      |                                                                                                                                                                                                                                                                                                        |                              | 6,455,774 | 8,398,778 |
|      | Work-in-process                                                                                                                                                                                                                                                                                        |                              | 758,618   | 513,289   |
|      | Finished goods                                                                                                                                                                                                                                                                                         |                              | 1,401,037 | 1,533,857 |
|      | Less: Provision for obsolescence                                                                                                                                                                                                                                                                       | 14.2                         | (842,870) | (583,007) |
|      |                                                                                                                                                                                                                                                                                                        |                              | 7,772,559 | 9,862,917 |
| 14.1 | Raw materials amounting to Rs. nil (2023: Rs 14.452 million) are held with the sub-contractors.                                                                                                                                                                                                        |                              |           |           |
|      |                                                                                                                                                                                                                                                                                                        | 2024                         | 2023      |           |
|      |                                                                                                                                                                                                                                                                                                        | ----- (Rupees in '000) ----- |           |           |
| 14.2 | <b>Movement - provision for obsolescence</b>                                                                                                                                                                                                                                                           |                              |           |           |
|      | Opening balance                                                                                                                                                                                                                                                                                        | 583,007                      | 229,346   |           |
|      | Charge for the year - net                                                                                                                                                                                                                                                                              | 259,863                      | 353,661   |           |
|      | Closing balance                                                                                                                                                                                                                                                                                        | 842,870                      | 583,007   |           |
| 14.3 | Aggregate of raw material, work-in-process and finished goods which have been provided for based on obsolescence amount to Rs. 1,442.722 million (2023: Rs. 2,051.447 million). Accordingly, net realisable value of such stock-in-trade amounts to Rs. 599.852 million (2023: Rs. 1,421.811 million). |                              |           |           |
|      | Note                                                                                                                                                                                                                                                                                                   | 2024                         | 2023      |           |
|      |                                                                                                                                                                                                                                                                                                        | ----- (Rupees in '000) ----- |           |           |
| 15.  | <b>TRADE DEBTS</b>                                                                                                                                                                                                                                                                                     |                              |           |           |
|      | Considered good                                                                                                                                                                                                                                                                                        | 15.1 & 15.2                  | 5,078,718 | 3,717,282 |
|      | Allowance for expected credit losses                                                                                                                                                                                                                                                                   | 15.3                         | (109,615) | (81,462)  |
|      |                                                                                                                                                                                                                                                                                                        |                              | 4,969,103 | 3,635,820 |
| 15.1 | This includes amount due from the following related parties:                                                                                                                                                                                                                                           |                              |           |           |
|      | Indus Motor Company Limited                                                                                                                                                                                                                                                                            |                              | 827,713   | 624,094   |
|      | Shabbir Tiles & Ceramics Limited                                                                                                                                                                                                                                                                       |                              | 38,942    | 54,962    |
|      |                                                                                                                                                                                                                                                                                                        |                              | 866,655   | 679,056   |
| 15.2 | The maximum aggregate amount due from the related parties at the end of any month during the year is as follows:                                                                                                                                                                                       |                              |           |           |
|      | Indus Motor Company Limited                                                                                                                                                                                                                                                                            |                              | 900,310   | 947,735   |
|      | Shabbir Tiles & Ceramics Limited                                                                                                                                                                                                                                                                       |                              | 38,942    | 54,962    |

|                                                                             | Note                                                                                                                                            | 2024                         | 2023      |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------|
|                                                                             |                                                                                                                                                 | ----- (Rupees in '000) ----- |           |
| <b>15.3 Movement - allowance for expected credit losses</b>                 |                                                                                                                                                 |                              |           |
| Opening balance                                                             |                                                                                                                                                 | 81,462                       | 78,835    |
| Charge for the year - net                                                   |                                                                                                                                                 | 44,836                       | 2,627     |
| Bad debts written off during the year                                       |                                                                                                                                                 | (16,683)                     | —         |
| Closing balance                                                             |                                                                                                                                                 | 109,615                      | 81,462    |
| <b>16. LOANS AND ADVANCES</b>                                               |                                                                                                                                                 |                              |           |
| <b>Loans - unsecured</b>                                                    |                                                                                                                                                 |                              |           |
| Makro Habib Pakistan Limited (MHPL)                                         | 16.1                                                                                                                                            | 200,637                      | 190,637   |
| Allowance for expected credit losses                                        | 16.2                                                                                                                                            | (200,637)                    | (190,637) |
|                                                                             |                                                                                                                                                 | —                            | —         |
| <b>Advances - considered good</b>                                           |                                                                                                                                                 |                              |           |
| Suppliers - secured                                                         |                                                                                                                                                 | 156,717                      | 310,578   |
| Employees                                                                   |                                                                                                                                                 | 5,714                        | 2,489     |
|                                                                             |                                                                                                                                                 | 162,431                      | 313,067   |
|                                                                             |                                                                                                                                                 | 162,431                      | 313,067   |
| <b>16.1</b>                                                                 | The maximum aggregate amount due from MHPL at the end of any month during the year was Rs. 200.637 million (2023: Rs. 190.637 million).         |                              |           |
| <b>16.2 Movement in allowance for expected credit losses is as follows:</b> |                                                                                                                                                 |                              |           |
|                                                                             | Note                                                                                                                                            | 2024                         | 2023      |
|                                                                             |                                                                                                                                                 | ----- (Rupees in '000) ----- |           |
| Opening balance                                                             |                                                                                                                                                 | 190,637                      | 230,069   |
| Charge / (reversal) during the year                                         | 16.2.1                                                                                                                                          | 10,000                       | (39,432)  |
| Closing balance                                                             |                                                                                                                                                 | 200,637                      | 190,637   |
| <b>16.2.1</b>                                                               | During the year, MHPL repaid the Company an amount of Rs. nil (2023: Rs. 39.432 million).                                                       |                              |           |
|                                                                             | Note                                                                                                                                            | 2024                         | 2023      |
|                                                                             |                                                                                                                                                 | ----- (Rupees in '000) ----- |           |
| <b>17. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS</b>                        |                                                                                                                                                 |                              |           |
| <b>Trade deposits</b>                                                       |                                                                                                                                                 |                              |           |
| Tender                                                                      |                                                                                                                                                 | 72,768                       | 90,237    |
| Margin against letter of credit                                             |                                                                                                                                                 | 3,172                        | 1,290,560 |
| Deposit against custom duty                                                 |                                                                                                                                                 | 7,182                        | 7,182     |
| Container deposits                                                          |                                                                                                                                                 | 11,575                       | 24,608    |
| Others                                                                      |                                                                                                                                                 | —                            | 912       |
|                                                                             | 17.1                                                                                                                                            | 94,697                       | 1,413,499 |
| <b>Short-term prepayments</b>                                               |                                                                                                                                                 |                              |           |
| Insurance                                                                   | 17.2                                                                                                                                            | 24,499                       | 32,565    |
| Others                                                                      |                                                                                                                                                 | 25,496                       | 22,677    |
|                                                                             |                                                                                                                                                 | 49,995                       | 55,242    |
|                                                                             |                                                                                                                                                 | 144,692                      | 1,468,741 |
| <b>17.1</b>                                                                 | These deposits are interest free.                                                                                                               |                              |           |
| <b>17.2</b>                                                                 | This includes prepaid insurance amounting to Rs 16.400 million (2023: 20.196 million) paid to Habib Insurance Company Limited, a related party. |                              |           |



|                                                       | Note                                                                                                                                                                                                            | 2024                         | 2023             |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|
|                                                       |                                                                                                                                                                                                                 | ----- (Rupees in '000) ----- |                  |
| <b>18. OTHER RECEIVABLES</b>                          |                                                                                                                                                                                                                 |                              |                  |
| Tooling income receivable                             |                                                                                                                                                                                                                 | –                            | 18,370           |
| Duty drawback                                         |                                                                                                                                                                                                                 | 40,544                       | 11,690           |
| Custom duty reimbursable                              | 19.1 & 27.2                                                                                                                                                                                                     | 853,792                      | 786,558          |
| Receivable from Workers' Profit Participation Fund    | 18.2                                                                                                                                                                                                            | 7,533                        | (3,079)          |
| Others                                                | 18.3                                                                                                                                                                                                            | 37,549                       | 1,261            |
|                                                       |                                                                                                                                                                                                                 | <u>939,418</u>               | <u>814,800</u>   |
| 18.1                                                  | This includes additional custom duty receivable from Indus Motor Company Limited amounting to Rs. 709.248 million. The maximum aggregate amount at the end of any month during the year is Rs. 709.248 million. |                              |                  |
|                                                       | Note                                                                                                                                                                                                            | 2024                         | 2023             |
|                                                       |                                                                                                                                                                                                                 | ----- (Rupees in '000) ----- |                  |
| <b>18.2 Workers' Profit Participation Fund (WPPF)</b> |                                                                                                                                                                                                                 |                              |                  |
| Opening balance                                       |                                                                                                                                                                                                                 | (3,079)                      | 5,061            |
| Interest on funds utilised in the Company's business  |                                                                                                                                                                                                                 | (713)                        | –                |
| Allocation for the current year                       | 35                                                                                                                                                                                                              | (18,465)                     | (98,079)         |
|                                                       |                                                                                                                                                                                                                 | <u>(22,257)</u>              | <u>(93,018)</u>  |
| Paid during the year                                  |                                                                                                                                                                                                                 | 29,790                       | 89,939           |
| Closing balance                                       |                                                                                                                                                                                                                 | <u>7,533</u>                 | <u>(3,079)</u>   |
| 18.3                                                  | This includes receivable from the following related parties:                                                                                                                                                    |                              |                  |
| Indus Motor Company Limited                           |                                                                                                                                                                                                                 | 107                          | 107              |
| Agriaautos Industries Limited                         |                                                                                                                                                                                                                 | –                            | 29               |
|                                                       |                                                                                                                                                                                                                 | <u>107</u>                   | <u>136</u>       |
| 18.4                                                  | The maximum aggregate amount due from related parties at the end of any month during the year is as follows:                                                                                                    |                              |                  |
| Indus Motor Company Limited                           |                                                                                                                                                                                                                 | 107                          | 107              |
| Agriaautos Industries Limited                         |                                                                                                                                                                                                                 | –                            | 29               |
|                                                       |                                                                                                                                                                                                                 | <u>–</u>                     | <u>–</u>         |
| <b>19. SHORT-TERM INVESTMENTS</b>                     |                                                                                                                                                                                                                 |                              |                  |
| <b>At fair value through profit or loss</b>           |                                                                                                                                                                                                                 |                              |                  |
| Government securities (T-Bills & PIBs)                | 19.1 & 19.2                                                                                                                                                                                                     | 2,397,313                    | 1,655,405        |
| Atlas Money Market Fund                               |                                                                                                                                                                                                                 | 288,908                      | 298,493          |
| UBL Liquidity Plus Fund                               | 19.3                                                                                                                                                                                                            | 488,968                      | 313,028          |
| Alfalsh GHP Money Market Fund                         |                                                                                                                                                                                                                 | 488,092                      | 303,935          |
| NBP Money Market Fund                                 |                                                                                                                                                                                                                 | –                            | 309,833          |
| NBP Mustakham Munafa                                  |                                                                                                                                                                                                                 | 163,139                      | –                |
| DCCL Trustee Pakistan Cash Management Fund            |                                                                                                                                                                                                                 | 490,541                      | –                |
| NBP Government Securities Plan                        |                                                                                                                                                                                                                 | 259,243                      | –                |
| MCB Cash Management Optimizer Fund                    |                                                                                                                                                                                                                 | –                            | 295,691          |
| AI - Habib Cash Fund                                  |                                                                                                                                                                                                                 | 288,928                      | –                |
| National Investment Trust                             |                                                                                                                                                                                                                 | 486,767                      | –                |
| Faysal Islamic Fund                                   |                                                                                                                                                                                                                 | 294,574                      | –                |
| HLB Cash Fund                                         | 19.3                                                                                                                                                                                                            | 491,450                      | 516,636          |
| ABL Cash Fund                                         |                                                                                                                                                                                                                 | 491,476                      | 307,918          |
| Meezan Rozana Amdani Fund                             |                                                                                                                                                                                                                 | 489,407                      | 201,608          |
|                                                       |                                                                                                                                                                                                                 | <u>4,721,493</u>             | <u>2,547,142</u> |
| <b>At amortised cost</b>                              |                                                                                                                                                                                                                 |                              |                  |
| Term Deposit Receipts (TDRs)                          | 19.4                                                                                                                                                                                                            | 169,771                      | –                |
|                                                       |                                                                                                                                                                                                                 | <u>7,288,577</u>             | <u>4,202,547</u> |

- 19.1 This includes treasury bills amounting to Rs. 2,006.9 million and carry profit yield ranging from 18.85% to 21.70% (2023: 21.5% to 21.99%) per annum and will mature latest by May 29, 2025.
- 19.2 This includes Pakistan Investment Bonds amounting to Rs. 390.4 million and carry coupon rate ranging from 19.98% to 21.30% (2023: nil) per annum and will mature latest by April 18, 2029.
- 19.3 Mutual fund units amounting to Rs. 274 million (2023: Rs. 384.073 million) are under lien as margin for security against State Bank of Pakistan's Temporary Economic Refinance Facility and State Bank of Pakistan's Refinance Facility for Renewable Energy from various commercial banks. Further TDRs are pledged for obtaining Solar loan from a commercial bank.
- 19.4 These carry profit yield ranging from 20.40% to 22.20% (2023: 21.5% to 21.99%) per annum and will mature latest by April 30, 2025.

|                                   | Note        | 2024                         | 2023      |
|-----------------------------------|-------------|------------------------------|-----------|
|                                   |             | ----- (Rupees in '000) ----- |           |
| <b>20. CASH AND BANK BALANCES</b> |             |                              |           |
| Cash in hand                      |             | 3,401                        | 1,838     |
| Bank balances                     |             |                              |           |
| – Current accounts                |             | 583,978                      | 480,697   |
| – Deposit accounts                | 20.1 & 20.2 | 859,742                      | 669,353   |
|                                   |             | 1,443,720                    | 1,150,050 |
|                                   |             | 1,447,121                    | 1,151,888 |

- 20.1 These carry interest at rate of 20.5% (2023: 12.75% to 19.5%) per annum.
- 20.2 This includes a special bank account maintained in respect of security deposit in compliance with the requirements of Companies Act, 2017.

## 21. SHARE CAPITAL

### 21.1 Authorized capital

The Company has authorised capital of 200 million ordinary shares of Rs. 5/- each amounting to Rs. 1,000 million.

### 21.2 Issued, subscribed and paid-up capital

| 2024                                      | 2023       |                                                                | 2024                         | 2023    |
|-------------------------------------------|------------|----------------------------------------------------------------|------------------------------|---------|
| Number of ordinary shares of Rs. 5/- each |            |                                                                | ----- (Rupees in '000) ----- |         |
| 5,149,850                                 | 5,149,850  | Fully paid in cash                                             | 25,750                       | 25,750  |
| 64,640,390                                | 64,640,390 | Issued as fully paid bonus shares                              | 323,202                      | 323,202 |
|                                           |            | Shares issued under the Scheme of Arrangement for Amalgamation | 56,198                       | 56,198  |
| 11,239,669                                | 11,239,669 |                                                                | 405,150                      | 405,150 |
| 81,029,909                                | 81,029,909 |                                                                |                              |         |

- 21.3 Voting rights and board selection are in proportion to the shareholding.

|                                                                                                                | Note                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 2024                         | 2023       |
|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------|
|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | ----- (Rupees in '000) ----- |            |
| <b>22. RESERVES</b>                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                              |            |
| <b>Capital reserves</b>                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                              |            |
| Reserve on merger of former Pakistan Jute and Synthetics Limited and former Thal Jute Mills Limited            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 13,240                       | 13,240     |
| Reserve on merger of former Pakistan Paper Sack Corporation Limited and former Khyber Papers (Private) Limited |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 42,464                       | 42,464     |
| Reserve on merger of A-One Enterprises (Private) Limited                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 951,211                      | 951,211    |
|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1,006,915                    | 1,006,915  |
| <b>Revenue reserves</b>                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                              |            |
| General reserve                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 27,388,500                   | 25,388,500 |
| Unappropriated profit                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2,153,887                    | 2,652,214  |
|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 29,542,387                   | 28,040,714 |
| Gain on revaluation of investments held at fair value through OCI                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 292,812                      | 152,651    |
|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 30,842,114                   | 29,200,280 |
| <b>23. LONG-TERM DEPOSITS AND PAYABLES</b>                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                              |            |
| Deposits with: - Related Party                                                                                 | 23.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 708                          | 708        |
| - Others                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 755                          | 755        |
| Payable in respect of Gas Infrastructure Development Cess                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 14,545                       | 14,545     |
| Less: Current portion                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (5,495)                      | (5,495)    |
|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 9,050                        | 9,050      |
|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 10,513                       | 10,513     |
| 23.1                                                                                                           | This represents security deposit received from Shabbir Tiles & Ceramics Limited, a related party in respect of godown space rented thereto.                                                                                                                                                                                                                                                                                                                                                                                                  |                              |            |
|                                                                                                                | Note                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 2024                         | 2023       |
|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | ----- (Rupees in '000) ----- |            |
| <b>24. LONG-TERM BORROWINGS - SECURED</b>                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                              |            |
| SBP's Temporary Economic Refinance Facility                                                                    | 24.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1,323,614                    | 1,467,674  |
| Less: Deferred income                                                                                          | 26                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (225,650)                    | (286,982)  |
| Less: Current portion                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (183,459)                    | (136,780)  |
|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 914,505                      | 1,043,912  |
| SBP's Financing Scheme for Renewable Energy                                                                    | 24.2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 277,403                      | 289,638    |
| Less: Deferred income                                                                                          | 26                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (40,160)                     | (51,288)   |
| Less: Current portion                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (49,800)                     | (27,911)   |
|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 187,443                      | 210,439    |
| Long-term loan                                                                                                 | 24.3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 2,650,657                    | 2,370,678  |
| Less: Current portion                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | (183,782)                    | (91,891)   |
|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2,466,875                    | 2,278,787  |
|                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 3,568,823                    | 3,533,138  |
| 24.1                                                                                                           | In 2020, SBP introduced Temporary Economic Refinance Facility to facilitate purchase of new plant and machinery to be used for setting up of new projects in all sectors. The total amount of the facilities from various commercial banks is Rs. 1,510 million. The facilities carry interest at rates ranging from 1.95% to 3.00% per annum and are repayable in 32 equal quarterly installments starting from July 2023. The facilities are secured against charge against the underlying fixed assets and pledge over mutual fund units. |                              |            |

- 24.2 In 2016, SBP introduced Refinance Scheme for Renewable Energy to encourage and facilitate purchase and installation of renewable energy facilities. Through a circular issued in 2019, the expiry period of the scheme was extended to June 30, 2022. The total amount of the facilities from various commercial banks is Rs. 358 million. The facilities carry interest at rates ranging from 2.45% to 3.45% per annum and are repayable in 40 equal quarterly installments. The facilities are secured against charge against the underlying fixed assets.
- 24.3 In 2022, the Company obtained long-term loan from a commercial bank for investment in ThalNova Power Thar (Private) Limited through its subsidiary, Thal Power (Private) Limited. The facilities carry interest at 3-month KIBOR + 0.25% per annum and are repayable in 20 equal quarterly installments starting from March 2025. The facility is secured against charge against fixed assets of the Company. In 2023 and 2024, Company also obtained long-term loan from a commercial bank for installation of solar power system. The facility carries interest rate of 3 month KIBOR + 0.25% per annum and are repayable in 18 equal quarterly installments starting from March 2024. The facilities are secured against charge against the underlying fixed assets.

|                                                                                                                                                                                                                                                                                                                                                                              | Note        | 2024                         | 2023      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------------------------|-----------|
|                                                                                                                                                                                                                                                                                                                                                                              |             | ----- (Rupees in '000) ----- |           |
| <b>25. LEASE LIABILITIES</b>                                                                                                                                                                                                                                                                                                                                                 |             |                              |           |
| Opening balance                                                                                                                                                                                                                                                                                                                                                              |             | 79,810                       | 100,584   |
| Accretion of interest during the year                                                                                                                                                                                                                                                                                                                                        | 38          | 6,568                        | 8,214     |
| Less: Lease rentals paid during the year                                                                                                                                                                                                                                                                                                                                     |             | (31,573)                     | (28,988)  |
| Closing balance                                                                                                                                                                                                                                                                                                                                                              |             | 54,805                       | 79,810    |
| Less: Current portion                                                                                                                                                                                                                                                                                                                                                        |             | (29,996)                     | (25,158)  |
|                                                                                                                                                                                                                                                                                                                                                                              |             | 24,809                       | 54,652    |
| <b>26. DEFERRED INCOME</b>                                                                                                                                                                                                                                                                                                                                                   |             |                              |           |
| Deferred income                                                                                                                                                                                                                                                                                                                                                              | 26.1 & 26.2 | 265,810                      | 338,270   |
| Less: Current portion of deferred income                                                                                                                                                                                                                                                                                                                                     |             | (63,487)                     | (72,119)  |
|                                                                                                                                                                                                                                                                                                                                                                              |             | 202,323                      | 266,151   |
| <b>26.1 Movement - deferred income</b>                                                                                                                                                                                                                                                                                                                                       |             |                              |           |
| Opening balance                                                                                                                                                                                                                                                                                                                                                              |             | 338,270                      | 403,655   |
| Amortisation during the year                                                                                                                                                                                                                                                                                                                                                 | 38          | (72,460)                     | (65,385)  |
| Closing balance                                                                                                                                                                                                                                                                                                                                                              |             | 265,810                      | 338,270   |
| <b>26.2</b>                                                                                                                                                                                                                                                                                                                                                                  |             |                              |           |
| This relates to benefit of SBP's Temporary Economic Refinance Facility and SBP's Financing Scheme for Renewable Energy at below-market interest rate. The deferred income is being amortised to unconsolidated statement of profit or loss on a systematic basis over the period during which the related interest expense, which it is intended to compensate, is expensed. |             |                              |           |
|                                                                                                                                                                                                                                                                                                                                                                              | Note        | 2024                         | 2023      |
|                                                                                                                                                                                                                                                                                                                                                                              |             | ----- (Rupees in '000) ----- |           |
| <b>27. TRADE AND OTHER PAYABLES</b>                                                                                                                                                                                                                                                                                                                                          |             |                              |           |
| Creditors                                                                                                                                                                                                                                                                                                                                                                    | 27.1        | 1,327,775                    | 2,313,560 |
| Accrued liabilities and levies                                                                                                                                                                                                                                                                                                                                               | 27.1        | 1,854,771                    | 1,901,102 |
| Additional custom duty                                                                                                                                                                                                                                                                                                                                                       | 27.2        | 820,059                      | 779,756   |
| Payable to TBPK under group relief                                                                                                                                                                                                                                                                                                                                           |             | —                            | 48,359    |
| Salaries payable                                                                                                                                                                                                                                                                                                                                                             |             | 12,915                       | 19,117    |
| Advances from customers (Contract liabilities)                                                                                                                                                                                                                                                                                                                               | 27.3        | 178,671                      | 43,126    |
| Royalty payable                                                                                                                                                                                                                                                                                                                                                              | 27.4        | 69,507                       | 131,752   |
| Security deposits                                                                                                                                                                                                                                                                                                                                                            |             | 1,614                        | 1,617     |
| Payable to retirement benefit fund                                                                                                                                                                                                                                                                                                                                           |             | 16,813                       | 14,374    |
| Payable to provident fund                                                                                                                                                                                                                                                                                                                                                    |             | 5,331                        | —         |
| Levies payable                                                                                                                                                                                                                                                                                                                                                               |             | 345,390                      | 29,442    |
| Other liabilities                                                                                                                                                                                                                                                                                                                                                            | 27.5        | 181,451                      | 176,338   |
|                                                                                                                                                                                                                                                                                                                                                                              |             | 4,814,297                    | 5,458,543 |

|      |                                                                                                                                                                                                                                                                                                                                                                                        | 2024                         | 2023           |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------|
|      |                                                                                                                                                                                                                                                                                                                                                                                        | ----- (Rupees in '000) ----- |                |
| 27.1 | This includes amounts due to the following related parties:                                                                                                                                                                                                                                                                                                                            |                              |                |
|      | Habib Insurance Company Limited                                                                                                                                                                                                                                                                                                                                                        | 1,767                        | 3,177          |
|      | Noble Computer Services (Private) Limited                                                                                                                                                                                                                                                                                                                                              | 883                          | 943            |
|      | Habib METRO Pakistan (Private) Limited                                                                                                                                                                                                                                                                                                                                                 | –                            | 3,918          |
|      | Pakistan Industrial Aids (Private) Limited                                                                                                                                                                                                                                                                                                                                             | –                            | 95             |
|      |                                                                                                                                                                                                                                                                                                                                                                                        | <u>2,650</u>                 | <u>8,133</u>   |
| 27.2 | In 2021, the Federal Board of Revenue vide its SRO dated June 28, 2019 imposed additional custom duty on the imports of certain items specified in the First Schedule to the Customs Act, 1969. The Company aggrieved by the notification is contesting its applicability by filing appeal before the Appellate Tribunal Customs Karachi (ATC) where the hearing is currently pending. |                              |                |
|      | In order to secure the Company's commitment as above, a commercial bank has issued a guarantee in favour of the Company amounting to Rs. 74.660 million (2023: Rs. 74.660 million).                                                                                                                                                                                                    |                              |                |
|      | With reference to the above, Indus Motor Company Limited (IMC), a related party, has committed to reimburse the Company for any outflow that it may incur on account of additional customs duty paid on goods imported for supplies made to IMC. Accordingly, a reimbursement asset is recorded as disclosed in note 18 to these unconsolidated financial statements.                  |                              |                |
| 27.3 | Revenue recognised during the year that was included in contract liabilities balance at the beginning of the year amounts to Rs. 43.126 million (2023: Rs. 141.092 million).                                                                                                                                                                                                           |                              |                |
|      | Note                                                                                                                                                                                                                                                                                                                                                                                   | 2024                         | 2023           |
|      |                                                                                                                                                                                                                                                                                                                                                                                        | ----- (Rupees in '000) ----- |                |
| 27.4 | <b>Royalty payable</b>                                                                                                                                                                                                                                                                                                                                                                 |                              |                |
|      | Opening balance                                                                                                                                                                                                                                                                                                                                                                        | 131,752                      | 130,896        |
|      | Charge for the year                                                                                                                                                                                                                                                                                                                                                                    | 115,833                      | 146,907        |
|      | Paid during the year                                                                                                                                                                                                                                                                                                                                                                   | (178,078)                    | (146,051)      |
|      | Closing balance                                                                                                                                                                                                                                                                                                                                                                        | <u>69,507</u>                | <u>131,752</u> |
| 27.5 | <b>Other liabilities</b>                                                                                                                                                                                                                                                                                                                                                               |                              |                |
|      | Withholding tax payable                                                                                                                                                                                                                                                                                                                                                                | 36,489                       | 9,243          |
|      | Employees Old-Age Benefits Institution                                                                                                                                                                                                                                                                                                                                                 | 80,879                       | 82,968         |
|      | Workers' Welfare Fund                                                                                                                                                                                                                                                                                                                                                                  | 21,818                       | 49,524         |
|      | Others                                                                                                                                                                                                                                                                                                                                                                                 | 42,265                       | 34,603         |
|      |                                                                                                                                                                                                                                                                                                                                                                                        | <u>181,451</u>               | <u>176,338</u> |
| 28.  | <b>WARRANTY OBLIGATIONS</b>                                                                                                                                                                                                                                                                                                                                                            |                              |                |
|      | Warranty obligations                                                                                                                                                                                                                                                                                                                                                                   | 28.1                         | 921,900        |
|      |                                                                                                                                                                                                                                                                                                                                                                                        |                              | <u>857,171</u> |
| 28.1 | <b>Movement of warranty obligations</b>                                                                                                                                                                                                                                                                                                                                                |                              |                |
|      | Opening balance                                                                                                                                                                                                                                                                                                                                                                        | 857,171                      | 776,020        |
|      | Charge for the year                                                                                                                                                                                                                                                                                                                                                                    | 71,068                       | 95,490         |
|      | Claims paid during the year                                                                                                                                                                                                                                                                                                                                                            | (6,339)                      | (14,339)       |
|      | Closing balance                                                                                                                                                                                                                                                                                                                                                                        | <u>921,900</u>               | <u>857,171</u> |
| 29.  | <b>SHORT TERM BORROWING - SECURED</b>                                                                                                                                                                                                                                                                                                                                                  |                              |                |
|      | Export Refinance Facility                                                                                                                                                                                                                                                                                                                                                              | 29.1                         | 780,000        |
|      |                                                                                                                                                                                                                                                                                                                                                                                        |                              | <u>555,000</u> |

- 29.1 This represents Export Refinance Facility obtained by the Company from various commercial banks. The total amount of the facility is Rs. 780 million. It carries markup at rates ranging from 17% to 19% per annum (2023: 16.7% to 17% per annum) and is payable within 180 days on rollover basis. The facility is secured against a joint Pari Passu hypothecation charge on all present and future stocks and book debts of the Company.

|                                              | Note | 2024                         | 2023           |
|----------------------------------------------|------|------------------------------|----------------|
|                                              |      | ----- (Rupees in '000) ----- |                |
| <b>30. INCOME TAX - NET</b>                  |      |                              |                |
| Group tax relief adjustments                 | 30.1 | (593,466)                    | (593,466)      |
| Income tax provision less tax payments – net |      | 1,040,278                    | 1,297,926      |
|                                              |      | <u>446,812</u>               | <u>704,460</u> |

- 30.1 In terms of the provisions of Section 59B of the Income Tax Ordinance, 2001 (the Ordinance), a subsidiary company may surrender its tax losses in favour of its holding company for a set off against the income of its Holding Company subject to certain conditions as prescribed under the Ordinance.

Accordingly, the Company adjusted its tax liabilities for the tax years 2008 to 2010 by acquiring the losses of its subsidiary company and consequently an aggregate sum of Rs. 593.466 million equivalent to the tax value of the losses acquired had been paid to the subsidiary company.

The original assessments of the Company for the tax years 2008 to 2010 were amended under Section 122(5A) of the Ordinance by the tax authorities by disallowing Group Relief claimed by the Company under Section 59B of the Ordinance aggregating to Rs. 593.466 million. The Company preferred appeals against the said amended assessments before the Commissioner Inland Revenue (Appeals) who vide his orders dated 10 June 2011 and 11 July 2011 has held that the Company is entitled to Group Relief under Section 59B of the Ordinance. However, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the Commissioner Inland Revenue (Appeal) (CIR) Order. The ATIR has passed an order in favour of the Company for the above tax years. In response, the Tax department filed reference application / appeal against the order of ATIR before the High Court of Sindh and with the Chairman ATIR which are under the process of hearings.

### 31. CONTINGENCIES AND COMMITMENTS

#### 31.1 Contingencies

- 31.1.1 As of June 30, 2024, the Company has no contingencies other than those disclosed in note 31.1 to these unconsolidated financial statements.

|                                                                                                                                 | Note   | 2024                         | 2023      |
|---------------------------------------------------------------------------------------------------------------------------------|--------|------------------------------|-----------|
|                                                                                                                                 |        | ----- (Rupees in '000) ----- |           |
| <b>31.2 Commitments</b>                                                                                                         |        |                              |           |
| 31.2.1 Post dated cheques issued to Collector of Custom and a customer against advance export proceeds                          |        | 4,664                        | 17,071    |
| 31.2.2 Outstanding letters of credit                                                                                            |        | 2,890,912                    | 3,884,823 |
| 31.2.3 Letter of guarantees issued by banks on behalf of the Company in respect of financial commitments of the Company.        | 31.2.6 | 5,053,892                    | 5,725,517 |
| 31.2.4 Commitments in respect of raw-material                                                                                   |        | 312,907                      | 340,085   |
| 31.2.5 Commitments in respect of investments are disclosed in notes 10.1 and 10.3 to these unconsolidated financial statements. |        |                              |           |
| 31.2.6 This guarantee is secured by assets disclosed in note 7.1.4 to these unconsolidated financial statements.                |        |                              |           |



|                                                   | Note | 2024                         | 2023        |
|---------------------------------------------------|------|------------------------------|-------------|
|                                                   |      | ----- (Rupees in '000) ----- |             |
| <b>32. REVENUE FROM CONTRACTS WITH CUSTOMERS</b>  |      |                              |             |
| Export sales                                      |      | 3,387,251                    | 2,911,998   |
| Local sales                                       |      | 27,404,788                   | 34,134,681  |
|                                                   |      | 30,792,039                   | 37,046,679  |
| Less: Sales tax                                   |      | (4,240,027)                  | (5,122,793) |
| Sales discount                                    |      | (1,412)                      | (3,196)     |
|                                                   |      | (4,241,439)                  | (5,125,989) |
|                                                   |      | 26,550,600                   | 31,920,690  |
| <b>33. COST OF SALES</b>                          |      |                              |             |
| Raw material consumed                             | 33.1 | 18,428,526                   | 22,481,444  |
| Salaries, wages and benefits                      | 33.3 | 2,803,251                    | 2,836,147   |
| Stores and spares consumed                        |      | 394,565                      | 368,514     |
| Repairs and maintenance                           |      | 142,702                      | 179,194     |
| Power and fuel                                    |      | 774,596                      | 622,408     |
| Rent, rates and taxes                             |      | 6,362                        | 5,972       |
| Vehicle running and maintenance                   |      | 43,019                       | 39,065      |
| Insurance                                         |      | 28,962                       | 14,155      |
| Communication                                     |      | 18,706                       | 13,646      |
| Travelling and conveyance                         |      | 25,443                       | 26,001      |
| Entertainment                                     |      | 1,202                        | 961         |
| Printing and stationery                           |      | 10,201                       | 12,251      |
| Legal and professional expenses                   |      | 28,043                       | 18,345      |
| Computer accessories and software maintenance fee |      | 25,324                       | 18,079      |
| Royalty                                           | 33.2 | 115,833                      | 146,907     |
| Depreciation on operating fixed assets            | 7.2  | 934,155                      | 701,968     |
| Amortisation on intangible assets                 | 8.1  | 65,370                       | 43,994      |
| Research                                          |      | 15,390                       | 5,223       |
| Ijarah rentals                                    |      | –                            | 979         |
| Technical assistance fee                          |      | 157                          | 347         |
| Others                                            |      | 4,847                        | 4,484       |
|                                                   |      | 23,866,654                   | 27,540,084  |
| Work-in-process                                   |      |                              |             |
| Opening                                           |      | 513,289                      | 809,655     |
| Closing                                           |      | (758,618)                    | (513,289)   |
|                                                   |      | (245,329)                    | 296,366     |
| Cost of goods manufactured                        |      | 23,621,325                   | 27,836,450  |
| Finished goods                                    |      |                              |             |
| Opening                                           |      | 1,533,857                    | 1,207,479   |
| Closing                                           |      | (1,401,037)                  | (1,533,857) |
|                                                   |      | 132,820                      | (326,378)   |
|                                                   |      | 23,754,145                   | 27,510,072  |
| <b>33.1 Raw material consumed</b>                 |      |                              |             |
| Opening stock                                     |      | 6,496,867                    | 5,459,808   |
| Purchases                                         |      | 17,204,652                   | 23,518,503  |
| Closing stock                                     |      | (5,272,993)                  | (6,496,867) |
|                                                   |      | 18,428,526                   | 22,481,444  |

33.2

**Royalty**

| <b>Party name</b>                    | <b>Registered address /<br/>Country of Incorporation</b>             | <b>Relationship<br/>with Company<br/>or its directors</b> | <b>2024</b><br>----- (Rupees in '000) ----- | <b>2023</b><br>----- (Rupees in '000) ----- |
|--------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Denso Corporation                    | 448-8661 1-1, Showa-Cho,<br>Kariya-city, Aichi-Pref., Japan          | None                                                      | 52,954                                      | 66,992                                      |
| Furukawa Electric<br>Company Limited | 1000, Amago, Koura, Inukami,<br>Shiga Pref, 522-0242, Japan          | None                                                      | 50,586                                      | 69,749                                      |
| Yazaki Corporation                   | 4-28 1-Chome, Mita, Minato-ku<br>Tokyo Japan                         | None                                                      | 8,378                                       | 6,028                                       |
| THN                                  | 43, Seongseo-ro 71-gil<br>Dalseo-gu, Daegu,<br>The Republic of Korea | None                                                      | 2,981                                       | 3,631                                       |
| Kyungshin<br>Corporation             | 98, Gaetbeoi-Ro, Yeonsu-Gu,<br>Incheon, Republic of Korea            | None                                                      | 934                                         | 507                                         |
|                                      |                                                                      |                                                           | <u>115,833</u>                              | <u>146,907</u>                              |

33.3

This includes charge of Rs. 63.87 million (2023: Rs. 54.96 million) in respect of defined contribution plan.

Note

2024

2023

----- (Rupees in '000) -----

34.

**DISTRIBUTION AND SELLING EXPENSES**

|                                        |      |                |                |
|----------------------------------------|------|----------------|----------------|
| Salaries and benefits                  | 34.1 | 178,550        | 133,211        |
| Vehicle running expense                |      | 22,652         | 20,834         |
| Utilities                              |      | 1,574          | 960            |
| Insurance                              |      | 12,289         | 6,134          |
| Rent, rates and taxes                  |      | 5,858          | 5,997          |
| Communication                          |      | 2,869          | 3,178          |
| Advertisement and publicity            |      | 15,445         | 5,312          |
| Travelling and conveyance              |      | 35,914         | 25,720         |
| Entertainment                          |      | 1,542          | 1,328          |
| Printing and stationery                |      | 525            | 559            |
| Computer accessories                   |      | 2,114          | 608            |
| Research and development               |      | 32             | 184            |
| Depreciation on operating fixed assets | 7.2  | 3,732          | 5,717          |
| Amortisation on intangible assets      | 8.1  | 166            | 216            |
| Repairs and maintenance                |      | 866            | 1,252          |
| Export expenses                        |      | 54,311         | 40,698         |
| Freight expenses                       |      | 377,380        | 429,346        |
| Provision for warranty obligations     | 28   | 71,068         | 95,490         |
| Commission and brokerage               |      | 3,056          | 6,033          |
| Ijarah rentals                         |      | —              | 1,615          |
| Others                                 |      | 4,602          | 3,066          |
|                                        |      | <u>794,545</u> | <u>787,458</u> |

34.1

This includes charge of Rs. 6.72 million (2023: Rs. 5.74 million) in respect of defined contribution plan.

|                                          | Note        | 2024                         | 2023             |
|------------------------------------------|-------------|------------------------------|------------------|
|                                          |             | ----- (Rupees in '000) ----- |                  |
| <b>35. ADMINISTRATIVE EXPENSES</b>       |             |                              |                  |
| Salaries and benefits                    | 35.1        | 730,407                      | 574,728          |
| Vehicle running expense                  |             | 40,483                       | 32,934           |
| Printing and stationery                  |             | 4,359                        | 3,719            |
| Rent, rates and taxes                    |             | 3,372                        | 5,682            |
| Utilities                                |             | 13,017                       | 10,684           |
| Insurance                                |             | 2,489                        | 5,952            |
| Entertainment                            |             | 2,658                        | 3,445            |
| Subscription                             |             | 1,766                        | 3,322            |
| Communication                            |             | 6,109                        | 6,946            |
| Advertisement and publicity              |             | 2,546                        | 1,212            |
| Repairs and maintenance                  |             | 11,217                       | 15,041           |
| Travelling and conveyance                |             | 17,661                       | 14,847           |
| Legal and professional advisory services |             | 273,322                      | 276,371          |
| Computer accessories                     |             | 16,303                       | 13,148           |
| Auditors' remuneration                   | 35.2        | 9,129                        | 8,895            |
| Depreciation on operating fixed assets   | 7.2         | 62,444                       | 59,607           |
| Amortisation on intangible assets        | 8.1         | 3,780                        | 4,621            |
| Depreciation on investment property      | 9           | 4                            | 4                |
| Ijarah rentals                           |             | —                            | 2,393            |
| Charity and donations                    | 35.3 & 35.4 | 40,124                       | 59,455           |
| Directors' fee and meeting expenses      |             | 1,838                        | 2,560            |
| Others                                   |             | 305                          | 1,452            |
|                                          |             | <u>1,243,333</u>             | <u>1,107,018</u> |

35.1 This includes charge of Rs. 26.29 million (2023: Rs. 19.99 million) in respect of defined contribution plan.

|                                    | 2024                         | 2023         |
|------------------------------------|------------------------------|--------------|
|                                    | ----- (Rupees in '000) ----- |              |
| <b>35.2 Auditors' remuneration</b> |                              |              |
| Audit fee                          | 4,220                        | 2,826        |
| Half-yearly review                 | 630                          | 484          |
| Taxation services                  | 1,315                        | 2,978        |
| Other certification                | 1,955                        | 1,765        |
| Out of pocket expenses             | 1,009                        | 842          |
|                                    | <u>9,129</u>                 | <u>8,895</u> |

## 35.3

**Charity and donations**

Charity and donations include donations to following organisations in which directors or their spouses are interested:

| <b>Name of donee</b>                           | <b>Address of donee</b>                                                                                | <b>Name of directors / spouse</b>                                 | <b>2024</b><br>----- (Rupees in '000) ----- | <b>2023</b><br>----- (Rupees in '000) ----- |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Mohamedali Habib Welfare Trust                 | 2nd Floor, House of Habib, 3 Jinnah Co-operative Housing Society, Block 7/8, Shahrah-e-Faisal, Karachi | Mr. Rafiq M. Habib - Trustee                                      | 3,045                                       | 7,545                                       |
| Habib Education Trust                          | 4th floor, United Bank building I.I. Chundrigar Road, Karachi                                          | Mr. Mohamedali R. Habib - Trustee                                 | —                                           | 7,000                                       |
| Habib University Foundation                    | 147, Block 7&8, Bangalore Cooperative Housing Society, Tipu Sultan Road, Karachi                       | Mr. Rafiq M. Habib - Trustee<br>Mr. Mohamedali R. Habib - Trustee | —                                           | 5,000                                       |
| Ghulaman-e-Abbas Educational and Medical Trust | Bab-e-Ali, Al-alamdar Building, Near Lyari Expressway, Mauripur Road, Karachi                          | Mr. Rafiq M. Habib - Trustee                                      | 5,000                                       | —                                           |
| Hussaini Haemotology & Oncology Trust          | 43-Rehmat Manzil, Bhurgari Road, Numaish, Karachi                                                      | Mr. Mohamedali R. Habib - Trustee                                 | —                                           | 96                                          |
| Anjuman-e-Behbood Samat-e-Itfai                | ABSA School 26-C National Highway, Korangi Road, Karachi                                               | Mrs. Rafiq M. Habib - Vice President                              | 255                                         | 30                                          |
| Karachi Relief Trust                           | 1D 27 Korangi Industrial Area, Sector 16 Korangi, Karachi                                              | Mr. Khayam Hussain - Trustee                                      | —                                           | 825                                         |

## 35.4

Donees to whom donations exceed 10% of total donation or Rs. 1 million, whichever is higher is as follows:

| <b>Name of donee</b>                                  | <b>Note</b> | <b>2024</b><br>----- (Rupees in '000) ----- | <b>2023</b><br>----- (Rupees in '000) ----- |
|-------------------------------------------------------|-------------|---------------------------------------------|---------------------------------------------|
| The Citizens Foundation                               |             | 6,936                                       | —                                           |
| Patient's Aid Foundation                              |             | 4,200                                       | —                                           |
| Indus Hospital and Health Network                     |             | 6,000                                       | 11,000                                      |
| Saylani International Trust                           |             | 5,000                                       | —                                           |
| <b>36. OTHER CHARGES</b>                              |             |                                             |                                             |
| Workers' profits participation fund                   | 18.2        | 18,465                                      | 98,079                                      |
| Workers' welfare fund                                 |             | 12,357                                      | 42,452                                      |
| Exchange loss                                         |             | 1,381                                       | 436,648                                     |
| Loss on revaluation of investments classified as FVPL |             | 9,634                                       | 16,355                                      |
| Allowance for expected credit losses                  |             | 44,836                                      | 2,627                                       |
| Charge of provision for impairment of loan - MHPL     | 16.2        | 10,000                                      | —                                           |
|                                                       |             | <b>96,673</b>                               | <b>596,161</b>                              |

|                                                                                                                                                                                                                                                                                                                                                     | Note       | 2024                         | 2023             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------------------------|------------------|
|                                                                                                                                                                                                                                                                                                                                                     |            | ----- (Rupees in '000) ----- |                  |
| <b>37. OTHER INCOME</b>                                                                                                                                                                                                                                                                                                                             |            |                              |                  |
| <b>Income from financial assets</b>                                                                                                                                                                                                                                                                                                                 |            |                              |                  |
| Dividend income from:                                                                                                                                                                                                                                                                                                                               |            |                              |                  |
| Related parties:                                                                                                                                                                                                                                                                                                                                    |            |                              |                  |
| Indus Motor Company Limited                                                                                                                                                                                                                                                                                                                         |            | 492,423                      | 225,185          |
| Habib Insurance Company Limited                                                                                                                                                                                                                                                                                                                     |            | 3,585                        | 3,585            |
| Shabbir Tiles and Ceramics Limited                                                                                                                                                                                                                                                                                                                  |            | —                            | 2,341            |
| Sindh Engro Coal Mining Company Limited                                                                                                                                                                                                                                                                                                             |            | 346,282                      | 677,288          |
| Habib Metro Pakistan (Private) Limited                                                                                                                                                                                                                                                                                                              |            | 939,283                      | 790,829          |
|                                                                                                                                                                                                                                                                                                                                                     |            | <u>1,781,573</u>             | <u>1,699,228</u> |
| Others:                                                                                                                                                                                                                                                                                                                                             |            |                              |                  |
| Dynea Pakistan Limited                                                                                                                                                                                                                                                                                                                              |            | 14,297                       | 6,127            |
| Habib Sugar Mills Limited                                                                                                                                                                                                                                                                                                                           |            | 11,201                       | 6,534            |
| TPL Properties Limited                                                                                                                                                                                                                                                                                                                              |            | —                            | 4,108            |
| Allied Bank Limited                                                                                                                                                                                                                                                                                                                                 |            | 2,455                        | 1,636            |
| Habib Bank Limited                                                                                                                                                                                                                                                                                                                                  |            | 798                          | 391              |
| Mutual Funds                                                                                                                                                                                                                                                                                                                                        |            | 441,678                      | 194,024          |
|                                                                                                                                                                                                                                                                                                                                                     |            | <u>470,429</u>               | <u>212,820</u>   |
| Interest on:                                                                                                                                                                                                                                                                                                                                        |            |                              |                  |
| Loan to subsidiary - Thal Boshoku Pakistan (Private) Limited                                                                                                                                                                                                                                                                                        |            | —                            | 25,471           |
| Deposit accounts                                                                                                                                                                                                                                                                                                                                    |            | 133,745                      | 127,837          |
| Term deposit receipts                                                                                                                                                                                                                                                                                                                               |            | 12,814                       | 17,492           |
|                                                                                                                                                                                                                                                                                                                                                     |            | <u>146,559</u>               | <u>170,800</u>   |
| Gain on sale of government securities                                                                                                                                                                                                                                                                                                               |            | 313,453                      | 120,527          |
| Gain on disposal of investment in mutual funds                                                                                                                                                                                                                                                                                                      |            | 24,060                       | 29,827           |
| Reversal of provision for impairment of loan - MHPL                                                                                                                                                                                                                                                                                                 | 16.2       | —                            | 39,432           |
| Liability no longer payable                                                                                                                                                                                                                                                                                                                         |            | 77,929                       | —                |
|                                                                                                                                                                                                                                                                                                                                                     |            | <u>2,814,003</u>             | <u>2,272,634</u> |
| <b>Income from non financial assets</b>                                                                                                                                                                                                                                                                                                             |            |                              |                  |
| Gain on disposal of operating fixed assets                                                                                                                                                                                                                                                                                                          |            | 21,934                       | 76,549           |
| Rental income                                                                                                                                                                                                                                                                                                                                       | 9.1 & 37.1 | 3,591                        | 3,359            |
| Service income                                                                                                                                                                                                                                                                                                                                      | 37.2       | 32,400                       | 34,220           |
| Scrap sales                                                                                                                                                                                                                                                                                                                                         |            | 56,601                       | 68,413           |
| Claim from customers                                                                                                                                                                                                                                                                                                                                |            | 162,826                      | 25,496           |
| Duty drawback                                                                                                                                                                                                                                                                                                                                       |            | 41,077                       | 10,346           |
| Insurance claim                                                                                                                                                                                                                                                                                                                                     |            | —                            | 6,884            |
|                                                                                                                                                                                                                                                                                                                                                     |            | <u>318,429</u>               | <u>225,267</u>   |
|                                                                                                                                                                                                                                                                                                                                                     |            | <u>3,132,432</u>             | <u>2,497,901</u> |
| <b>37.1 Maturity analysis of operating lease payments</b>                                                                                                                                                                                                                                                                                           |            |                              |                  |
| The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:                                                                                                                                                                                                                                              |            |                              |                  |
| Within one year                                                                                                                                                                                                                                                                                                                                     |            | <u>3,591</u>                 | <u>3,359</u>     |
| <b>37.2</b>                                                                                                                                                                                                                                                                                                                                         |            |                              |                  |
| The Company has a service agreement with Thal Boshoku Pakistan (Private) Limited. As per the agreement, the Company provides service and support for production, plant maintenance, engineering, imports, logistics, material handling, sales administration, human resource, general administration, financial, corporate, legal and tax advisory. |            |                              |                  |

|                                                                             | Note                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2024                         | 2023      |
|-----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------|
|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ----- (Rupees in '000) ----- |           |
| <b>38. FINANCE COSTS</b>                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                              |           |
| Interest on:                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                              |           |
| Export Refinance Scheme                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 102,220                      | 59,255    |
| State Bank of Pakistan's Refinance Scheme for Payment of Salaries and Wages |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | —                            | 523       |
| State Bank of Pakistan's Refinance Scheme for Temporary Economic Relief     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 92,958                       | 104,156   |
| State Bank of Pakistan's Financing Scheme for Renewable Energy              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 26,769                       | 7,016     |
| Long-term loan                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 543,038                      | 269,075   |
| Running finance facilities                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 1,063                        | 2,556     |
| Lease liabilities                                                           | 25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 6,568                        | 8,214     |
| Amortisation of deferred income                                             | 26.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | (72,460)                     | (65,385)  |
|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 700,156                      | 385,410   |
| Bank charges and commission                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 29,258                       | 20,041    |
|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 729,414                      | 405,451   |
| <b>39. LEVY AND TAXATION</b>                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                              |           |
| Levy                                                                        | 39.1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 445,515                      | 87,660    |
| Taxation                                                                    | 39.2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 428,979                      | 1,174,012 |
| Levy and tax charged                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 874,494                      | 1,261,672 |
| 39.1                                                                        | This represents final taxes paid under sections 113, 150 and 154 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 / IAS 37.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                              |           |
|                                                                             | Note                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2024                         | 2023      |
|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ----- (Rupees in '000) ----- |           |
| <b>39.2 Taxation</b>                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                              |           |
| Current                                                                     | 39.4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 624,663                      | 1,390,282 |
| Prior                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | (184,267)                    | (117,504) |
|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 440,396                      | 1,272,778 |
| Deferred                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | (11,417)                     | (98,766)  |
|                                                                             | 39.5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 428,979                      | 1,174,012 |
| 39.3                                                                        | During the year, provision for current taxation is based on minimum tax and final tax regime. Accordingly, the reconciliation between accounting profit before tax and tax expense has not been presented in these unconsolidated financial statements.                                                                                                                                                                                                                                                                                                                                                                                            |                              |           |
| 39.4                                                                        | This includes Super Tax on high earning persons. Vide Finance Act 2023, rates for Super Tax were increased with maximum rate upto 10% with retrospective effect for tax year 2023. Company, being effected with retrospective application, approached the Islamabad High Court and obtained favourable order, whereby higher rates has been suspended, and income on which the final tax regime is applicable has been excluded from the ambit of Super Tax. As per suspended law, applicable rate of tax for the Company is 10% on total income. Department has filed Intra Court Appeal against IHC judgement which is pending for adjudication. |                              |           |



#### 40. EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

|                                                            | 2024                          | 2023      |
|------------------------------------------------------------|-------------------------------|-----------|
|                                                            | ----- (Rupees in '000) -----  |           |
| Net profit for the year                                    | 2,190,428                     | 2,750,759 |
|                                                            | Number of shares in thousands |           |
| Weighted average number of ordinary shares of Rs. 5/- each | 81,030                        | 81,030    |
|                                                            | ----- (Rupees) -----          |           |
| Earnings per share - basic and diluted                     | 27.03                         | 33.95     |

#### 41. CASH GENERATED FROM OPERATIONS

|                                                                    | Note | 2024                         | 2023        |
|--------------------------------------------------------------------|------|------------------------------|-------------|
|                                                                    |      | ----- (Rupees in '000) ----- |             |
| Profit before taxation and levy                                    |      | 3,064,922                    | 4,012,431   |
| Adjustments for non-cash charges and other items:                  |      |                              |             |
| Depreciation:                                                      |      |                              |             |
| Right of use assets                                                | 7.1  | 24,182                       | 21,771      |
| Others                                                             | 7.1  | 976,149                      | 745,522     |
| Amortisation                                                       | 8.1  | 69,316                       | 48,830      |
| Finance costs on:                                                  |      |                              |             |
| Long-term loans                                                    |      | 543,038                      | 269,075     |
| Others                                                             |      | 186,376                      | 136,376     |
| Interest income                                                    |      | (146,559)                    | (191,133)   |
| Liabilities no longer payable written back                         |      | (77,929)                     | —           |
| Gain on revaluation / redemption of investments classified at FVPL |      | (327,874)                    | (113,666)   |
| Dividend income                                                    | 37   | (2,252,002)                  | (1,912,048) |
| Charge of allowance for expected credit losses                     | 15.3 | 44,836                       | 2,627       |
| Charge for impairment of stock-in-trade and stores and spares      |      | 289,122                      | 384,713     |
| Provision for retirement benefits                                  |      | 12,331                       | 11,326      |
| Provision / (reversal) of impairment on loan to MHPL               | 36   | 10,000                       | (39,432)    |
| Gain on disposal of operating fixed assets                         |      | (21,934)                     | (76,549)    |
|                                                                    |      | (670,948)                    | (712,588)   |
|                                                                    |      | 2,393,974                    | 3,299,843   |
| Decrease / (increase) in current assets:                           |      |                              |             |
| Stores, spares and loose tools                                     |      | (54,025)                     | (27,925)    |
| Stock-in-trade                                                     |      | 1,830,495                    | 162,523     |
| Trade debts                                                        |      | (1,378,119)                  | 191,405     |
| Loans and advances                                                 |      | 150,636                      | (41,475)    |
| Trade deposits and short-term prepayments                          |      | 1,324,049                    | (426,578)   |
| Other receivables                                                  |      | (124,618)                    | 49,139      |
| Sales tax refundable                                               |      | 254,052                      | (291,631)   |
|                                                                    |      | 2,002,470                    | (384,542)   |
| (Decrease) / increase in current liabilities:                      |      |                              |             |
| Trade and other payables                                           | 27   | (884,704)                    | 313,608     |
| Warranty obligations                                               | 28   | 64,729                       | 81,151      |
|                                                                    |      | 3,576,469                    | 3,310,060   |
|                                                                    |      |                              |             |
| <b>42. CASH AND CASH EQUIVALENTS</b>                               |      |                              |             |
| Cash and bank balances                                             | 20   | 1,447,121                    | 1,151,888   |
| Short-term investments - T-bills                                   | 19   | 477,149                      | 1,011,607   |
|                                                                    |      | 1,924,270                    | 2,163,495   |

#### 43. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Company comprise of subsidiaries, associates, retirement funds, directors and key management personnel. Related party transactions are placed before the Audit Committee. These transactions are reviewed / recommended by the Audit Committee and approved by the Board on quarterly basis. Details of transactions with related parties, duly approved by the Board, during the year are as under:

| Relationship           | Nature of transactions                  | 2024                         | 2023      |
|------------------------|-----------------------------------------|------------------------------|-----------|
|                        |                                         | ----- (Rupees in '000) ----- |           |
| Subsidiaries           | Professional services acquired          | 243,617                      | 185,484   |
|                        | Purchase of goods                       | 333                          | 452       |
|                        | Service fee                             | 32,400                       | 32,400    |
| Associates             | Sale of goods                           | 6,687,404                    | 9,877,011 |
|                        | Insurance premium                       | 32,671                       | 68,301    |
|                        | Purchase of assets                      | 28,626                       | 20,570    |
|                        | Insurance claim received                | 972                          | 24,639    |
|                        | Rent received                           | 3,643                        | 3,359     |
|                        | Purchase of goods                       | —                            | 3,344     |
| Employee benefit plans | Contribution to provident fund          | 84,546                       | 69,370    |
|                        | Contribution to retirement benefit fund | 12,331                       | 11,326    |

43.1 Transactions with key management personnel are disclosed in note 44 to the unconsolidated financial statements.

43.2 Receivable from and payable to related parties as at June 30, 2024 are disclosed in the respective notes to the unconsolidated financial statements.

43.3 Following are the related parties of the Company with whom the Company had entered into transactions or have arrangement / agreement in place as per mutually agreed terms and conditions.

| <b>S. No.</b> | <b>Company name</b>                               | <b>Basis of association</b>       | <b>Aggregate % of shareholding</b> | <b>Nature of transactions</b>                       |
|---------------|---------------------------------------------------|-----------------------------------|------------------------------------|-----------------------------------------------------|
| 1.            | Noble Computer Services (Private) Limited         | Subsidiary (note 43.3.1)          | 100%                               | Professional services acquired                      |
| 2.            | Pakistan Industrial Aids (Private) Limited        | Subsidiary (note 43.3.1)          | 100%                               | Purchase of goods                                   |
| 3.            | Habib Metro Pakistan (Private) Limited            | Subsidiary (note 43.3.1)          | 60%                                | Dividend received                                   |
| 4.            | Makro-Habib Pakistan Limited                      | Subsidiary (note 43.3.1)          | 100%                               | Loan repayment received                             |
| 5.            | Thal Boshoku Pakistan (Private) Limited           | Subsidiary (note 43.3.1)          | 55%                                | Service fees                                        |
| 6.            | Thal Power (Private) Limited                      | Subsidiary (note 43.3.1)          | 100%                               | Equity investment                                   |
| 7.            | Sindh Engro Coal Mining Company Limited           | Associate (note 43.3.1)           | 11.90%                             | Dividend received                                   |
| 8.            | Indus Motor Company Limited                       | Associate (note 43.3.1)           | 6.22%                              | Sales of goods / Purchase of assets                 |
| 9.            | Shabbir Tiles and Ceramics Limited                | Associate (note 43.3.1)           | 1.30%                              | Sales and rent received                             |
| 10.           | Habib Insurance Company Limited                   | Associate (note 43.3.1)           | 4.63%                              | Insurance premium paid and insurance claim received |
| 11.           | Agriauto Industries Limited                       | Associate (note 43.3.1)           | 7.35%                              | None                                                |
| 12.           | Habib Metropolitan Bank Limited                   | Common directorship (note 43.3.1) | —                                  | Mark-up and bank charges paid and interest received |
| 13.           | Thal Limited - Employees' Provident Fund          | Retirement benefit fund           | —                                  | Contribution made                                   |
| 14.           | Thal Limited - Employees' Retirement Benefit Fund | Retirement benefit fund           | —                                  | Contribution made                                   |

43.3.1 These entities are associated companies / undertakings of the Company under Companies Act, 2017.

#### 44. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

|                                                   | 2024                    |           |                | 2023                    |           |                |
|---------------------------------------------------|-------------------------|-----------|----------------|-------------------------|-----------|----------------|
|                                                   | Chief Executive Officer | Directors | Executives     | Chief Executive Officer | Directors | Executives     |
|                                                   | (Rupees in '000)        |           |                |                         |           |                |
| Managerial remuneration                           | 94,775                  | —         | 607,102        | 79,029                  | —         | 462,810        |
| Bonus                                             | 38,494                  | —         | 153,959        | 3,470                   | —         | 41,083         |
| Company's contribution to provident fund          | 4,497                   | —         | 25,604         | 3,748                   | —         | 19,178         |
| Company's contribution to retirement benefit fund | —                       | —         | 11,215         | —                       | —         | 8,793          |
| Other perquisites                                 | —                       | —         | 8,199          | —                       | —         | 7,632          |
|                                                   | <u>137,766</u>          | <u>—</u>  | <u>806,079</u> | <u>86,247</u>           | <u>—</u>  | <u>539,496</u> |
| Number of persons                                 | <u>1</u>                | <u>6</u>  | <u>95</u>      | <u>1</u>                | <u>6</u>  | <u>82</u>      |

- 44.1. The chief executive officer, directors and certain executives of the Company are provided with free of cost use of company maintained cars.
- 44.2. During the year, an amount of Rs.1,365,000 (2023: Rs. 1,675,000) has been paid to non-executive directors, as fee for attending board and other meetings.

#### 45. PLANT CAPACITY AND ACTUAL PRODUCTION

##### Annual capacity

|                                      |         |         |
|--------------------------------------|---------|---------|
| Jute (Metric Tons)                   | 33,800  | 33,800  |
| Auto air conditioners (Units)        | 90,000  | 90,000  |
| Paper bags (Nos. 000s)               | 356,000 | 356,000 |
| Woven polypropylene bags (Nos. 000s) | 90,000  | 90,000  |
| Alternator (Units)                   | 90,000  | 90,000  |
| Starter (Units)                      | 90,000  | 90,000  |

##### Actual Production

|                                      |         |         |
|--------------------------------------|---------|---------|
| Jute (Metric Tons)                   | 18,080  | 28,149  |
| Auto air conditioners (Units)        | 15,512  | 32,052  |
| Wire harness (Units)                 | 75,773  | 102,351 |
| Paper bags (Nos. 000s)               | 189,982 | 188,450 |
| Woven polypropylene bags (Nos. 000s) | 80,770  | 70,878  |
| Alternator (Units)                   | 10,609  | 17,221  |
| Starter (Units)                      | 10,475  | 18,198  |

|                      |            |            |
|----------------------|------------|------------|
| Reason for shortfall | Low demand | Low demand |
|----------------------|------------|------------|

- 45.1. The capacity of wire harness is dependent on product mix.
- 45.2. The production capacity of laminate operations depends on the relative proportion of various types of products.

#### 46. PROVIDENT FUND

Investments out of provident fund have been made in compliance with the provisions of Section 218 of the Act and the rules formulated for this purpose.

(Rupees in '000) -

|                                          | Interest /Mark-up bearing |                         |                  | Non-Interest /Mark-up bearing |                        |                         |                   |                   |
|------------------------------------------|---------------------------|-------------------------|------------------|-------------------------------|------------------------|-------------------------|-------------------|-------------------|
| No maturity/on demand                    | Maturity upto one year    | Maturity after one year | Subtotal         | No maturity/on demand         | Maturity upto one year | Maturity after one year | Subtotal          | Total             |
| ----- (Rupees in '000) -----             |                           |                         |                  |                               |                        |                         |                   |                   |
|                                          |                           |                         |                  |                               |                        |                         |                   |                   |
| <b>Financial assets</b>                  |                           |                         |                  |                               |                        |                         |                   |                   |
| <b>Fair value through OCI</b>            |                           |                         |                  |                               |                        |                         |                   |                   |
| Long-term investments                    | -                         | -                       | -                | 347,460                       | -                      | -                       | 347,460           | 347,460           |
| <b>Fair value through profit or loss</b> |                           |                         |                  |                               |                        |                         |                   |                   |
| Short-term investments                   | -                         | 2,397,313               | 2,397,313        | 4,721,493                     | -                      | -                       | 4,721,493         | 7,118,806         |
| <b>Amortized cost</b>                    |                           |                         |                  |                               |                        |                         |                   |                   |
| Long term deposits                       | -                         | -                       | -                | -                             | -                      | 31,321                  | 31,321            | 31,321            |
| Trade debts                              | -                         | -                       | -                | -                             | 4,969,103              | -                       | 4,969,103         | 4,969,103         |
| Loans and advances                       | -                         | -                       | -                | -                             | 162,431                | -                       | 162,431           | 162,431           |
| Trade deposits                           | -                         | -                       | -                | -                             | 18,757                 | -                       | 18,757            | 18,757            |
| Interest accrued                         | -                         | -                       | -                | -                             | 21,024                 | -                       | 21,024            | 21,024            |
| Other receivables                        | -                         | -                       | -                | -                             | 939,418                | -                       | 939,418           | 939,418           |
| Short-term investments                   | 169,771                   | -                       | 169,771          | -                             | -                      | -                       | -                 | 169,771           |
| Cash and bank balances                   | 859,742                   | -                       | 859,742          | 587,378                       | -                      | -                       | 587,378           | 1,447,121         |
|                                          | <u>1,029,513</u>          | <u>2,397,313</u>        | <u>3,426,826</u> | <u>5,656,331</u>              | <u>6,110,733</u>       | <u>31,321</u>           | <u>11,798,385</u> | <u>15,225,212</u> |
|                                          |                           |                         |                  |                               |                        |                         |                   |                   |
| <b>Financial liabilities</b>             |                           |                         |                  |                               |                        |                         |                   |                   |
| <b>Amortized cost</b>                    |                           |                         |                  |                               |                        |                         |                   |                   |
| Long-term deposits and payables          | -                         | -                       | -                | -                             | -                      | 10,513                  | 10,513            | 10,513            |
| Long-term borrowings                     | -                         | 417,041                 | 3,985,864        | -                             | -                      | -                       | -                 | 3,985,864         |
| Trade and other payables                 | -                         | -                       | -                | -                             | 4,634,012              | -                       | 4,634,012         | 4,634,012         |
| Accrued mark-up                          | -                         | -                       | -                | -                             | 95,290                 | -                       | 95,290            | 95,290            |
| Unclaimed dividend                       | -                         | -                       | -                | 107,990                       | -                      | -                       | 107,990           | 107,990           |
| Unpaid dividend                          | -                         | -                       | -                | 23,137                        | -                      | -                       | 23,137            | 23,137            |
| Lease liabilities                        | -                         | 29,996                  | 54,805           | -                             | -                      | -                       | -                 | 54,805            |
| Short-term borrowings                    | -                         | 780,000                 | 780,000          | -                             | -                      | -                       | -                 | 780,000           |
|                                          | <u>-</u>                  | <u>1,227,037</u>        | <u>3,593,632</u> | <u>131,127</u>                | <u>4,729,302</u>       | <u>10,513</u>           | <u>4,870,942</u>  | <u>9,691,611</u>  |

[illegible]



## 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial instruments expose it to a variety of financial risks namely operational risk, credit risk and market risk. The Board of Directors oversees policies for managing each of these risks which are summarised below.

### 48.1 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties failed completely to perform as contracted.

The maximum credit risk is equal to the carrying amount of financial assets. For banks and financial institutions, only independently rated parties with reasonable credit rating are accepted. For trade receivables and loans internal risk assessment process considers the credit risk of the customer/borrower, taking into account its financial position, past experience and other factors.

The carrying values of financial assets which are not impaired are as under:

|                        | 2024                         | 2023              |
|------------------------|------------------------------|-------------------|
|                        | ----- (Rupees in '000) ----- |                   |
| Long term deposits     | 31,321                       | 280,637           |
| Trade debts            | 4,969,103                    | 3,635,820         |
| Loans and advances     | 5,714                        | 2,489             |
| Trade deposits         | 94,697                       | 1,413,499         |
| Interest accrued       | 21,024                       | 23,352            |
| Other receivables      | 898,874                      | 803,110           |
| Short term investments | 7,288,577                    | 4,202,547         |
| Bank balances          | 1,443,720                    | 1,150,050         |
|                        | <u>14,753,030</u>            | <u>11,511,504</u> |

Set out below is the information about the ageing of trade debts and related credit risk exposure as at the reporting date:

|                                     | Past due but not impairment  |                  |                |                |                | 2024             | 2023             |
|-------------------------------------|------------------------------|------------------|----------------|----------------|----------------|------------------|------------------|
|                                     | Not overdue                  | 01 to 30 days    | 31 to 60 days  | 61 to 90 days  | Over 90 days   | Total            | Total            |
|                                     | ----- (Rupees in '000) ----- |                  |                |                |                |                  |                  |
| Due from related parties            | 845,495                      | –                | 21,160         | –              | –              | 866,655          | 679,056          |
| Other parties                       | 1,662,492                    | 1,060,043        | 378,312        | 484,707        | 626,509        | 4,212,063        | 3,038,226        |
| Total                               | <u>2,507,987</u>             | <u>1,060,043</u> | <u>399,472</u> | <u>484,707</u> | <u>626,509</u> | <u>5,078,718</u> | <u>3,717,282</u> |
| Expected credit loss                | 22,062                       | 12,156           | 12,386         | 11,724         | 51,287         | 109,615          | 81,462           |
| Expected credit loss effective rate | 1%                           | 1%               | 3%             | 2%             | 8%             | 2%               | 2%               |

The credit quality of financial assets other than bank balances and short term investments in T-bills can be assessed with reference to their historical performance with no or some defaults in recent history, however, no losses.

The credit quality of Company's bank balances and short term investments in T-bills can be assessed with reference to external credit ratings as follows:

| Bank                                       | Rating agency | Rating     |           |
|--------------------------------------------|---------------|------------|-----------|
|                                            |               | Short-term | Long-term |
| Habib Metropolitan Bank Limited            | PACRA         | A1+        | AA+       |
| Bank AL Habib Limited                      | PACRA         | A1+        | AAA       |
| Bank Alfalah Limited                       | PACRA         | A1+        | AAA       |
| Standard Chartered Bank (Pakistan) Limited | PACRA         | A1+        | AAA       |
| Faysal Bank Limited                        | PACRA         | A1+        | AA        |
| Habib Bank Limited                         | VIS           | A-1+       | AAA       |
| Meezan Bank Limited                        | VIS           | A-1+       | AAA       |
| National Bank of Pakistan                  | PACRA         | A1+        | AAA       |
| United Bank Limited                        | VIS           | A-1+       | AAA       |
| Telenor Microfinance Bank Limited          | PACRA         | A1         | A         |
| Al Baraka Bank (Pakistan) Limited          | VIS           | A-1        | A+        |
| Bank of Punjab                             | PACRA         | A1+        | AA+       |
| MCB Bank Limited                           | PACRA         | A1+        | AAA       |

## 48.2 Market risk

Market risk is the risk that the value of the financial instruments may fluctuate as a result of changes in market currency rates, interest rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. There has been no change in the Company's exposure to market risk or the manner in which this risk is managed and measured.

Under market risk the Company is exposed to currency risk, interest rate risk, price risk and liquidity risk.

### 48.2.1 Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies.

|                          | 2024                      | 2023         |
|--------------------------|---------------------------|--------------|
|                          | ----- (FCY in '000) ----- |              |
| <b>USD</b>               |                           |              |
| Bank balances            | 1,372                     | 1,197        |
| Trade receivables        | 2,356                     | 883          |
| Trade and other payables | (623)                     | (2,559)      |
|                          | <u>3,105</u>              | <u>(479)</u> |
| <b>EUR</b>               |                           |              |
| Trade receivables        | 45                        | 45           |
| Trade payables           | —                         | —            |
| <b>JPY</b>               |                           |              |
| Trade and other payables | (217)                     | (98,282)     |
| <b>CNY</b>               |                           |              |
| Trade and other payables | (4)                       | (1,191)      |
| <b>AED</b>               |                           |              |
| Trade receivables        | 539                       | (184)        |
| <b>GBP</b>               |                           |              |
| Trade receivables        | 2                         | 32           |
| Trade and other payables | —                         | (8)          |

The following exchange rates have been applied at the statement of financial position date:

|     | 2024      | 2023   |
|-----|-----------|--------|
|     | Rs. / FCY |        |
| USD | 278.80    | 287.10 |
| EUR | 298.41    | 314.27 |
| JPY | 1.73      | 2.00   |
| CNY | 38.53     | 39.98  |
| AED | 76.37     | 78.72  |
| GBP | 351.85    | 365.40 |

#### Sensitivity analysis:

The following table demonstrates the sensitivity to a reasonably possible change in the foreign exchange rate, with all other variables held constant, of the Company's profit before tax and the Company's equity.

|      | Change in<br>exchange<br>rate | Effect on<br>profit<br>before tax | Effect on<br>equity |
|------|-------------------------------|-----------------------------------|---------------------|
| 2024 | %                             | (Rupees in '000)                  |                     |
|      | + 10                          | 92,033                            | 68,749              |
|      | - 10                          | (92,033)                          | (68,749)            |
| 2023 |                               |                                   |                     |
|      | + 10                          | (37,328)                          | (27,490)            |
|      | - 10                          | 37,328                            | 27,490              |

#### 48.2.2 Interest 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 Company's exposure to the risk of changes in market interest rates relates primarily to long term loans other than SBP loans, cash in deposit accounts and short-term borrowings.

#### Sensitivity analysis:

The following figures demonstrate the sensitivity of a possible change in interest rate, with all other variables held constant, on the Company's profit before tax:

|      | Increase /<br>decrease in<br>basis points<br>(KIBOR) | Effect<br>on profit<br>before tax |
|------|------------------------------------------------------|-----------------------------------|
| 2024 | (Rupees in '000)                                     |                                   |
|      | + 100                                                | 27,304                            |
|      | - 100                                                | (27,304)                          |
| 2023 |                                                      |                                   |
|      | + 100                                                | 1,144                             |
|      | - 100                                                | (1,144)                           |

#### 48.2.3 Price risk

Price risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices (other than those arising from currency risk), whether those changes are caused by factors specific to the individual financial instruments or its issuer or factors affecting all similar financial instruments traded in the market. The Company is exposed to price risk in respect of its investments in listed shares and mutual funds.

As at the statement of financial position date, the exposure at fair value was Rs 7,466.266 million. A decrease of 10% in the fair value of these investments would have a negative impact of approximately Rs 746.626 million on equity. An increase of 10% in the prices of these investments would positively impact equity with the similar amount.

#### 48.2.4 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with the financial instruments.

Through its treasury function, the Company continually monitors its liquidity position and ensures availability of funds by maintaining flexibility in funding by keeping committed credit lines available.

The maturity profile of the Company's liabilities based on contractual maturities is disclosed in note 46 to these unconsolidated financial statements.

### 49. CAPITAL RISK MANAGEMENT

The Company's prime objective when managing capital is to safeguard its ability to continue as a going concern, maintain healthy capital ratios, strong credit rating and optimal capital structure in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholder value and reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as proportion of borrowings to equity at year end.

The proportion of borrowings to equity at year end was:

|                  | 2024                         | 2023       |
|------------------|------------------------------|------------|
|                  | ----- (Rupees in '000) ----- |            |
| Total borrowings | 5,086,479                    | 4,762,800  |
| Total equity     | 31,247,264                   | 29,605,430 |
| Gearing ratio    | 16%                          | 16%        |

The Company finances its expansion projects through borrowings and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk.

50. CHANGES IN LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

2024

|                                          | Dividends        | Lease liabilities | Long-term borrowing (including deferred income) | Short-term borrowings |
|------------------------------------------|------------------|-------------------|-------------------------------------------------|-----------------------|
|                                          | (Rupees in '000) |                   |                                                 |                       |
| Balance at beginning of the year         | 126,982          | 79,810            | 4,127,990                                       | 555,000               |
| Changes from financing cash flows        |                  |                   |                                                 |                       |
| Dividend paid during the year            | (684,610)        | —                 | —                                               | —                     |
| Payments made during the year            | —                | (31,573)          | (466,621)                                       | 122,780               |
| Financing obtained during the year - net | (684,610)        | (31,573)          | (466,621)                                       | 122,780               |
| Other changes                            |                  |                   |                                                 |                       |
| Dividend declared during the year        | 688,755          | —                 | —                                               | —                     |
| Finance cost during the year - net       | —                | 6,568             | 662,765                                         | 102,220               |
| Amortization of deferred income          | —                | —                 | (72,460)                                        | —                     |
|                                          | 688,755          | 6,568             | 590,305                                         | 102,220               |
| Balance at end of the year               | 131,127          | 54,805            | 4,251,674                                       | 780,000               |

2023

|                                          | Dividends        | Lease liabilities | Long-term borrowing (including deferred income) | Short-term borrowings |
|------------------------------------------|------------------|-------------------|-------------------------------------------------|-----------------------|
|                                          | (Rupees in '000) |                   |                                                 |                       |
| Balance at beginning of the year         | 125,890          | 100,584           | 2,758,118                                       | 597,080               |
| Changes from financing cash flows        |                  |                   |                                                 |                       |
| Dividend paid during the year            | (323,030)        | —                 | —                                               | —                     |
| Payments made during the year            | —                | (28,988)          | —                                               | (103,891)             |
| Financing obtained during the year - net | (323,030)        | (28,988)          | 1,054,487                                       | (103,891)             |
| Other changes                            |                  |                   |                                                 |                       |
| Dividend declared during the year        | 324,122          | —                 | —                                               | —                     |
| Finance cost during the year - net       | —                | 8,214             | 380,770                                         | 61,811                |
| Amortization of deferred income          | —                | —                 | (65,385)                                        | —                     |
|                                          | 324,122          | 8,214             | 315,385                                         | 61,811                |
| Balance at end of the year               | 126,982          | 79,810            | 4,127,990                                       | 555,000               |

## 51. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The carrying values of all financial assets and liabilities reflected in the unconsolidated financial statements approximate their fair values.

### Fair value hierarchy

The different levels of fair valuation methods have been defined as follows:

- Quoted prices in active markets for identical assets or liabilities (level1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (level 3).

|                                                          |      | 2024    |           |         |           |
|----------------------------------------------------------|------|---------|-----------|---------|-----------|
|                                                          | Note | Level 1 | Level 2   | Level 3 | Total     |
| ----- (Rupees in '000) -----                             |      |         |           |         |           |
| <b>Assets</b>                                            |      |         |           |         |           |
| Investments carried at fair value through OCI            | 10   | 347,460 | –         | –       | 347,460   |
| Investments carried at fair value through profit or loss | 19   | –       | 7,118,806 | –       | 7,118,806 |
|                                                          |      | 2023    |           |         |           |
|                                                          |      | Level 1 | Level 2   | Level 3 | Total     |
| ----- (Rupees in '000) -----                             |      |         |           |         |           |
| <b>Assets</b>                                            |      |         |           |         |           |
| Investments carried at fair value through OCI            | 10   | 207,299 | –         | –       | 207,299   |
| Investments carried at fair value through profit or loss | 19   | –       | 4,202,547 | –       | 4,202,547 |

There were no transfers amongst levels during the year.

The market prices of listed shares and mutual fund units have been obtained from Pakistan Stock Exchange and Mutual Fund Association of Pakistan respectively.

## 52. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on September 10, 2024 has approved the following:

- i. transfer of Rs. 1,600 million from unappropriated profit to general reserve; and
- ii. payment of cash dividend of Rs. 6.00 per share for the year ended June 30, 2024 for approval of the members at the Annual General Meeting to be held on October 24, 2024.



2024                      2023  
----- (Rupees in '000) -----

**53. NUMBER OF EMPLOYEES**

**Total number of employees**

Total number of Company's employees as at June, 30

3,988

4,012

Average number of Company's employees during the year

4,000

4,603

**54. GENERAL**

54.1 Corresponding figures have been re-arranged and reclassified, wherever necessary. However, there were no material rearrangements to report.

54.2 Figures have been rounded off to the nearest thousands.

**55. DATE OF AUTHORISATION FOR ISSUE**

These unconsolidated financial statements were authorized for issue on September 10, 2024 by the Board of Directors of the Company.



Chief Executive Officer



Director



Chief Financial Officer

Consolidate  
**Financial Statements**  
As at June 30, 2024

## INDEPENDENT AUDITOR'S REPORT

**To the members of Thal Limited**

### Opinion

We have audited the annexed consolidated financial statements of Thal Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2024, 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, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

### Basis for Opinion

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

### Key Audit Matters

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

Following are the Key audit matters:

| S.No. | Key audit matter                                                                                                                                                                                                                                                                                                                                                                | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                   |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1     | <b>Revenue from contracts with customers</b><br>(Refer notes 7.25 and 35 of the annexed consolidated financial statements)                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                             |
|       | Revenue from contracts with customers for the year ended June 30, 2024, amounted to Rs. 29,406 million. The Group earns revenue from multiple business lines which operate as distinct business units with significant volume of revenue transactions. Revenue is recognized when the Group satisfies performance obligations as specified in the contracts with the customers. | Our audit procedures, amongst others, included the following: <ul style="list-style-type: none"> <li>Obtained understanding and evaluated the accounting policies and the Group's procedures with respect to revenue recognition;</li> <li>Evaluated the design and tested the operating effectiveness of key internal controls involved in revenue recognition;</li> </ul> |

| S.No. | Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       | <p>We considered revenue as a key audit matter, being one of the Group's key performance indicators of the Group. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.</p>                                                                                                                                                                                                                                                                                                                 | <ul style="list-style-type: none"> <li>Reviewed contracts with customers for each business segment to obtain an understanding of the terms particularly relating to timing and transfer of control of the products and assessed the appropriateness of revenue recognition policies and practices followed by the Group;</li> <li>Tested on a sample basis, specific revenue transactions by inspecting underlying documentation including dispatch documents and sales invoices.</li> <li>Performed analytical procedures over revenue transactions to identify trends and any unusual change in revenue for each segment;</li> <li>Tested specific revenue transactions on a sample basis recorded before and after the reporting date with underlying documentation to assess whether revenue was recognised in the correct period; and</li> <li>Assessed the related disclosures made in the annexed consolidated financial statements in accordance with the requirements of the applicable financial reporting framework.</li> </ul> |
| 2     | <p><b>Capital expenditure</b></p> <p>(Refer notes 7.1 and 8 of the annexed consolidated financial statements)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|       | <p>During the year, the Group has incurred significant amount of capital expenditure on account of modification in the existing lines and import of jigs and moulds for product development.</p> <p>Capital expenditures incurred during the year constitute a substantial transaction and require significant judgment regarding the capitalisation of eligible cost components in accordance with the relevant reporting standards.</p> <p>Accordingly, we have identified capital expenditure and related transfers as a key audit matter.</p> | <p>Our audit procedures, amongst others, included the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the Group's process with respect to capital expenditure;</li> <li>Assessed, on a sample basis, costs capitalised during the year by comparing the costs capitalised with the relevant underlying documentation, which included purchase agreements and invoices;</li> <li>Assessed whether the components of costs capitalised meet the recognition criteria of an asset, in accordance with the applicable financial reporting framework;</li> <li>Checked on a sample basis the date of transferring capital work-in-progress to operating fixed assets by examining the completion certificates, on a sample basis; and</li> <li>Assessed the related disclosures made in the annexed consolidated financial statements in accordance with the requirements of the applicable financial reporting framework.</li> </ul>                                                                        |

### Information Other than the Consolidated and Unconsolidated 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 conclusion thereon.



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

### **Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements**

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

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

#### **Other Matter**

The consolidated financial statements of the Group for the year ended June 30, 2023 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon, vide their report dated September 25, 2023.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar**.



A. F. Ferguson & Co.  
Chartered Accountants  
Karachi

Dated: September 25, 2024

UDIN: AR202410068sQON45vLD



# Consolidate Statement of Financial Position

## As at June 30, 2024

|                                                                 | Note | 2024                         | 2023       |
|-----------------------------------------------------------------|------|------------------------------|------------|
|                                                                 |      | ----- (Rupees in '000) ----- |            |
| <b>ASSETS</b>                                                   |      |                              |            |
| <b>NON-CURRENT ASSETS</b>                                       |      |                              | Restated   |
| Property, plant and equipment                                   | 8    | 7,539,917                    | 7,638,719  |
| Intangible assets                                               | 9    | 252,469                      | 89,689     |
| Investment properties                                           | 10   | 5,570,223                    | 5,844,542  |
| Long-term investments                                           | 11   | 27,283,036                   | 18,896,467 |
| Long-term deposits and advances                                 | 12   | 36,296                       | 285,612    |
| Long-term prepayments                                           | 13   | —                            | 22,501     |
|                                                                 |      | 40,681,941                   | 32,777,530 |
| <b>CURRENT ASSETS</b>                                           |      |                              |            |
| Stores, spares and loose tools                                  | 14   | 256,820                      | 236,760    |
| Stock-in-trade                                                  | 15   | 8,524,650                    | 10,159,070 |
| Trade debts                                                     | 16   | 5,324,021                    | 3,731,568  |
| Loans and advances                                              | 17   | 182,066                      | 337,573    |
| Trade deposits and short-term prepayments                       | 18   | 159,003                      | 1,496,663  |
| Interest accrued                                                |      | 43,082                       | 39,415     |
| Other receivables                                               | 19   | 1,045,041                    | 922,557    |
| Short-term investments                                          | 20   | 13,456,918                   | 9,705,200  |
| Sales tax refundable - net                                      |      | 80,590                       | 359,228    |
| Cash and bank balances                                          | 21   | 2,227,608                    | 1,823,181  |
|                                                                 |      | 31,299,799                   | 28,811,215 |
| <b>TOTAL ASSETS</b>                                             |      | 71,981,740                   | 61,588,745 |
| <b>EQUITY AND LIABILITIES</b>                                   |      |                              |            |
| <b>SHARE CAPITAL AND RESERVES</b>                               |      |                              |            |
| Authorised capital                                              |      |                              |            |
| 200,000,000 (2023: 200,000,000) ordinary shares of Rs. 5/- each | 22   | 1,000,000                    | 1,000,000  |
| Issued, subscribed and paid-up capital                          | 22   | 405,150                      | 405,150    |
| Share deposit money                                             |      | 12                           | 12         |
| Reserves                                                        | 23   | 45,285,627                   | 37,306,934 |
| Equity attributable to shareholders of the Holding Company      |      | 45,690,789                   | 37,712,096 |
| Non-controlling interest                                        | 24   | 7,271,332                    | 7,031,653  |
| Total equity                                                    |      | 52,962,121                   | 44,743,749 |
| <b>NON-CURRENT LIABILITIES</b>                                  |      |                              |            |
| Long-term deposits and payables                                 | 25   | 343,417                      | 341,860    |
| Long-term borrowings                                            | 26   | 3,922,134                    | 3,539,882  |
| Lease liabilities                                               | 27   | 861,696                      | 890,300    |
| Deferred income                                                 | 28   | 202,323                      | 257,599    |
| Deferred tax liability                                          | 29   | 4,061,328                    | 1,916,821  |
|                                                                 |      | 9,390,898                    | 6,946,462  |
| <b>CURRENT LIABILITIES</b>                                      |      |                              |            |
| Trade and other payables                                        | 30   | 5,715,756                    | 6,132,590  |
| Warranty obligations                                            | 31   | 986,538                      | 908,897    |
| Accrued markup                                                  |      | 144,209                      | 99,982     |
| Unclaimed dividend                                              |      | 107,990                      | 103,451    |
| Unpaid dividend                                                 |      | 23,137                       | 23,532     |
| Current portion of long-term borrowings                         | 26   | 521,937                      | 259,030    |
| Current portion of lease liabilities                            | 27   | 131,263                      | 131,231    |
| Current portion of deferred income                              | 28   | 63,487                       | 80,671     |
| Short-term borrowings                                           | 32   | 1,074,831                    | 1,028,815  |
| Income tax - net                                                | 33   | 859,573                      | 1,130,335  |
|                                                                 |      | 9,628,721                    | 9,898,534  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                             |      | 71,981,740                   | 61,588,745 |

### CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 59 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# Consolidate Statement of Profit or Loss

## For the year ended June 30, 2024

|                                                                                                | Note | 2024<br>----- (Rupees in '000) ----- | 2023<br>----- (Rupees in '000) -----<br>Restated |
|------------------------------------------------------------------------------------------------|------|--------------------------------------|--------------------------------------------------|
| Revenue from contracts with customers                                                          | 35   | 29,405,904                           | 33,128,251                                       |
| Cost of sales                                                                                  | 36   | (26,594,269)                         | (29,086,534)                                     |
| <b>Gross profit</b>                                                                            |      | <b>2,811,635</b>                     | <b>4,041,717</b>                                 |
| Distribution and selling expenses                                                              | 37   | (814,860)                            | (799,258)                                        |
| Administrative expenses                                                                        | 38   | (1,997,121)                          | (1,811,273)                                      |
| Other charges                                                                                  | 39   | (88,542)                             | (801,778)                                        |
|                                                                                                |      | (2,900,523)                          | (3,412,309)                                      |
| Other income                                                                                   | 40   | 5,617,014                            | 4,214,805                                        |
| <b>Operating profit</b>                                                                        |      | <b>5,528,126</b>                     | <b>4,844,213</b>                                 |
| Finance costs                                                                                  | 41   | (1,008,260)                          | (604,034)                                        |
|                                                                                                |      | 4,519,866                            | 4,240,179                                        |
| Share of profit after tax of associates and joint venture                                      | 11.1 | 9,014,507                            | 3,046,668                                        |
| <b>Profit before taxation and levy</b>                                                         |      | <b>13,534,373</b>                    | <b>7,286,847</b>                                 |
| Levy                                                                                           | 42   | (710,403)                            | (232,461)                                        |
| <b>Profit before taxation</b>                                                                  |      | <b>12,823,970</b>                    | <b>7,054,386</b>                                 |
| Taxation                                                                                       | 42   | (3,445,414)                          | (3,446,482)                                      |
| <b>Profit for the year</b>                                                                     |      | <b>9,378,556</b>                     | <b>3,607,904</b>                                 |
| Attributable to                                                                                |      |                                      |                                                  |
| – Equity holders of the Holding Company                                                        |      | 8,512,687                            | 3,155,585                                        |
| – Non-controlling interest                                                                     |      | 865,869                              | 452,319                                          |
|                                                                                                |      | <u>9,378,556</u>                     | <u>3,607,904</u>                                 |
|                                                                                                |      | ----- (Rupees in '000) -----         | ----- (Rupees in '000) -----<br>Restated         |
| Basic and diluted earnings per share attributable to the equity holders of the Holding Company | 43   | <u>105.06</u>                        | <u>38.94</u>                                     |

The annexed notes 1 to 59 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# Consolidate Statement of Comprehensive Income

## For the year ended June 30, 2024

|                                                                                                              | 2024                         | 2023      |
|--------------------------------------------------------------------------------------------------------------|------------------------------|-----------|
|                                                                                                              | ----- (Rupees in '000) ----- |           |
|                                                                                                              |                              | Restated  |
| <b>Profit for the year</b>                                                                                   | 9,378,556                    | 3,607,904 |
| <b>Other comprehensive income / (loss)</b>                                                                   |                              |           |
| <b>Item that will not be reclassified to consolidated statement of profit or loss in subsequent periods;</b> |                              |           |
| Share of actuarial gain / (loss) on remeasurement of defined benefit plans of associates - net of tax        | 14,601                       | (5,711)   |
| Gain / (loss) on long-term equity investments at fair value through other comprehensive income               | 140,161                      | (51,034)  |
|                                                                                                              | 154,762                      | (56,745)  |
| <b>Total comprehensive income for the year</b>                                                               | 9,533,3158                   | 3,551,159 |
| <b>Attributable to</b>                                                                                       |                              |           |
| – Equity holders of the Holding Company                                                                      | 8,667,449                    | 3,098,840 |
| – Non-controlling interest                                                                                   | 865,869                      | 452,319   |
|                                                                                                              | 9,533,318                    | 3,551,159 |

The annexed notes 1 to 59 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# Consolidate Statement of Changes in Equity

## For the year ended June 30, 2024

|                                                                                  | Reserves                                           |                           |                    |                    |                               |                                                                                                    |                                 |                 |
|----------------------------------------------------------------------------------|----------------------------------------------------|---------------------------|--------------------|--------------------|-------------------------------|----------------------------------------------------------------------------------------------------|---------------------------------|-----------------|
|                                                                                  | Issued,<br>subscribed<br>and<br>paid-up<br>capital | Share<br>deposit<br>money | Capital<br>reserve | General<br>reserve | Unapp-<br>ropriated<br>profit | Remeasu-<br>rement of<br>investment<br>at fair value<br>through other<br>comprehen-<br>sive income | Non-<br>controlling<br>interest | Total<br>equity |
|                                                                                  | (Rupees in '000)                                   |                           |                    |                    |                               |                                                                                                    |                                 |                 |
| <b>Balance as at July 1, 2022</b>                                                | 405,150                                            | 12                        | 67,929             | 21,780,875         | 12,484,696                    | 198,716                                                                                            | 6,656,553                       | 41,593,931      |
| Transfer to general reserve                                                      | -                                                  | -                         | -                  | 3,649,500          | (3,649,500)                   | -                                                                                                  | -                               | -               |
| <b>Transactions with owners</b>                                                  |                                                    |                           |                    |                    |                               |                                                                                                    |                                 |                 |
| Final dividend @ Rs. 2.50/- per share<br>for the year ended June 30, 2022        | -                                                  | -                         | -                  | -                  | (202,576)                     | -                                                                                                  | -                               | (202,576)       |
| Interim dividend @ Rs. 1.50/- per share<br>for the year ended June 30, 2023      | -                                                  | -                         | -                  | -                  | (121,546)                     | -                                                                                                  | -                               | (121,546)       |
| <b>Subsidiary company</b>                                                        |                                                    |                           |                    |                    |                               |                                                                                                    |                                 |                 |
| Final dividend @ Rs. 0.723/- per share<br>for the year ended June 30, 2022       | -                                                  | -                         | -                  | -                  | -                             | -                                                                                                  | (98,408)                        | (98,408)        |
| 1st Interim dividend @ Rs. 1.044/- per share<br>for the year ended June 30, 2023 | -                                                  | -                         | -                  | -                  | -                             | -                                                                                                  | (141,969)                       | (141,969)       |
| 2nd Interim dividend @ Rs. 1.062/- per share<br>for the year ended June 30, 2023 | -                                                  | -                         | -                  | -                  | -                             | -                                                                                                  | (144,535)                       | (144,535)       |
| 3rd Interim dividend @ Rs. 1.046/- per share<br>for the year ended June 30, 2023 | -                                                  | -                         | -                  | -                  | -                             | -                                                                                                  | (142,307)                       | (142,307)       |
|                                                                                  | -                                                  | -                         | -                  | -                  | (324,122)                     | -                                                                                                  | (527,219)                       | (851,341)       |
| Profit for the year - restated                                                   | -                                                  | -                         | -                  | -                  | 3,155,585                     | -                                                                                                  | 452,319                         | 3,607,904       |
| Other comprehensive loss                                                         | -                                                  | -                         | -                  | -                  | (5,711)                       | (51,034)                                                                                           | -                               | (56,745)        |
| Total comprehensive income for the year                                          | -                                                  | -                         | -                  | -                  | 3,149,874                     | (51,034)                                                                                           | 452,319                         | 3,551,159       |
| Issue of share capital                                                           | -                                                  | -                         | -                  | -                  | -                             | -                                                                                                  | 450,000                         | 450,000         |
| <b>Balance as at June 30, 2023</b>                                               | 405,150                                            | 12                        | 67,929             | 25,430,375         | 11,660,948                    | 147,682                                                                                            | 7,031,653                       | 44,743,749      |
| Transfer to general reserve                                                      | -                                                  | -                         | -                  | 2,000,000          | (2,000,000)                   | -                                                                                                  | -                               | -               |
| <b>Transactions with owners</b>                                                  |                                                    |                           |                    |                    |                               |                                                                                                    |                                 |                 |
| Final dividend @ Rs. 6.50/- per share<br>for the year ended June 30, 2023        | -                                                  | -                         | -                  | -                  | (526,696)                     | -                                                                                                  | -                               | (526,696)       |
| Interim dividend @ Rs. 2.00/- per share<br>for the year ended June 30, 2024      | -                                                  | -                         | -                  | -                  | (162,060)                     | -                                                                                                  | -                               | (162,060)       |
| <b>Subsidiary company</b>                                                        |                                                    |                           |                    |                    |                               |                                                                                                    |                                 |                 |
| Final dividend @ Rs. 0.713/- per share<br>for the year ended June 30, 2023       | -                                                  | -                         | -                  | -                  | -                             | -                                                                                                  | (96,931)                        | (96,931)        |
| 1st Interim dividend @ Rs. 1.305/- per share<br>for the year ended June 30, 2024 | -                                                  | -                         | -                  | -                  | -                             | -                                                                                                  | (177,478)                       | (177,478)       |
| 2nd Interim dividend @ Rs. 1.338/- per share<br>for the year ended June 30, 2024 | -                                                  | -                         | -                  | -                  | -                             | -                                                                                                  | (182,010)                       | (182,010)       |
| 3rd Interim dividend @ Rs. 1.248/- per share<br>for the year ended June 30, 2024 | -                                                  | -                         | -                  | -                  | -                             | -                                                                                                  | (169,771)                       | (169,771)       |
|                                                                                  | -                                                  | -                         | -                  | -                  | (688,756)                     | -                                                                                                  | (626,190)                       | (1,314,946)     |
| Profit for the year                                                              | -                                                  | -                         | -                  | -                  | 8,512,687                     | -                                                                                                  | 865,869                         | 9,378,556       |
| Other comprehensive income                                                       | -                                                  | -                         | -                  | -                  | 14,601                        | 140,161                                                                                            | -                               | 154,762         |
| Total comprehensive income for the year                                          | -                                                  | -                         | -                  | -                  | 8,527,288                     | 140,161                                                                                            | 865,869                         | 9,533,318       |
| <b>Balance as at June 30, 2024</b>                                               | 405,150                                            | 12                        | 67,929             | 27,430,375         | 17,499,480                    | 287,843                                                                                            | 7,271,332                       | 52,962,121      |

The annexed notes 1 to 59 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# Consolidate Statement of Cash Flows

## For the year ended June 30, 2024

|                                                                     | Note | 2024<br>----- (Rupees in '000) ----- | 2023<br>Restated |
|---------------------------------------------------------------------|------|--------------------------------------|------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                         |      |                                      |                  |
| <b>Cash generated from operations</b>                               | 44   | 5,700,795                            | 4,357,263        |
| Finance costs paid                                                  |      | (964,031)                            | (518,288)        |
| Retirement benefits paid                                            |      | (9,221)                              | (8,125)          |
| Income tax and levies paid                                          |      | (1,932,604)                          | (2,131,991)      |
| Long-term deposits - net                                            |      | 6,035                                | (3,147)          |
| <b>Net cash generated from operating activities</b>                 |      | 2,800,974                            | 1,695,712        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                         |      |                                      |                  |
| Addition to property, plant and equipment                           |      | (1,142,986)                          | (1,884,940)      |
| Addition to intangible assets                                       |      | (232,973)                            | (62,767)         |
| Addition to investment properties                                   |      | (81,444)                             | (57,146)         |
| Proceeds from disposal of operating fixed assets                    |      | 82,875                               | 85,284           |
| Proceeds from disposal of investment property                       |      | 2,482                                | 1,633            |
| Long-term advances                                                  |      | 244,837                              | (244,837)        |
| Long-term investments                                               |      | (59,590)                             | (442,000)        |
| Short term investments - net                                        |      | (3,905,790)                          | (1,732,170)      |
| Dividend income                                                     |      | 2,154,480                            | 1,122,846        |
| Long-term prepayments                                               |      | 22,501                               | —                |
| Interest income                                                     |      | 629,922                              | 506,913          |
| <b>Net cash used in investing activities</b>                        |      | (2,285,686)                          | (2,707,184)      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                         |      |                                      |                  |
| Principal portion of lease rentals received / (paid)                |      | (30,683)                             | 2,850            |
| Issue of ordinary shares                                            |      | —                                    | 450,000          |
| Short-term borrowings (repaid)/obtained                             |      | 225,000                              | (42,080)         |
| SBP's Refinance Facility for Salaries and Wages repaid              |      | —                                    | (74,678)         |
| SBP's Temporary Economic Refinance Facility obtained                |      | (144,060)                            | —                |
| SBP's Financing Scheme for Renewable Energy (repaid)/obtained - net |      | (12,235)                             | (7,220)          |
| Long-term loan obtained                                             |      | 731,442                              | 1,018,532        |
| Dividends paid                                                      |      | (1,310,799)                          | (850,249)        |
| <b>Net cash (used in) / generated from financing activities</b>     |      | (541,335)                            | 497,155          |
| <b>Net decrease in cash and cash equivalents</b>                    |      | (26,047)                             | (514,317)        |
| Cash and cash equivalents at the beginning of the year              |      | 2,438,200                            | 2,952,517        |
| <b>Cash and cash equivalents at the end of the year</b>             | 45   | 2,412,153                            | 2,438,200        |

The annexed notes 1 to 59 form an integral part of these consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# Notes to an forming part of the Consolidate Financial Statements For the year ended June 30 2024

## 1. THE HOLDING COMPANY AND ITS OPERATIONS

- 1.1** Thal Limited (the Holding Company) was incorporated on January 31, 1966 as a public company limited by shares and is listed on the Pakistan Stock Exchange Limited.

The Holding Company is engaged in the manufacture of jute goods, engineering goods, packaging and laminate sheets.

- 1.2** The Group comprises of the Holding Company and the following subsidiaries that have been consolidated in these financial statements:

| Subsidiary Companies                       | Note  | Date of becoming subsidiary | Holding |      | Total assets     | Total liabilities | Total assets | Total liabilities |
|--------------------------------------------|-------|-----------------------------|---------|------|------------------|-------------------|--------------|-------------------|
|                                            |       |                             | 2024    | 2023 | 2024             |                   | 2023         |                   |
|                                            |       |                             | %       |      | (Rupees in '000) |                   |              |                   |
| Noble Computer Services (Private) Limited  | 1.2.1 | 01-07-2005                  | 100     | 100  | 119,759          | 35,530            | 185,450      | 83,521            |
| Pakistan Industrial Aids (Private) Limited | 1.2.2 | 27-03-2006                  | 100     | 100  | 47,891           | 311               | 44,019       | 432               |
| Makro-Habib Pakistan Limited               | 1.2.3 | 01-05-2008                  | 100     | 100  | 17,448           | 215,504           | 40,518       | 267,684           |
| Habib METRO Pakistan (Private) Limited     | 1.2.4 | 16-12-2011                  | 60      | 60   | 12,508,903       | 2,093,733         | 11,905,426   | 1,971,691         |
| Thal Boshoku Pakistan (Private) Limited    | 1.2.5 | 03-09-2013                  | 55      | 55   | 2,817,061        | 1,436,199         | 2,284,490    | 937,997           |
| Thal Power (Private) Limited               | 1.2.6 | 03-07-2014                  | 100     | 100  | 9,825,535        | 557,040           | 7,258,304    | 183,719           |
| Thal Electrical (Private) Limited          | 1.2.7 | 10-04-2019                  | 100     | 100  | 76               | 81                | 76           | 81                |

### 1.2.1 Noble Computer Services (Private) Limited

Noble Computer Services (Private) Limited (NCSPL) was incorporated in Pakistan as a private limited company on May 8, 1983 and is a wholly owned subsidiary of Thal Limited. The NCSPL provides internal audit services, I.T. related services, advisory services, HR management / manpower outsourcing services and information related services.

### 1.2.2 Pakistan Industrial Aids (Private) Limited

Pakistan Industrial Aids (Private) Limited (PIAPL) was incorporated in Pakistan on March 17, 2006 as a private limited company and is a wholly owned subsidiary of Thal Limited (the Holding Company). The subsidiary is principally engaged in trading activity related to automotive parts, accessories, chemical gases and general goods.

### 1.2.3 Makro-Habib Pakistan Limited (MHPL)

(a) Makro Habib Pakistan Limited (MHPL) was incorporated in Pakistan on June 29, 2005 as a public limited company and is a wholly owned subsidiary of Thal Limited (the Holding Company). The principal business of MHPL is to operate a chain of wholesale / retail cash and carry stores.

(b) MHPL had entered into an arrangement with Metro Habib Cash & Carry Pakistan (Private) Limited ("MHCCP"/ "the Operator"), a wholly owned subsidiary of Metro Cash & Carry International Holding BV ("Metro BV") , whereby the Operator had been engaged to operate MHPL's Saddar Store ("the Store") for an operations fee determined under the agreed mechanism. However, the arrangement stands terminated due to the reasons disclosed below.

(c) The Supreme Court of Pakistan ("SCP"), in its judgement released on December 18, 2009 in Suo Moto case No. 18 / 2009, cancelled the 90 years lease dated December 19, 2002 granted by the Government of Pakistan ("GoP") to the Army Welfare Trust ("AWT") on the basis that it was granted without lawful authority. As a consequence, the SCP also cancelled the sub-lease dated July 31, 2006 granted in favour of MHPL by AWT. MHPL was allowed three months from the date of the judgement to remove its structures and installations from the subject land and hand over the subject land's vacant possession to City District Government Karachi ("CDGK").



MHPL filed Civil Review Petition No. 4 / 2010, against the judgement of the SCP. AWT also filed Civil Review Petition No. 10 / 2010 on January 22, 2010 against the same judgement. Later on, the review petition filed by MHPL against the judgement of the SCP was dismissed on merit while review petition filed by AWT was dismissed on basis of non-prosecution by SCP through passing an order on August 27, 2015. As a consequence, original judgement released by SCP on Suo Moto Case No. 18 / 2009 dated December 18, 2009 was restored and MHPL was allowed three months to remove its structure and installation from the disputed land.

In response to the adverse order of SCP, MHPL closed its Saddar Store on September 11, 2015 and Operation Agreement between MHPL and MHCCP stands terminated.

On September 19, 2015, legal counsel of AWT pleaded to the SCP for the restoration and hearing of the Civil Review Petition No. 10 / 2010 and the same was restored by SCP through an order dated December 9, 2015.

MHPL in compliance with the SCP directives has transferred vacant, unencumbered, and peaceful possession of the plot. This transfer was made to the authorized representative of the Karachi Development Authority (KDA), the successor of CDGK on October 17, 2023. Further, the review petition has been dismissed by SCP through an order dated February 15, 2024 and all the impleadment applications in the review petitions are accordingly disposed off. However, contempt of court proceedings regarding non vacation of the land within three months from the date of the judgement are pending before the SCP.

#### **1.2.4 Habib METRO Pakistan (Private) Limited**

Habib METRO Pakistan (Private) Limited (HMPPL) was incorporated in Pakistan as a private limited company on December 16, 2011. The main business of the HMPPL is to own and manage properties.

#### **1.2.5 Thal Boshoku Pakistan (Private) Limited**

Thal Boshoku Pakistan (Private) Limited (TBPPL) was incorporated on September 03, 2013 as a private company limited by shares. The principle activity of TBPPL is to manufacture automobile seats, seat parts, air cleaner and other automobile parts.

#### **1.2.6 Thal Power (Private) Limited**

Thal Power (Private) Limited (TPPL) was incorporated on July 03, 2014 in Pakistan under the Repealed Companies Ordinance, 1984 as a private limited company and is a wholly-owned subsidiary of Thal Limited (Holding Company). The Company will be engaged in the business of dealing in power generation and all other form of energy as well as electricity generation and management of its investments.

#### **1.2.7 Thal Electrical (Private) Limited**

Thal Electrical (Private) Limited was incorporated in Pakistan on January 12, 2018 as a private limited company.

### **1.3 Geographical location and address of business units**

#### **Holding Company**

The head office of the Holding Company is situated at 4<sup>th</sup> Floor, House of Habib, 3-Jinnah Cooperative Housing Society, Block 7/8, Sharah-e-Faisal, Karachi.

#### **Plants:**

- Engineering operations are located at Korangi and Port Qasim, Karachi, Sindh.
- Jute operations are located at Muzaffargarh, Punjab.
- Packaging operations are located at Hub, Balochistan and Gadoon, Khyber Pakhtunkhwa.
- Laminates operations are located at Hub, Balochistan.

#### **Subsidiaries:**

- Noble Computer Services (Private) Limited operations are located at 1<sup>st</sup> Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Sharah-e-Faisal, Karachi.
- Pakistan Industrial Aids (Private) Limited operations are located at Plot No. 192 Korangi Industrial Area, Sector 22, Karachi
- Makro-Habib Pakistan Limited is located at 2<sup>nd</sup> Floor, House of Habib, 3 Jinnah Cooperative Housing Society, Shahrah-e-Faisal, Karachi.

- Habib Metro Pakistan (Private) Limited operations are located at Mezzanine Floor House of Habib, 3-Jinnah Co-operative Housing Society, Sharah-e-Faisal, Karachi.
- Thal Boshoku Pakistan (Private) Limited operations are located at Plot No. SP-6, N.W.I.2 // P-133 C, North Western Industrial Zone, Port Qasim Authority, Karachi.
- Thal Power (Private) Limited operations are located at 4<sup>th</sup> Floor, House of Habib Building, 3-Jinnah Co-operative Housing Society, Block 7/8, Shahrah-e-Faisal, Karachi.
- Thal Electrical (Private) Limited operations are located at 4<sup>th</sup> Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Sharah-e-Faisal, Karachi.

## **2. STATEMENT OF COMPLIANCE**

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

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

Where provisions of and directives issued under the Act differ from the IFRSs, the provision of and directives issued under the Act have been followed.

## **3. BASIS OF MEASUREMENT**

**3.1** These consolidated financial statements have been prepared under the historical cost convention, except for investments in shares of listed companies, mutual funds, government securities, term finance certificates and investments in associates which have been disclosed in the accounting policies below.

**3.2** These consolidated financial statements are presented in Pakistani Rupees, which is also the Group's functional currency.

## **4. BASIS OF CONSOLIDATION**

These consolidated financial statements include the financial statements of the Holding Company and its subsidiary companies, here-in-after referred to as "the Group".

A company is a subsidiary, if an entity (the Holding Company) directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its directors.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting year as the Holding Group, using consistent accounting policies. The accounting policies of the subsidiaries have been changed to conform with accounting policies of the Group, where required.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Where the ownership of a subsidiary is less than 100% and therefore, a non-controlling interest (NCI) exists, the NCI is allocated its share of the total comprehensive income of the period, even if that results in a deficit balance.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company are eliminated against the subsidiary companies' shareholders' equity in the consolidated financial statements.

## 5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS TO ACCOUNTING AND REPORTING STANDARDS

### 5.1 Amendments to accounting and reporting standards and interpretation / guidance which became effective during the year ended June 30, 2024 and other restatements:

There were certain amendments that became applicable for the Group during the year but are not considered to be relevant or did not have any significant effect on the Group's operations and have, therefore, not been disclosed in these consolidated financial statements except that during the year certain amendments to IAS 1 Presentation of Financial Statements have become applicable to the Group which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these consolidated financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

During the year, the Institute of Chartered Accountants of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). In accordance with the Guidance, the Group has changed its accounting policy to recognise minimum and final taxes as 'Levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognised as 'Income tax'.

The Group had recognised deferred tax liability at June 30, 2023 on investment in associates and joint venture using the tax rate of 15% which is applicable for dividend income. During the year, the Group has re-evaluated the appropriateness of the tax rate used to recognise deferred tax liability on the investment in associates and joint venture and concluded that super tax should also be included whilst determining the deferred tax liability.

The Group has accounted for the effects of the above retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been restated in these consolidated financial statements. The effects of restatements are as follows:

|                                                                                                  | Had there<br>been no<br>change | Impact of<br>change | After<br>incorporating<br>effects of<br>change |
|--------------------------------------------------------------------------------------------------|--------------------------------|---------------------|------------------------------------------------|
|                                                                                                  |                                |                     |                                                |
| <b>Effect on statement of profit or loss</b>                                                     |                                |                     |                                                |
|                                                                                                  |                                | (Rupees in '000)    |                                                |
| <b>For the year ended June 30, 2024</b>                                                          |                                |                     |                                                |
| Tax on export sales, dividends on investments in mutual funds and minimum tax classified as levy | –                              | 710,403             | 710,403                                        |
| Profit before tax                                                                                | 13,534,373                     | (710,403)           | 12,823,970                                     |
| Taxation                                                                                         | (4,155,817)                    | 710,403             | (3,445,414)                                    |
| Profit after tax                                                                                 | 9,378,556                      | –                   | 9,378,556                                      |
| <b>For the year ended June 30, 2023</b>                                                          |                                |                     |                                                |
| Tax on export sales and dividends on investments in mutual funds classified as levy              | –                              | 232,461             | 232,461                                        |
| Profit before tax                                                                                | 7,286,847                      | (232,461)           | 7,054,386                                      |
| Taxation                                                                                         | (2,426,820)                    | (1,019,662)         | (3,446,482)                                    |
| Profit after tax                                                                                 | 4,860,027                      | (1,252,123)         | 3,607,904                                      |

The related changes to the consolidated statement of financial position and the consolidated statement of cash flows with respect to the amount of profit before taxation have been made as well. The deferred tax liability at June 30, 2023 is higher by Rs 1,252.123 million and unappropriated profit is lower by the same amount as a result of the above restatement.

## 5.2 Standards, interpretations and amendments to accounting and reporting standards that are not yet effective and not early adopted by the Group:

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Group for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or will not have any material effect on the Group's consolidated financial statements except for:

| Amendments        |                                                                                                                          | Effective date<br>(annual periods<br>beginning on or after) |
|-------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| IAS 1             | Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1 | January 01, 2024                                            |
| IAS 7 and IFRS 7  | Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7                                              | January 01, 2024                                            |
| IFRS 18           | Presentation and Disclosure in Financial Statements                                                                      | January 01, 2027                                            |
| IFRS 9 and IFRS 7 | Classification and Measurement of Financial Instruments                                                                  | January 01, 2026                                            |

## 6. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these consolidated financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amount of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates underlying the assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are 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.

The estimates, assumptions and judgements made by the management that are significant to these consolidated financial statements are as follows:

|                                                                                                                                                  | Notes             |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| a. capitalization of new assets, determining the residual values and the useful lives of property, plant and equipment and investment properties | 7.1, 7.3, 8 & 10  |
| b. determining the residual values and useful lives of intangible assets                                                                         | 7.2 & 9           |
| c. impairment of financial and non-financial assets                                                                                              | 7.23              |
| d. net realisable value estimation for inventories                                                                                               | 7.7, 7.8, 14 & 15 |
| e. allowance for expected credit losses                                                                                                          | 7.23 & 16         |
| f. provision(s) for current tax, levy and recognition of deferred tax                                                                            | 7.6, 29, 33 & 42  |
| g. provision(s) and warranty obligations                                                                                                         | 7.14 & 31         |
| h. contingencies                                                                                                                                 | 7.20 & 34.1       |
| i. determining the lease term of contracts with extension and termination options                                                                | 7.19.3 & 27       |
| j. leases - estimating the incremental borrowing rate                                                                                            | 7.19.4 & 27       |

## 7. MATERIAL ACCOUNTING POLICY INFORMATION

### 7.1 Property, plant and equipment and investment properties

#### 7.1.1 Operating fixed assets

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is stated at cost less impairment loss, if any.

Depreciation is charged to the consolidated statement of profit or loss by applying the straight line method at the rates specified in note 8 to these consolidated financial statements. Depreciation on additions is charged from the month asset is available for use and in case of deletion, up to the month preceding the month of disposal.

Maintenance and normal repairs are charged to the consolidated statement of profit or loss as and when incurred. Major renewals and improvements are capitalized and the assets so replaced, if any, are retired.

An item of operating assets and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of operating fixed assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **7.1.2 Capital work-in-progress**

All expenditures connected to the specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to specific assets as and when assets are available for use.

#### **7.1.3 Right-of-use assets**

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

#### **7.2 Intangible assets**

These are stated at cost less accumulated amortization and accumulated impairment losses, if any.

Costs in relation to intangible assets are only capitalized when it is probable that future economic benefits attributable to those assets will flow to the Group and the same is amortized applying the straight line method at the rates stated in note 9 to these consolidated financial statements.

#### **7.3 Investment property**

Investment property is stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on investment properties is charged to the consolidated statement of profit or loss applying reducing balance method at the rate stated in note 10 to the consolidated financial statements. Depreciation on additions is charged from the month of addition and in case of deletion up to the month preceeding the month of disposal.

Maintenance and normal repairs are charged to consolidated statement of profit or loss as and when incurred while major repairs and renewals are capitalised. Any gains or losses on disposal of an investment property are recognised in the consolidated profit or loss in the year of disposal. The carrying values of investment properties are reviewed at each financial year end for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists, and where the carrying values exceed the estimated recoverable amount, the investment properties are written down to their recoverable amount.

#### **7.4 Investments in associates**

Investments in associates are accounted for using the equity method, whereby the investment is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the net assets of the associate. The consolidated financial statements reflects the Group's share of the results of the operations of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the same in the consolidated statement of profit or loss.

## **7.5 Joint arrangements**

Joint arrangements are arrangements in which the Group has contractually agreed sharing of control, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Joint arrangements are classified as joint operations or joint ventures depending upon the rights and obligations arising from the joint arrangement.

Depending upon the rights and obligation of the parties to the arrangement, joint arrangements can be classified as either:

### **7.5.1 Joint ventures**

A joint arrangement is classified as a joint venture when the parties to the arrangement that have joint control have rights to the net assets of the joint venture.

The Group measures its interest in the joint venture using the equity method of accounting. Under the equity method of accounting, the investment is initially recognized at cost and adjusted thereafter for the post-acquisition change in the Group's share of the joint venture's net assets. The Group's profit or loss includes its share of the joint venture's profit or loss and the Group's other comprehensive income includes its share of the joint venture's other comprehensive income.

### **7.5.2 Joint operations**

A joint arrangement is classified as a joint operation when the Group has the rights to the assets, and obligations for the liabilities of the arrangement in relation to the joint operation.

The Group has not made any investment in a joint operation.

## **7.6 Taxation - Levy and Income tax**

### **7.6.1 Levy**

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the ICAP, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these consolidated financial statements.

#### **Income Tax**

The tax expense for the year comprises of current and deferred tax. Tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income (OCI) or directly in equity. In which case, the tax is also recognised in OCI or directly in equity.

#### **– Current**

Provision for current taxation is based on the taxable income for the year calculated on the basis of the tax laws enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Current tax assets and tax liabilities are offset where the Group has the legally enforceable right to offset and intends either to settle on net basis or to realise the asset and settle the liability simultaneously.

#### **– Deferred**

Deferred tax is recognised using the balance sheet liability method, providing for all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used



for taxation purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. 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 offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

#### **7.7 Stores, spares and loose tools**

These are valued at lower of cost, determined using weighted average method, and net realisable value, less provision for obsolete items (if any). Items in transit are valued at cost comprising purchase price, freight value and other charges incurred thereon. Provision is made for items which are obsolete and slow moving and is determined based on management estimate regarding their future usability.

#### **7.8 Stock-in-trade**

Stock-in-trade, except goods-in-transit, is valued at the lower of weighted average cost or net realisable value. The cost is determined as follows:

|                                  |                                                                     |
|----------------------------------|---------------------------------------------------------------------|
| Raw and packing materials        | Purchase cost                                                       |
| Work-in-process & finished goods | Cost of materials, labour cost and appropriate production overheads |

Goods-in-transit are valued at cost comprising purchase price, freight value and other charges incurred thereon.

Net realisable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provision is made for items which are obsolete and slow moving and is determined based on management estimate regarding their future usability.

#### **7.9 Trade debts and other receivables**

These are recognized and carried at original invoice amount being the fair value and subsequently measured at amortised cost. Allowance is made on the basis of lifetime expected credit losses (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.

Exchange gains or losses arising in respect of trade debts and other receivables in foreign currency are added to their respective carrying amounts.

#### **7.10 Loans, advances, trade deposits and short-term prepayments (other than financial assets)**

These are initially recognised at cost, which is the fair value of the consideration given. Subsequent to initial recognition, assessment is made at each statement of financial position date to determine whether there is an indication that a financial asset or group of assets may be impaired. If such indication exists, the estimated recoverable amount of that asset or group of assets is determined and any impairment loss is recognised for the difference between the recoverable amount and the carrying value.

#### **7.11 Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents comprise of cash in hand, bank balances and short-term investments with a maturity of three months or less from the date of acquisition net of bank overdraft / running finance facility that are deemed integral to the Group's cash management. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

#### **7.12 Share capital**

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **7.13 Trade and other payables**

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

Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

### **7.14 Provisions**

#### **General**

Provisions are recognised in the consolidated statement of financial position where the Group has a legal or constructive obligation as a result of past event, it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provision are reviewed at each statement of financial position date and adjusted to reflect current best estimate. When the Group expects some or all of the provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

#### **Warranty obligations**

The Group recognizes the estimated liability on accrual basis to repair or replace products under warranty at the reporting date. These are recognised when the product is sold or service is provided to the customer. Initial recognition is based on historical experience and estimate of probability weighted expected outcome. The estimates of warranty-related costs is reviewed annually and adjusted, if required.

### **7.15 Staff retirement benefits - defined contribution plan**

#### **Provident fund**

The Group operates an approved provident fund scheme for its permanent employees. Equal monthly contributions are made to the fund by the Group and the employees in accordance with the rules of the scheme. The Group has no further obligation once the contributions have been paid. The contributions made by the Group are recognised as employee benefit expense when they are due.

#### **Retirement benefit fund**

The Group operates an approved funded scheme for retirement benefits for all employees on the basis of defined contribution made by the Group on attaining the retirement age or in the event of death, with a minimum qualifying period of ten years which is managed by a Trust.

### **7.16 Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

### **7.17 Unclaimed dividend**

This is recognised at the amount of dividend declared and unclaimed by shareholders from the date it became due and payable.

### **7.18 Unpaid dividend**

This is recognised at the amount of dividend declared and claimed by shareholders but remained unpaid for the period of 3 years from the date it became due and payable.

### **7.19 Leases**

The Group assesses at contract inception whether a contract is, or contains, 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.

#### **7.19.1 Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **7.19.2 Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less lease incentives receivable (if any), variable lease payments that depend on an index or a rate (if any), and amounts expected to be paid under residual value guarantees (if any). The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group (if any) and payments of penalties for terminating the lease (if any), if the termination option is reasonably certain to be exercised. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments at the lease commencement date, the Group uses the interest rate implicit in the lease. In case where the interest rate implicit in the lease is not readily determinable, the Group uses its incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

#### **7.19.3 Determination of the lease term for lease contracts with extension and termination options**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation of the leased asset).

#### **7.19.4 Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

#### **7.20 Contingent liabilities**

Contingent liability is disclosed when

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

#### **7.21 Financial assets**

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVPL, transaction costs that are directly attributable to its acquisition.

### 7.21.1 Classification and measurement

Under IFRS 9 Financial assets are classified, at initial recognition, as subsequently measured at following:

- a. at amortised cost
- b. at fair value through other comprehensive income (FVOCI); and
- c. at fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them.

#### a. At amortised cost

A financial asset is measured at amortised if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### b. At fair value through other comprehensive income

A debt instrument is measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; 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.

Debt instruments that are initially recognised at fair value through OCI are subsequently measured at fair value. Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. The Group has irrevocably elected to carry its quoted investments in equity instruments under this category.

Equity instruments that are initially recognised at fair value through OCI are subsequently measured at fair value. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the consolidated statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

#### c. At fair value through profit or loss

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

#### **7.21.2 Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a. the Group has transferred substantially all the risks and rewards of the asset, or
  - b. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### **7.22 Financial liabilities**

#### **7.22.1 Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **7.22.2 Subsequent measurement**

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

#### **7.22.3 Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

#### **7.22.4 Loans and borrowings**

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

#### **7.22.5 Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

#### **7.22.6 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **7.23 Impairment of financial and non financial assets**

#### **7.23.1 Impairment of financial assets**

The impairment model under IFRS 9 applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

At each reporting date, the Group assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the respective asset.

The Group uses the standard's simplified approach and calculates ECL based on life time ECL on its financial assets. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment. The Company considers a financial asset in default when contractual payments are 90 days past due.

#### **7.23.2 Impairment of non-financial assets**

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the consolidated statement of profit or loss and other comprehensive income. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimate of future cash flow have not been adjusted. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised previously. Reversal of an impairment loss is recognised immediately in the consolidated statement of comprehensive income.

### **7.24 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 consolidated profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the consolidated 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 (if any).



## 7.25 Revenue recognition

Revenue is recognised at amounts that reflect the consideration that the Group expects to be entitled to in exchange for transferring goods or services to a customer. Revenue is measured at the fair value of the consideration received or receivable, and is recognised at a point in time when control of goods have passed to the customer either on the dispatch / acceptance of goods for local sales or on the issuance of bill of lading in case of export sales. In case of services, revenue is recognised monthly based on the "Service Agreements". The performance obligation in relation to these services are considered to be discharged over time as such services are consumed by the customers. The normal credit period ranges between 30 to 90 days.

## 7.26 Other income

Other income is recognised to the extent it is probable that the economic benefits will flow to the Group and amount can be measured reliably. Other income is measured at the fair value of the consideration received or receivable and is recognised on the following basis:

- Dividend income is recognised when the right to receive the dividend is established;
- Interest on Term Deposit Receipts and Treasury Bills (T-Bills) are recognised on constant rate of return to maturity;
- Interest on deposit accounts is recognised on accrual basis;
- Interest on loan is recognised on accrual basis;
- Capital gain on treasury bill is recognized as the difference between sales proceeds and carrying value at the time of disposal;
- Rental income arising from investment property is accounted for on a straight-line basis over the lease term;
- Scrap sales are recognised on an accrual basis;
- Claim from customers is recognised as income when the claim is accepted by customer;
- Service income is recognised on a straight line basis over the period that the services are provided; and
- Gain on disposal of property, plant and equipment is recognised at the difference between sales proceeds and carrying value when the relevant item of property, plant and equipment is disposed off.

## 7.27 Foreign currency transactions

Foreign currency transactions are translated into Pakistani Rupees at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pakistani Rupees at the exchange rates prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined. Exchange gains or losses are included in the consolidated statement of profit or loss of the current year.

## 7.28 Deferred income

Benefit of a loan at a below-market rate of interest is recognised as deferred income. Deferred income is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate are expensed.

## 7.29 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Executive of the Group.

## 7.30 Dividend and appropriation to reserves

Dividend declared and appropriations to reserves are recognised in these consolidated financial statements in the period in which they are approved.

|                                         | Note | 2024                         | 2023             |
|-----------------------------------------|------|------------------------------|------------------|
|                                         |      | ----- (Rupees in '000) ----- |                  |
| <b>8. PROPERTY, PLANT AND EQUIPMENT</b> |      |                              |                  |
| Operating fixed assets                  | 8.1  | 7,233,539                    | 6,344,228        |
| Capital work-in-progress                | 8.3  | 306,378                      | 1,294,491        |
|                                         |      | <u>7,539,917</u>             | <u>7,638,719</u> |

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- 8.1.1 This includes transfers to operating fixed assets from capital work-in-progress.
- 8.1.2 Jigs and fixtures include moulds having written down value of Rs. 24.945 million (2023: Rs. 3.007 million) in the possession of sub-contractors dispersed all over the country.
- 8.1.3 Operating fixed assets include items having an aggregate cost of Rs. 1,744.87 million (2023: Rs. 983.29 million) which have been fully depreciated and are still in use of the Group.
- 8.1.4 The following operating fixed assets of the Group are under charge as security against guarantees issued by commercial banks in respect of the investment by the Group in Sindh Engro Coal Mining Company Limited and ThalNova Power Thar (Private) Limited, respectively (notes 11.5 & 11.7). The amount of charge over these fixed assets is Rs. 11,704.246 million (2023: Rs. 11,704.246 million).

|                                                                                                                                                                                                                                                          | 2024<br>Written down<br>value | 2023<br>Written down<br>value |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-------------------------------|
| ----- (Rupees in '000) -----                                                                                                                                                                                                                             |                               |                               |
| Mortgage over the following leasehold lands and buildings over leasehold lands:                                                                                                                                                                          |                               |                               |
| 1. Plot numbers 1, 2, 25 and 26, Sector 22 Korangi Industrial Area (Engineering Division);                                                                                                                                                               | 325,464                       | 118,349                       |
| 2. Plot numbers 35-42, 69 and 70 of survey 749 and 749/1, Mauza Pathra, Tehsil Hub, District Lasbella, (Papersack and Laminates Division); and                                                                                                           | 410,918                       | 402,782                       |
| 3. An area measuring 1425 Kanals and 8 Marlas comprising of Khasra numbers 1757, 1758, 1765, 1766, 1767, 1768, 1780, 1775, 1777, 1778, 1764, 1779 ,1792-1795/1, 1776, 1793, 1794, 1791, situated in Mouza Rakh, Khanpur, Tehsil & District Muzaffargarh. | 89,348                        | 83,444                        |
|                                                                                                                                                                                                                                                          | <u>825,730</u>                | <u>604,575</u>                |
| Plant, machinery and jigs and fixtures of the Group are present at the following locations:                                                                                                                                                              |                               |                               |
| 1. Plot numbers 1, 2, 25 and 26, Sector 22 Korangi Industrial Area (Engineering Division);                                                                                                                                                               | 495,290                       | 400,516                       |
| 2. Plot numbers 35-42, 69 and 70 of survey 749 and 749/1, Mauza Pathra, Tehsil Hub, District Lasbella, (Papersack and Laminates Division);                                                                                                               | 931,751                       | 1,079,169                     |
| 3. Thal Limited Industrial building and machinery situated at Plot bearing number DSU-14, Sector II, Downstream Industrial Estate, Bin Qasim, Karachi (Yazaki Unit); and                                                                                 | 762,098                       | 358,925                       |
| 4. An area measuring 1425 Kanals and 8 Marlas comprising of Khasra numbers 1757, 1758, 1765, 1766, 1767, 1768, 1780, 1775, 1777, 1778, 1764, 1779 ,1792-1795/1, 1776, 1793, 1794, 1791, situated in Mouza Rakh, Khanpur, Tehsil & District Muzaffargarh. | 614,354                       | 131,566                       |
|                                                                                                                                                                                                                                                          | <u>2,803,493</u>              | <u>1,970,176</u>              |

- 8.1.6 Details of disposal of operating fixed assets with a written down value exceeding amount of Rs. 0.5 million are as follows:

|                              | Cost   | Accumulated depreciation | Written down value | Sales proceeds | Gain / (loss) on disposal | Mode of disposal      | Particulars of buyers |
|------------------------------|--------|--------------------------|--------------------|----------------|---------------------------|-----------------------|-----------------------|
| ----- (Rupees in '000) ----- |        |                          |                    |                |                           |                       |                       |
| Motor vehicles               |        |                          |                    |                |                           |                       |                       |
|                              | 2,797  | 1,219                    | 1,578              | 3,300          | 1,722                     | Employee's car scheme | Mr. Tariq Qadir       |
|                              | 2,695  | 802                      | 1,893              | 3,588          | 1,695                     | Employee's car scheme | Mr. Naveed Qaiser     |
|                              | 2,775  | 1,058                    | 1,717              | 1,737          | 20                        | Employee's car scheme | Mr. Ejaz Raza         |
|                              | 3,232  | 1,044                    | 2,188              | 4,358          | 2,170                     | Employee's car scheme | Mr. Nayab Rizvi       |
|                              | 2,005  | 609                      | 1,396              | 2,916          | 1,520                     | Employee's car scheme | Mr. Rizwan Bhojani    |
|                              | 4,005  | 1,525                    | 2,480              | 2,568          | 88                        | Employee's car scheme | Mr. Asim Aqil         |
|                              | 3,024  | 555                      | 2,469              | 2,975          | 506                       | Employee's car scheme | Mr. Yasir Ahmed Khan  |
|                              | 2,804  | 1,882                    | 922                | 981            | 59                        | Employee's car scheme | Mr. Saaed Jung        |
|                              | 3,005  | 1,272                    | 1,733              | 2,084          | 351                       | Employee's car scheme | Mr. Farrukh Shafiq    |
|                              | 3,005  | 1,274                    | 1,731              | 2,132          | 401                       | Employee's car scheme | Mr. Rameez Siddiqui   |
|                              | 11,663 | 2,527                    | 9,136              | 14,000         | 4,864                     | Employee's car scheme | Mr. Tariq Sultan      |
|                              | 1,975  | 901                      | 1,074              | 3,045          | 1,971                     | Negotiation           | MM Motors             |

8.2 The depreciation charge for the year has been allocated as follows:

|                                   | Note | 2024                         | 2023           |
|-----------------------------------|------|------------------------------|----------------|
|                                   |      | ----- (Rupees in '000) ----- |                |
| Cost of sales                     | 36   | 1,121,013                    | 822,678        |
| Distribution and selling expenses | 37   | 3,732                        | 5,720          |
| Administrative expenses           | 38   | 72,629                       | 69,612         |
|                                   |      | <u>1,197,374</u>             | <u>898,010</u> |

8.3 **Capital work-in-progress**

|                            |                  |                              |                           |                                     |
|----------------------------|------------------|------------------------------|---------------------------|-------------------------------------|
|                            |                  |                              |                           |                                     |
|                            |                  | Opening balance              | Additions during the year | Transfers to operating fixed assets |
|                            |                  |                              |                           | Closing balance                     |
|                            |                  | ----- (Rupees in '000) ----- |                           |                                     |
| Civil works                | 11,823           | 189,233                      | (47,725)                  | 153,331                             |
| Plant and machinery        | 723,053          | 638,467                      | (1,280,476)               | 81,044                              |
| Furniture and fittings     | 1,857            | 35,710                       | (37,048)                  | 519                                 |
| Vehicles                   | 1,000            | 44,345                       | (24,963)                  | 20,382                              |
| Office and mills equipment | 1,217            | 18,221                       | (13,385)                  | 6,053                               |
| Computer equipment         | —                | 28,620                       | (28,526)                  | 94                                  |
| Leasehold improvements     | —                | 55,468                       | (53,245)                  | 2,223                               |
| Jigs and fixtures          | 555,541          | 162,449                      | (675,258)                 | 42,732                              |
| 2024                       | <u>1,294,491</u> | <u>1,172,513</u>             | <u>(2,160,626)</u>        | <u>306,378</u>                      |
| Civil works                | 459,123          | 73,446                       | (520,746)                 | 11,823                              |
| Plant and machinery        | 373,345          | 731,907                      | (382,199)                 | 723,053                             |
| Furniture and fittings     | —                | 7,944                        | (6,087)                   | 1,857                               |
| Vehicle                    | 27,647           | 66,058                       | (92,705)                  | 1,000                               |
| Office and mills equipment | 3,698            | 121,057                      | (123,538)                 | 1,217                               |
| Computer equipment         | 8,796            | 12,591                       | (21,387)                  | —                                   |
| Jigs and fixtures          | 52,821           | 609,277                      | (106,557)                 | 555,541                             |
| 2023                       | <u>925,430</u>   | <u>1,622,280</u>             | <u>(1,253,219)</u>        | <u>1,294,491</u>                    |

8.4 Details of the Group's immovable fixed assets are as under:

|                                                                                                                   | 2024                         |                                     | 2023                     |                                     |
|-------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------------|--------------------------|-------------------------------------|
| Locations                                                                                                         | Land area (square yards)     | Building covered area (square feet) | Land area (square yards) | Building covered area (square feet) |
|                                                                                                                   | ----- (Rupees in '000) ----- |                                     |                          |                                     |
| 1. Thal Limited (Jute Division), D.G. Khan Road, Muzaffargarh, Punjab                                             | 862                          | 697                                 | 862                      | 697                                 |
| 2. Plot numnbers 448 & 449 Sundar Industrial Estate Raiwind Road, Lahore, Punjab.                                 | 8                            | 39                                  | 8                        | 39                                  |
| 3. Plot numnbers 1, 2, 25 & 26 Sector 22 Korangi Industrial Area Karachi, Sindh.                                  | 51                           | 229                                 | 51                       | 229                                 |
| 4. DSU-14 sector II Downstream Industrial Estate Bin Qasim, Karachi, Sindh.                                       | 24                           | 32                                  | 24                       | 32                                  |
| 5. Plot numnber SP-6, N.W.I.Z / I / P-133 C, North Western Industrial Zone, Port Qasim Authority, Karachi.        | 22                           | 193                                 | 22                       | 193                                 |
| 6. Survey No. 148/1, Abyssinia Lines, Mubarak Shaheed Rd. Saddar , Karachi, Sindh.                                | 24                           | 216                                 | 24                       | 216                                 |
| 7. Plot numnbers 35, 36, 37, 38, 39, 39A, 40, 40A, 41, 42, 69, 69A, 70 and 71, Zila Moza Pathra, Hub, Balochistan | 92                           | 329                                 | 92                       | 329                                 |
| 8. Plot numnber C-49-58, Sector C, Hub Industrial Area, Hub, Balochistan                                          | 6                            | 12                                  | 6                        | 12                                  |
| 9. Plot numnber 38, Road No. 3, Industrial Estate, Gadoon Amazai, Swabi, Khyber Pakhtunkhwa                       | 19                           | 40                                  | 19                       | 40                                  |

## 9. INTANGIBLE ASSETS

| 9. INTANGIBLE ASSETS |                   |           |           |           |                          |                   |                   |                     |                  |           |           |                 | Written down value |
|----------------------|-------------------|-----------|-----------|-----------|--------------------------|-------------------|-------------------|---------------------|------------------|-----------|-----------|-----------------|--------------------|
| Note                 | Cost              |           |           |           | Accumulated Amortisation |                   |                   |                     | As at June 30    |           |           |                 |                    |
|                      | Operating balance | Additions | Transfers | Disposals | Closing balance          | Amortisation rate | Operating balance | Charge for the year |                  | Transfers | Disposals | Closing balance |                    |
|                      | (Rupees in '000)  |           |           |           | (Rupees in '000)         |                   |                   |                     | (Rupees in '000) |           |           |                 |                    |
|                      |                   |           |           |           |                          | %                 |                   |                     |                  |           |           |                 |                    |
| Softwares Licences   | 25,817            | -         | -         | -         | 25,817                   | 33                | 24,965            | 415                 | -                | -         | 25,380    | 437             |                    |
| - Software           | 91,792            | 2         | -         | (175)     | 91,619                   | 33                | 75,826            | 8,925               | -                | (88)      | 84,663    | 6,956           |                    |
| - Product            | 231,791           | 232,922   | -         | -         | 464,713                  | 20-33             | 158,920           | 60,717              | -                | -         | 219,637   | 245,076         |                    |
| 2024                 | 349,400           | 232,924   | -         | (175)     | 582,149                  |                   | 259,711           | 70,057              | -                | (88)      | 329,680   | 252,469         |                    |
| 2023                 | 286,644           | 62,756    | -         | -         | 349,400                  |                   | 209,453           | 50,258              | -                | -         | 259,711   | 89,689          |                    |

9.1 The amortisation charge for the year has been allocated as follows:

|                                   | Note | 2024             | 2023          |
|-----------------------------------|------|------------------|---------------|
|                                   |      | (Rupees in '000) |               |
| Cost of sales                     | 36   | 66,043           | 45,326        |
| Distribution and selling expenses | 37   | 166              | 217           |
| Administrative expenses           | 38   | 3,848            | 4,715         |
|                                   |      | <u>70,057</u>    | <u>50,258</u> |

9.2 Represents patent rights and technical services acquired in respect of engineering business.

9.3 Intangible assets include items having an aggregate cost of Rs. 236.515 million (2023: Rs. 122.787 million) which are fully amortised and still in use of the Group.

## 10. INVESTMENT PROPERTY

|                          | 2024             | 2023             |
|--------------------------|------------------|------------------|
|                          | (Rupees in '000) |                  |
| Land and building        | 5,538,677        | 5,843,569        |
| Capital work in progress | 31,546           | 973              |
|                          | <u>5,570,223</u> | <u>5,844,542</u> |

### 10.1 Land and building

| Land and building                 | Cost             |                                    |           | Accumulated Depreciation     |                   |                 |                     | Written down value |           |                 |                     |
|-----------------------------------|------------------|------------------------------------|-----------|------------------------------|-------------------|-----------------|---------------------|--------------------|-----------|-----------------|---------------------|
|                                   | Opening balance  | Additions / subsequent expenditure | Disposals | Closing balance              | Depreciation rate | Opening balance | Charge for the year |                    | Disposals | Closing balance | As at June 30, 2024 |
|                                   |                  |                                    |           |                              |                   |                 |                     |                    |           |                 |                     |
|                                   | (Rupees in '000) |                                    |           | ----- (Rupees in '000) ----- |                   |                 |                     | (Rupees in '000)   |           |                 |                     |
|                                   |                  |                                    |           |                              | %                 |                 |                     |                    |           |                 |                     |
| Freehold                          |                  |                                    |           |                              |                   |                 |                     |                    |           |                 |                     |
| Land                              | 974,504          | -                                  | (1,573)   | 972,931                      | -                 | -               | -                   | -                  | -         | -               | 972,931             |
| Building and related improvements | 1,697,564        | -                                  | -         | 1,697,564                    | 2.5 - 16          | 662,221         | 45,010              | -                  | 707,231   | -               | 990,333             |
| Equipment                         | 217,462          | 5,622                              | (2,868)   | 220,216                      | 6.6 - 20          | 137,788         | 14,179              | -                  | 151,967   | -               | 68,249              |
| Leasehold                         |                  |                                    |           |                              |                   |                 |                     |                    |           |                 |                     |
| Land                              | 1,657,588        | -                                  | -         | 1,657,588                    | 2.17 - 3.33       | 635,458         | 8,060               | -                  | 643,518   | -               | 1,014,070           |
| Right of use assets - land        | 510,357          | -                                  | -         | 510,357                      | 2 - 10            | 113,633         | 69,613              | -                  | 183,246   | -               | 327,111             |
| Building and related improvements | 3,904,644        | 31,676                             | -         | 3,936,320                    | 2.5 - 16          | 1,754,638       | 192,808             | -                  | 1,947,446 | -               | 1,988,874           |
| Equipment                         | 567,563          | 13,573                             | (2,935)   | 578,201                      | 6.6 - 20          | 382,375         | 23,611              | (4,894)            | 401,092   | -               | 177,109             |
| 2024                              | 9,529,682        | 50,871                             | (7,376)   | 9,573,177                    |                   | 3,686,113       | 353,281             | (4,894)            | 4,034,500 |                 | 5,538,677           |
| 2023                              | 9,468,754        | 90,804                             | (29,876)  | 9,529,682                    |                   | 3,346,709       | 367,647             | (28,243)           | 3,686,113 |                 | 5,843,569           |

10.1.1 Investment properties comprise various properties across Pakistan, the aggregate fair value of which has been determined on the basis of valuation carried out by an independent valuer as of June 30, 2024 which amounts to Rs. 39,820 million (2023: Rs 21,154 million). The valuation was carried out on the basis of market intelligence, indexation of the original cost, year of construction, present physical condition and location and lease term of related land. Latest valuation was carried out by the Group on June 30, 2024.

10.1.2 The Holding Company has entered into a long-term agreement with Shabbir Tiles & Ceramics Limited, a related party in respect of investment property. The rental agreement has a remaining lease term of 6 months, with escalation clause upon renewal of contract based on mutual agreement. The rental income from investment property is disclosed in note 40 to these consolidated financial statements.

10.1.3 The Group has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements. Further, there is no material direct operating cost in relation to the said property.

10.1.4 Investment property include items having an aggregate cost of Rs. 424.82 million (2023: Rs. 166.68 million) which have been fully depreciated and are still in use of the Group.



10.1.5 Details of the Group's immovable investment properties are as under:

| Locations                                                                                                                                            | 2024                     |                                     | 2023                     |                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------------------------|--------------------------|-------------------------------------|
|                                                                                                                                                      | Land area (square yards) | Building covered area (square feet) | Land area (square yards) | Building covered area (square feet) |
| ----- (Rupees in '000) -----                                                                                                                         |                          |                                     |                          |                                     |
| 1. Industrial Property bearing khewat numbers 861, 862, 890, 895, 905, khatooni numbers 1086,1087,1116, 1121,1133, Mouza Taraf Ravi, Multan, Punjab. | 5                        | 20                                  | 5                        | 20                                  |
| 2. Main Air Port Road, DHA, Near Divine Garden Scheme, Lahore, Punjab.                                                                               | 61                       | 134                                 | 61                       | 134                                 |
| 3. G-Block, Link Road, Model Town, Lahore, Punjab.                                                                                                   | 38                       | 300                                 | 38                       | 300                                 |
| 4. 75 Ravi Road, Lahore (Near Minar-e-Pakistan), Punjab.                                                                                             | 24                       | 287                                 | 24                       | 287                                 |
| 5. 2 km. Thokar Niaz Baig, Multan Road, Lahore, Punjab.                                                                                              | 61                       | 133                                 | 61                       | 133                                 |
| 6. Main Sargodha Road, Adjacent FDA City, Faisalabad, Punjab.                                                                                        | 59                       | 138                                 | 59                       | 138                                 |
| 7. Plot 1-A, I-11/4 adjacent Railway Carriage Factory, Islamabad.                                                                                    | 43                       | 133                                 | 43                       | 133                                 |
| 8. NA-Class 190-219, OKEWARI Near Safari Park, University Road, Karachi, Sindh.                                                                      | 53                       | 134                                 | 53                       | 134                                 |
| 9. Near Star Gate, Shahrah-e-Faisal, Karachi, Sindh.                                                                                                 | 40                       | 384                                 | 40                       | 384                                 |
| 10. D-22, Manghopir Road, S.I.T.E, Karachi, Sindh.                                                                                                   | 36                       | 158                                 | 36                       | 158                                 |

10.1.6 The depreciation charge for the year on investment properties are attributable entirely to administrative expenses (note 38).

|                                       | Note | 2024                         | 2023       |
|---------------------------------------|------|------------------------------|------------|
|                                       |      | ----- (Rupees in '000) ----- |            |
| 10.2. <b>Capital work-in-progress</b> |      |                              |            |
| Opening balance                       |      | 973                          | 105,794    |
| Capital expenditure during the year   |      | 82,913                       | 62,799     |
| Transfers to investment property      |      | (50,871)                     | (90,804)   |
| Expensed out during the year          |      | (1,469)                      | —          |
| Impairment                            | 39   | —                            | (71,163)   |
| Advances against capital assets       |      | —                            | (5,653)    |
|                                       |      | <u>31,546</u>                | <u>973</u> |

10.2.1 Commitments in respect of capital work-in-progress amounts to Rs. 9.838 million (2023: Rs. 0.396 million).

## 11. LONG-TERM INVESTMENTS

|                                                                               | Note | 2024      |                | 2023      |                |
|-------------------------------------------------------------------------------|------|-----------|----------------|-----------|----------------|
|                                                                               |      | Holding % | Rupees in '000 | Holding % | Rupees in '000 |
| <b>Investment in associates - stated as per equity method</b>                 |      |           |                |           |                |
| <b>Quoted associates</b>                                                      | 11.2 |           |                |           |                |
| <b>Indus Motor Company Limited</b>                                            |      |           |                |           |                |
| Opening balance                                                               |      |           | 3,478,283      |           | 3,102,208      |
| Share of profit after tax                                                     |      |           | 937,712        |           | 601,260        |
| Dividend received during the year                                             |      |           | (492,423)      |           | (225,185)      |
| Closing balance                                                               |      | 6.22      | 3,923,572      | 6.22      | 3,478,283      |
| [Market value Rs. 7,726.200 million<br>(2023: Rs. 4,612.444 million)]         |      |           |                |           |                |
| <b>Habib Insurance Company Limited</b>                                        |      |           |                |           |                |
| Opening balance                                                               |      |           | 51,949         |           | 54,871         |
| Share of profit after tax                                                     |      |           | 7,976          |           | 6,374          |
| Share of other comprehensive income / (loss)                                  |      |           | 14,601         |           | (5,711)        |
| Dividend received during the year                                             |      |           | (3,585)        |           | (3,585)        |
| Closing balance                                                               |      | 4.63      | 70,941         | 4.63      | 51,949         |
| [Market value Rs.39.001 million<br>(2023: Rs. 27.989 million)]                |      |           |                |           |                |
| <b>Agriauto Industries Limited</b>                                            |      |           |                |           |                |
| Opening balance                                                               |      |           | 434,112        |           | 446,841        |
| Share of loss after tax                                                       |      |           | (25,527)       |           | (12,729)       |
| Closing balance                                                               |      | 7.35      | 408,585        | 7.35      | 434,112        |
| [Market value Rs. 271.480 million<br>(2023: Rs. 164.091 million)]             |      |           |                |           |                |
| <b>Shabbir Tiles &amp; Ceramics Limited</b>                                   |      |           |                |           |                |
| Opening balance                                                               |      |           | 39,830         |           | 42,451         |
| Share of profit / (loss) after tax                                            |      |           | 5,307          |           | (280)          |
| Dividend received during the year                                             |      |           | —              |           | (2,341)        |
| Closing balance                                                               |      | 1.30      | 45,137         | 1.30      | 39,830         |
| [Market value Rs. 45.262 million<br>(2023: Rs. 25.971 million)]               |      |           |                |           |                |
|                                                                               |      |           | 4,448,235      |           | 4,004,174      |
| <b>Un-quoted associates</b>                                                   |      |           |                |           |                |
| <b>Sindh Engro Coal Mining Company Limited (SECMC)</b>                        |      |           |                |           |                |
|                                                                               | 11.5 |           |                |           |                |
| Opening balance                                                               |      |           | 7,449,251      |           | 6,920,828      |
| Share of profit after tax                                                     |      |           | 5,583,513      |           | 1,205,711      |
| Dividend received during the year                                             |      |           | (346,282)      |           | (677,288)      |
| Closing balance                                                               |      | 11.90     | 12,686,482     | 11.90     | 7,449,251      |
| [Adjusted net assets Rs. 12,382.486 million<br>(2023: Rs. 7,155.673 million)] |      |           |                |           |                |
|                                                                               |      |           | 17,134,717     |           | 11,453,425     |

|                                                                           | Note        | 2024      |                | 2023      |                |
|---------------------------------------------------------------------------|-------------|-----------|----------------|-----------|----------------|
|                                                                           |             | Holding % | Rupees in '000 | Holding % | Rupees in '000 |
| <b>Joint Ventures</b>                                                     |             |           |                |           |                |
| <b>ThalNova Power Thar (Private) Limited (TNTPL)</b>                      | 11.6 & 11.7 |           |                |           |                |
| Opening balance                                                           |             |           | 7,235,743      |           | 4,106,439      |
| Investment made during the year                                           |             |           | 59,590         |           | 442,000        |
| Advance against issue of shares                                           |             |           | —              |           | 1,440,972      |
| Share of profit after tax                                                 |             |           | 2,505,526      |           | 1,246,332      |
| Closing balance                                                           |             | 26        | 9,800,859      | 26        | 7,235,743      |
| [Adjusted net assets Rs. 9,802.498 million (2023: Rs. 7,241.147 million)] |             |           |                |           |                |
| <b>Total of associates and joint venture</b>                              |             |           | 26,935,576     |           | 18,689,168     |
| <b>Listed shares - at fair value through other comprehensive income</b>   |             |           |                |           |                |
| Habib Sugar Mills Limited                                                 |             |           | 116,757        |           | 61,608         |
| GlaxoSmithKline (Pakistan) Limited                                        |             |           | 242            |           | 127            |
| Haleon (Pakistan) Limited                                                 |             |           | 149            |           | 71             |
| Dynea Pakistan Limited                                                    |             |           | 184,247        |           | 102,949        |
| Allied Bank Limited                                                       |             |           | 20,037         |           | 12,182         |
| Habib Bank Limited                                                        |             |           | 8,076          |           | 4,769          |
| TPL Properties Limited                                                    |             |           | 17,952         |           | 25,593         |
|                                                                           | 11.8        |           | 347,460        |           | 207,299        |
| <b>TOTAL</b>                                                              |             |           | 27,283,036     |           | 18,896,467     |

|      | Note                                                                                                                                                                                                                                                   | 2024                         | 2023      |
|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------|
|      |                                                                                                                                                                                                                                                        | ----- (Rupees in '000) ----- |           |
| 11.1 | Share of profit after tax of associates and joint venture                                                                                                                                                                                              |                              |           |
|      | <b>Associates</b>                                                                                                                                                                                                                                      |                              |           |
|      | Indus Motor Company Limited                                                                                                                                                                                                                            | 937,712                      | 601,260   |
|      | Habib Insurance Company Limited                                                                                                                                                                                                                        | 7,976                        | 6,374     |
|      | Agriauto Industries Limited                                                                                                                                                                                                                            | (25,527)                     | (12,729)  |
|      | Shabbir Tiles & Ceramics Limited                                                                                                                                                                                                                       | 5,307                        | (280)     |
|      | Sindh Engro Coal Mining Company Limited                                                                                                                                                                                                                | 5,583,513                    | 1,205,711 |
|      |                                                                                                                                                                                                                                                        | 6,508,981                    | 1,800,336 |
|      | <b>Joint venture</b>                                                                                                                                                                                                                                   |                              |           |
|      | ThalNova Power Thar (Private) Limited                                                                                                                                                                                                                  | 2,505,526                    | 1,246,332 |
|      |                                                                                                                                                                                                                                                        | 9,014,507                    | 3,046,668 |
| 11.2 | Although the Group has less than 20% equity interest in all its associates, the management believes that significant influence over these associates exists by virtue of Group's representation on the Board of Directors of the respective companies. |                              |           |

11.3 The summarised financial information of the associated companies and joint venture, based on the latest available audited / unaudited financial statements is as follows:

|                                                                         | Indus Motor<br>Company Limited |                 | Habib Insurance Company<br>Limited (Unaudited) |                 | Aagriauto Industries<br>Limited |                 | Shabbir Tiles and<br>Ceramics Limited |                  | Sindh Engro Coal Mining<br>Company Limited |                 | ThalNova Power Thar<br>(Private) Limited |                 |
|-------------------------------------------------------------------------|--------------------------------|-----------------|------------------------------------------------|-----------------|---------------------------------|-----------------|---------------------------------------|------------------|--------------------------------------------|-----------------|------------------------------------------|-----------------|
|                                                                         | 30 June<br>2024                | 30 June<br>2023 | 30 June<br>2024                                | 30 June<br>2023 | 30 June<br>2024                 | 30 June<br>2023 | 30 March<br>2024                      | 30 March<br>2023 | 30 June<br>2024                            | 30 June<br>2023 | 30 June<br>2024                          | 30 June<br>2023 |
| Revenue                                                                 | 152,481,025                    | 177,710,637     | 1,491,659                                      | 1,435,752       | 8,534,184                       | 8,314,517       | 15,581,047                            | 14,182,479       | 112,234,941                                | 82,569,925      | 62,870,893                               | 22,522,972      |
| Profit / (loss) after taxation                                          | 15,072,426                     | 9,664,429       | 172,282                                        | 37,659          | (347,502)                       | (173,280)       | 320,165                               | 37,613           | 46,920,274                                 | 10,132,028      | 9,636,635                                | 4,793,581       |
| Other comprehensive income / (loss)                                     | —                              | —               | 419,598                                        | (123,355)       | —                               | —               | —                                     | —                | —                                          | —               | —                                        | —               |
| Total comprehensive income / (loss)                                     | 15,072,426                     | 9,664,429       | 591,880                                        | (85,696)        | (347,502)                       | (173,280)       | 320,165                               | 37,613           | 46,920,274                                 | 10,132,028      | 9,636,635                                | 4,793,581       |
| Cash and cash equivalents                                               | 14,107,143                     | 24,806,124      | 601,552                                        | (80,728)        | 1,710,098                       | 42,145          | 286,376                               | 721,548          | 54,316,950                                 | 44,511,836      | 19,647,750                               | 2,944,290       |
| Non-current assets                                                      | 26,399,852                     | 24,584,162      | —                                              | —               | 4,158,334                       | 4,362,168       | 3,342,573                             | 3,747,057        | 97,557,055                                 | 94,630,990      | 103,168,166                              | 108,811,338     |
| Current assets                                                          | 119,419,799                    | 98,180,149      | —                                              | —               | 4,426,935                       | 4,767,337       | 4,818,123                             | 5,105,121        | 164,615,699                                | 130,397,398     | 49,498,973                               | 30,640,453      |
| Total assets                                                            | 145,819,651                    | 122,764,311     | 5,243,570                                      | 4,145,830       | 8,586,269                       | 9,129,505       | 8,160,696                             | 8,852,178        | 262,172,754                                | 225,028,388     | 152,667,139                              | 139,451,791     |
| Less:                                                                   |                                |                 |                                                |                 |                                 |                 |                                       |                  |                                            |                 |                                          |                 |
| Non-current liabilities                                                 | (212,814)                      | (553,698)       | —                                              | —               | (530,183)                       | (658,221)       | (810,681)                             | (884,916)        | (67,954,080)                               | (78,269,333)    | (81,769,812)                             | (72,911,740)    |
| Current liabilities                                                     | (78,380,394)                   | (62,140,701)    | —                                              | —               | (2,240,843)                     | (2,309,539)     | (4,329,619)                           | (5,267,031)      | (88,920,334)                               | (85,380,991)    | (33,190,065)                             | (38,661,222)    |
| Total liabilities                                                       | (78,593,208)                   | (62,694,399)    | (3,530,818)                                    | (3,044,194)     | (2,771,026)                     | (2,967,760)     | (5,140,300)                           | (6,151,947)      | (156,874,414)                              | (163,650,324)   | (114,959,877)                            | (111,572,962)   |
| Net assets                                                              | 67,226,443                     | 60,069,912      | 1,712,752                                      | 1,101,636       | 5,814,243                       | 6,161,745       | 3,020,396                             | 2,700,231        | 105,298,340                                | 61,378,064      | 37,707,262                               | 27,878,829      |
| Less: Preference shares                                                 | —                              | —               | —                                              | —               | —                               | —               | —                                     | —                | (1,246,356)                                | (1,246,356)     | —                                        | —               |
| Add / Less: Advance against shares<br>not in proportion to shareholding | —                              | —               | —                                              | —               | —                               | —               | —                                     | —                | —                                          | —               | (5,346)                                  | (28,264)        |
| Adjusted net assets                                                     | 67,226,443                     | 60,069,912      | 1,712,752                                      | 1,101,636       | 5,814,243                       | 6,161,745       | 3,020,396                             | 2,700,231        | 104,051,984                                | 60,131,708      | 37,701,916                               | 27,850,565      |
| Group's share in net assets (%)                                         | 6.22%                          | 6.22%           | 4.63%                                          | 4.63%           | 7.35%                           | 7.35%           | 1.30%                                 | 1.30%            | 11.90%                                     | 11.90%          | 26.00%                                   | 26.00%          |
| Share in net assets                                                     | 4,181,485                      | 3,736,349       | 79,300                                         | 51,006          | 427,347                         | 452,888         | 39,265                                | 35,103           | 12,382,186                                 | 7,155,673       | 9,802,498                                | 7,241,147       |
| Others                                                                  | (257,913)                      | (258,066)       | (8,359)                                        | 943             | (18,762)                        | (18,776)        | 5,872                                 | 4,727            | 304,296                                    | 293,578         | (1,639)                                  | (5,404)         |
| Carrying amount                                                         | 3,923,572                      | 3,478,283       | 70,941                                         | 51,949          | 408,585                         | 434,112         | 45,137                                | 39,830           | 12,686,482                                 | 7,449,251       | 9,800,859                                | 7,235,743       |

|      |                                                         | 2024                         | 2023      |
|------|---------------------------------------------------------|------------------------------|-----------|
|      |                                                         | ----- (Rupees in '000) ----- |           |
| 11.4 | Share in contingent liabilities of associated companies | 216,970                      | 929,859   |
|      | Share in commitments of associated companies            | 3,160,450                    | 3,552,810 |

- 11.5 This includes investment in Sindh Engro Coal Mining Company Limited (SECMC), an associate established for the construction of coal mine. Although the Group has less than 20% equity interest in the associate, the management believes that it has significant influence due to the contractual agreement with the shareholders. The Group invested a total of USD 23.1 million in PKR equivalent to develop a cumulative mine capacity of 7.6 mtpa. Phase I of the Project achieved commercial operations in July 2019 and Phase II achieved commercial operation in September 2022. As of the statement of financial position date, the Group has invested Rs. 2,840.15 million acquiring 191,643,025 ordinary shares having face value of Rs. 10 each, at a price of Rs. 14.82 per share.

To secure the Group's commitment as above, a commercial bank has issued a guarantee in favour of the Group amounting to Rs. 960.476 million (2023: Rs. 1,544.277 million).

- 11.6 TNTPL is a joint venture between the Holding Company, Nova Powergen Limited (subsidiary of Novatex Limited) and The Hub Power Company Limited which was formed under the Joint Venture Agreement. The Holding Company holds 26% (2023: 26%) equity interest in TNTPL comprising 609,132,957 shares (2023: 603,173,973 shares) at Rs. 10 each and has joint control under the terms of the Joint Venture Agreement.

- 11.7 The Group undertook to invest USD 34.3 million in PKR equivalent in ThalNova Power Thar (Private) Limited (TNTPL), which is a company developing a coal based power plant. Upto the statement of financial position date, the Group has invested Rs. 6,091.33 million in TNTPL acquiring 609,132,957 ordinary shares having face value of Rs. 10 each. During the year, the Group invested Rs. 59.59 million in TNTPL. TNTPL achieved its financial close and commercial operations on September 30, 2020 and February 17, 2023, respectively.

In 2021, China Machinery Engineering Corporation (CMEC) was appointed as the EPC Contractor. TNTPL has entered into Coal Supply Agreement (CSA) with SECMC to supply 1.9 million tons per annum of lignite. It has also entered into a Power Purchase Agreement (PPA) with the Central Power Purchase Agency (Guarantee) Limited (CPPA) and the Implementation Agreement with Private Power Infrastructure Board (PPIB).

The Power Plant is listed under Priority Projects under the China Pakistan Economic Corridor (CPEC) and its financing is being led by China Development Bank and Habib Bank Limited.

To secure the Group's commitment as above, a commercial bank has issued a guarantee in favour of the Group amounting to Rs. 113.323 million (2023: Rs. 177.284 million).

- 11.8 The cost of these investments is Rs. 54.648 million (2023: Rs. 54.648 million). The Group recognised gain of Rs. 140.161 million (2023: loss of Rs. 51.034 million) on revaluation of these equity instruments in other comprehensive income.

|                                            | Note | 2024                         | 2023           |
|--------------------------------------------|------|------------------------------|----------------|
|                                            |      | ----- (Rupees in '000) ----- |                |
| <b>12. LONG-TERM DEPOSITS AND ADVANCES</b> |      |                              |                |
| Capital advance                            |      | —                            | 244,837        |
| Security deposits                          | 12.1 | 19,116                       | 24,482         |
| Utilities                                  |      | 9,870                        | 9,870          |
| Others                                     |      | 7,310                        | 6,423          |
|                                            |      | <u>36,296</u>                | <u>285,612</u> |

- 12.1 These are not discounted to present value since the impact is not considered to be material to these consolidated financial statements.

|                                 | Note | 2024                         | 2023          |
|---------------------------------|------|------------------------------|---------------|
|                                 |      | ----- (Rupees in '000) ----- |               |
| <b>13. LONG-TERM PREPAYMENT</b> |      |                              |               |
| Advance rent                    | 13.1 | —                            | 50,671        |
| Provision against advance rent  |      | —                            | (28,170)      |
|                                 |      | <u>—</u>                     | <u>22,501</u> |

13.1 This represented unamortised portion of advance rent paid to Army Welfare Trust (AWT) for the lease of land. During the year, the Group has written off the balance upon the transfer of vacant, unencumbered, and peaceful possession of the land in compliance with the Supreme Court's directives (note 1.2.3).

|                                           | Note        | 2024                         | 2023           |
|-------------------------------------------|-------------|------------------------------|----------------|
|                                           |             | ----- (Rupees in '000) ----- |                |
| <b>14. STORES, SPARES AND LOOSE TOOLS</b> |             |                              |                |
| Stores in hand                            |             | 96,265                       | 76,688         |
| Spares in hand                            |             | 327,415                      | 287,558        |
| Loose tools                               |             | 248                          | 180            |
| Less: Provision for obsolescence          | 14.1 & 14.2 | (167,108)                    | (127,666)      |
|                                           |             | <u>256,820</u>               | <u>236,760</u> |

**14.1 Movement - Provision for obsolescence**

|                           |                |                |
|---------------------------|----------------|----------------|
| Opening balance           | 127,666        | 87,634         |
| Charge for the year - net | 39,442         | 40,032         |
| Closing balance           | <u>167,108</u> | <u>127,666</u> |

14.2 Aggregate cost of stores, spares and loose tools which have been provided for based on obsolescence amount to Rs. 302.358 million (2023: Rs. 231.157 million). Accordingly, net realisable value of such inventory amounts to Rs. 135.25 million (2023: Rs. 103.49 million).

|                                  | Note        | 2024                         | 2023              |
|----------------------------------|-------------|------------------------------|-------------------|
|                                  |             | ----- (Rupees in '000) ----- |                   |
| <b>15. STOCK-IN-TRADE</b>        |             |                              |                   |
| Raw material                     |             |                              |                   |
| In hand                          | 15.1        | 5,876,809                    | 6,818,804         |
| In transit                       |             | 1,306,750                    | 1,916,341         |
|                                  |             | <u>7,183,559</u>             | <u>8,735,145</u>  |
| Work-in-process                  |             | 758,618                      | 513,289           |
| Finished goods                   |             |                              |                   |
| In hand                          |             | 1,471,850                    | 1,577,501         |
| In transit                       |             | 2,900                        | —                 |
| Less: Provision for obsolescence | 15.2 & 15.3 | (892,277)                    | (666,865)         |
|                                  |             | <u>8,524,650</u>             | <u>10,159,070</u> |

15.1 Raw materials amounting to Rs. nil (2023: Rs. 14.452 million) are held with the sub-contractors.

|                                                   | Note | 2024                         | 2023           |
|---------------------------------------------------|------|------------------------------|----------------|
|                                                   |      | ----- (Rupees in '000) ----- |                |
| <b>15.2 Movement - provision for obsolescence</b> |      |                              |                |
| Opening balance                                   |      | 666,865                      | 239,467        |
| Charge for the year - net                         |      | 225,412                      | 427,398        |
| Closing balance                                   |      | <u>892,277</u>               | <u>666,865</u> |

15.3 Aggregate of raw material, work-in-process and finished goods which have been provided for based on obsolescence amount to Rs. 2,115.58 million (2023: Rs. 2,278.647 million). Accordingly, net realisable value of such stock-in-trade amounts to Rs. 1,225.182 million (2023: Rs. 1,702.981 million).



|                                                                                                                                                     | Note        | 2024                         | 2023             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------------------------|------------------|
|                                                                                                                                                     |             | ----- (Rupees in '000) ----- |                  |
| <b>16. TRADE DEBTS</b>                                                                                                                              |             |                              |                  |
| Considered good                                                                                                                                     | 16.1 & 16.2 | 5,433,636                    | 3,813,095        |
| Allowance for expected credit losses                                                                                                                | 16.3        | (109,615)                    | (81,527)         |
|                                                                                                                                                     |             | <u>5,324,021</u>             | <u>3,731,568</u> |
| 16.1 This includes amount due from the following related parties:                                                                                   |             |                              |                  |
| Indus Motor Company Limited                                                                                                                         |             | 1,154,013                    | 662,950          |
| Shabbir Tiles & Ceramics Limited                                                                                                                    |             | 38,942                       | 54,962           |
|                                                                                                                                                     |             | <u>1,192,955</u>             | <u>717,912</u>   |
| 16.2 The maximum aggregate amount due from the related parties at the end of any month during the year is as follows:                               |             |                              |                  |
| Indus Motor Company Limited                                                                                                                         |             | 1,327,310                    | 1,054,736        |
| Shabbir Tiles & Ceramics Limited                                                                                                                    |             | 38,942                       | 54,962           |
| 16.3 <b>Movement - allowances for expected credit losses</b>                                                                                        |             |                              |                  |
| Opening balance                                                                                                                                     |             | 81,527                       | 80,305           |
| Provision for the year                                                                                                                              | 39          | 44,836                       | 2,692            |
| Bad debts written off during the year                                                                                                               |             | (16,748)                     | (1,470)          |
| Closing balance                                                                                                                                     |             | <u>109,615</u>               | <u>81,527</u>    |
| <b>17. LOANS AND ADVANCES</b>                                                                                                                       |             |                              |                  |
| <b>Advances - considered good</b>                                                                                                                   |             |                              |                  |
| Suppliers                                                                                                                                           |             | 172,935                      | 331,316          |
| Employees                                                                                                                                           |             | 8,931                        | 5,257            |
| Others                                                                                                                                              |             | 200                          | 1,000            |
|                                                                                                                                                     |             | <u>182,066</u>               | <u>337,573</u>   |
| <b>18. TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS</b>                                                                                                |             |                              |                  |
| <b>Trade deposits</b>                                                                                                                               |             |                              |                  |
| Tender                                                                                                                                              |             | 73,478                       | 91,117           |
| Margin against letter of credit                                                                                                                     |             | 3,172                        | 1,306,336        |
| Deposit against custom duty                                                                                                                         |             | 7,182                        | 7,182            |
| Container deposits                                                                                                                                  |             | 11,575                       | 24,608           |
| Others                                                                                                                                              |             | —                            | 912              |
|                                                                                                                                                     | 18.1        | <u>95,407</u>                | <u>1,430,155</u> |
| <b>Short-term prepayments</b>                                                                                                                       |             |                              |                  |
| Rent                                                                                                                                                |             | 64                           | 678              |
| Insurance                                                                                                                                           | 18.2        | 29,084                       | 36,557           |
| Others                                                                                                                                              |             | 34,448                       | 29,273           |
|                                                                                                                                                     |             | <u>63,596</u>                | <u>66,508</u>    |
|                                                                                                                                                     |             | <u>159,003</u>               | <u>1,496,663</u> |
| 18.1 These deposits are interest free.                                                                                                              |             |                              |                  |
| 18.2 This includes prepayments amounting of Rs. 16.844 million (2023: Rs. 20.585 million) paid to Habib Insurance Company Limited, a related party. |             |                              |                  |
|                                                                                                                                                     | Note        | 2024                         | 2023             |
|                                                                                                                                                     |             | ----- (Rupees in '000) ----- |                  |
| <b>19. OTHER RECEIVABLES</b>                                                                                                                        |             |                              |                  |
| Tooling income receivable                                                                                                                           |             | —                            | 18,370           |
| Duty drawback                                                                                                                                       |             | 40,544                       | 11,690           |
| Receivable / (payable) from Workers' Profit Participation Fund                                                                                      | 19.1        | 5,212                        | (3,079)          |
| Custom duty reimbursable                                                                                                                            | 19.2 & 30.2 | 960,047                      | 892,813          |
| Others                                                                                                                                              | 19.3 & 19.4 | 39,238                       | 2,763            |
|                                                                                                                                                     |             | <u>1,045,041</u>             | <u>922,557</u>   |

|                                                                                                                                                                                                            | Note        | 2024                         | 2023      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------------------------|-----------|
|                                                                                                                                                                                                            |             | ----- (Rupees in '000) ----- |           |
| <b>19.1 Workers' Profit Participation Fund (WPPF)</b>                                                                                                                                                      |             |                              |           |
| (Payable) / receivable to WPPF at the beginning of the year                                                                                                                                                |             | (3,079)                      | 5,061     |
| Add: Interest on funds utilised in the company's business                                                                                                                                                  |             | (713)                        | –         |
| Allocation for the current year                                                                                                                                                                            | 39          | (20,786)                     | (98,079)  |
|                                                                                                                                                                                                            |             | (24,578)                     | (93,018)  |
| Paid during the year                                                                                                                                                                                       |             | 29,790                       | 89,939    |
| Receivable / (payable) against WPPF at the end of the year                                                                                                                                                 |             | 5,212                        | (3,079)   |
| <b>19.2</b>                                                                                                                                                                                                |             |                              |           |
| Includes additional custom duty receivable from Indus Motor Company Limited amounting to Rs. 815.508 million. The maximum aggregate amount at the end of any month during the year is Rs. 815.508 million. |             |                              |           |
|                                                                                                                                                                                                            | Note        | 2024                         | 2023      |
|                                                                                                                                                                                                            |             | ----- (Rupees in '000) ----- |           |
| <b>19.3</b>                                                                                                                                                                                                |             |                              |           |
| This includes receivable from the following related parties:                                                                                                                                               |             |                              |           |
| Indus Motor Company Limited                                                                                                                                                                                |             | 178                          | 1,648     |
| Agriaautos Industries Limited                                                                                                                                                                              |             | –                            | 29        |
| Shabbir Tiles & Ceramics Limited                                                                                                                                                                           |             | –                            | 435       |
| Habib Metropolitan Bank Limited                                                                                                                                                                            |             | 628                          | 651       |
|                                                                                                                                                                                                            |             | 806                          | 2,763     |
| <b>19.4</b>                                                                                                                                                                                                |             |                              |           |
| The maximum aggregate amount due from related parties at the end of any month during the year is as follows:                                                                                               |             |                              |           |
| Indus Motor Company Limited                                                                                                                                                                                |             | 106,440                      | 2,299     |
| Agriaautos Industries Limited                                                                                                                                                                              |             | –                            | 29        |
| Shabbir Tiles & Ceramics Limited                                                                                                                                                                           |             | –                            | 435       |
| Habib Metropolitan Bank Limited                                                                                                                                                                            |             | 1,170                        | 1,980     |
| <b>20. SHORT-TERM INVESTMENTS</b>                                                                                                                                                                          |             |                              |           |
| <b>At fair value through profit or loss</b>                                                                                                                                                                |             |                              |           |
| Government securities (T-bills & PIBs)                                                                                                                                                                     | 20.1 & 20.2 | 3,431,633                    | 3,011,491 |
| Term Finance Certificates (TFCs)                                                                                                                                                                           | 20.3        | 238,325                      | 238,325   |
| ABL Cash Fund                                                                                                                                                                                              |             | 1,005,220                    | 769,572   |
| Alfalah GHP Income Fund                                                                                                                                                                                    |             | –                            | 4,888     |
| Alfalah GHP Money Market Fund                                                                                                                                                                              |             | 1,037,670                    | 761,364   |
| Meezan Rozana Amdani Fund                                                                                                                                                                                  |             | 698,907                      | 379,012   |
| Atlas Money Market Fund                                                                                                                                                                                    |             | 800,701                      | 619,039   |
| Faysal Money Markety Fund                                                                                                                                                                                  |             | 57,488                       | 48,884    |
| Faysal Islamic Fund                                                                                                                                                                                        |             | 294,574                      | –         |
| HBL Cash Fund                                                                                                                                                                                              | 20.4        | 1,044,405                    | 988,837   |
| MCB Cash Management Optimizer Fund                                                                                                                                                                         |             | 611,178                      | 768,280   |
| NBP Money Market Fund                                                                                                                                                                                      |             | 7,594                        | 778,080   |
| NBP Fixed Term Munafa                                                                                                                                                                                      |             | 708,334                      | –         |
| NBP Government Securities Plan                                                                                                                                                                             |             | 259,243                      | –         |
| NIT Money Market Fund                                                                                                                                                                                      |             | 959,405                      | 483,313   |
| Al-Habib Cash Fund                                                                                                                                                                                         |             | 626,386                      | –         |
| DCCL Trustee Pakistan Cash Management Fund                                                                                                                                                                 |             | 490,541                      | –         |
| UBL Liquidity Plus Fund                                                                                                                                                                                    |             | 1,013,316                    | 776,888   |
|                                                                                                                                                                                                            |             | 9,614,962                    | 6,378,157 |
| <b>At amortised cost</b>                                                                                                                                                                                   |             |                              |           |
| Term Deposit Receipts (TDRs)                                                                                                                                                                               | 20.5        | 171,998                      | 77,227    |
|                                                                                                                                                                                                            |             | 13,456,918                   | 9,705,200 |

- 20.1 This includes T-bills amounting to Rs. 3,041.23 million and carry profit yield ranging from 18.85% to 21.70% (2023: 13.25% to 21.99%) per annum and will mature latest by June 19, 2025.
- 20.2 This includes PIBs amounting to Rs. 390.4 million and carry coupon rate ranging from 19.98% to 21.30% (2023: nil) per annum and will mature latest by April 18, 2029.
- 20.3 This represents participation in private placement of TFCs carrying interest at the rate of 3 months KIBOR + 1.6% per annum. These TFCs do not have any fixed maturity date and are perpetual in nature.
- 20.4 Mutual fund units amounting to Rs. 274 million (2023: Rs. 384.073 million) are under lien as margin for security against State Bank of Pakistan's Temporary Economic Refinance Facility and State Bank of Pakistan's Refinance Facility for Renewable Energy from various commercial bank.
- 20.5 These carry profit yield ranging from 20.40% to 22.20% (2023: 21.50% to 21.99%) per annum and will mature latest by April 30, 2025. Further, TDRs are pledged for obtaining solar loan from a commercial bank.

|                                   | Note        | 2024                         | 2023      |
|-----------------------------------|-------------|------------------------------|-----------|
|                                   |             | ----- (Rupees in '000) ----- |           |
| <b>21. CASH AND BANK BALANCES</b> |             |                              |           |
| Cash in hand                      |             | 3,401                        | 2,475     |
| Bank balances in:                 |             |                              |           |
| Current accounts                  |             | 578,342                      | 484,384   |
| Savings accounts                  | 21.1 & 21.2 | 1,645,865                    | 1,336,322 |
|                                   |             | 2,224,207                    | 1,820,706 |
|                                   |             | 2,227,608                    | 1,823,181 |

- 21.1 These carry interest at rates ranging from 19.25% to 20.5% (2023: 11.25% to 19.5%) per annum.
- 21.2 This includes a special bank account maintained in respect of security deposit in compliance with the requirements of Companies Act, 2017.

## 22. SHARE CAPITAL

### 22.1 Authorized capital

The Holding Company has authorised capital of 200 million ordinary shares of Rs. 5/- each amounting to Rs. 1,000 million.

### 22.2 Issued, subscribed and paid-up capital

| 2024                                      | 2023       |                                                                | 2024                         | 2023    |
|-------------------------------------------|------------|----------------------------------------------------------------|------------------------------|---------|
| Number of ordinary shares of Rs. 5/- each |            |                                                                | ----- (Rupees in '000) ----- |         |
| 5,149,850                                 | 5,149,850  | Fully paid in cash                                             | 25,750                       | 25,750  |
| 64,640,390                                | 64,640,390 | Issued as fully paid bonus shares                              | 323,202                      | 323,202 |
| 11,239,669                                | 11,239,669 | Shares issued under the Scheme of Arrangement for Amalgamation | 56,198                       | 56,198  |
| 81,029,909                                | 81,029,909 |                                                                | 405,150                      | 405,150 |

- 22.3 Voting rights and board selection are in proportion to the shareholding.

|                                                                                                                | Note                                                                                               | 2024                         | 2023       |
|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|------------------------------|------------|
|                                                                                                                |                                                                                                    | ----- (Rupees in '000) ----- |            |
| <b>23. RESERVES</b>                                                                                            |                                                                                                    |                              | Restated   |
| <b>Capital reserves</b>                                                                                        |                                                                                                    |                              |            |
| Reserve on merger of former Pakistan Jute and Synthetics Limited and former Thal Jute Mills Limited            |                                                                                                    | 13,240                       | 13,240     |
| Premium on issue of share capital                                                                              |                                                                                                    | 12,225                       | 12,225     |
| Reserve on merger of former Pakistan Paper Sack Corporation Limited and former Khyber Papers (Private) Limited |                                                                                                    | 42,464                       | 42,464     |
|                                                                                                                |                                                                                                    | 67,929                       | 67,929     |
| <b>Revenue reserves</b>                                                                                        |                                                                                                    |                              |            |
| General reserve                                                                                                |                                                                                                    | 27,430,375                   | 25,430,375 |
| Unappropriated profit                                                                                          |                                                                                                    | 17,499,480                   | 11,660,948 |
|                                                                                                                |                                                                                                    | 44,929,855                   | 37,091,323 |
| Gain on revaluation of investments held at fair value through OCI                                              |                                                                                                    | 287,843                      | 147,682    |
|                                                                                                                |                                                                                                    | 45,285,627                   | 37,306,934 |
| <b>24. NON-CONTROLLING INTEREST</b>                                                                            |                                                                                                    |                              |            |
| Habib METRO Pakistan (Private) Limited                                                                         |                                                                                                    | 6,522,705                    | 6,313,072  |
| Thal Boshoku Pakistan (Private) Limited                                                                        |                                                                                                    | 748,627                      | 718,581    |
|                                                                                                                |                                                                                                    | 7,271,332                    | 7,031,653  |
| <b>25. LONG-TERM DEPOSITS AND PAYABLES</b>                                                                     |                                                                                                    |                              |            |
| Deposits with - Related Party                                                                                  | 25.1                                                                                               | 291,808                      | 291,807    |
| - Others                                                                                                       |                                                                                                    | 42,559                       | 41,003     |
|                                                                                                                | 25.2                                                                                               | 334,367                      | 332,810    |
| Payable in respect of Gas Infrastructure Development Cess                                                      |                                                                                                    | 14,545                       | 14,545     |
| Less: Current maturity                                                                                         |                                                                                                    | (5,495)                      | (5,495)    |
|                                                                                                                |                                                                                                    | 9,050                        | 9,050      |
|                                                                                                                |                                                                                                    | 343,417                      | 341,860    |
| <b>25.1</b>                                                                                                    | This includes security deposits received from the following related parties under rent agreements: |                              |            |
|                                                                                                                | Indus Motor Company Limited                                                                        | 326                          | 326        |
|                                                                                                                | Shabbir Tiles & Ceramics Limited                                                                   | 1,975                        | 1,974      |
|                                                                                                                | METRO Pakistan (Private) Limited                                                                   | 289,507                      | 289,507    |
|                                                                                                                |                                                                                                    | 291,808                      | 291,807    |
| <b>25.2</b>                                                                                                    | These deposits are utilisable as per respective agreements with customers / lessees.               |                              |            |

|                                             | Note        | 2024                         | 2023      |
|---------------------------------------------|-------------|------------------------------|-----------|
|                                             |             | ----- (Rupees in '000) ----- |           |
| <b>26. LONG-TERM BORROWINGS</b>             |             |                              |           |
| <b>Secured</b>                              |             |                              |           |
| SBP's Temporary Economic Refinance Facility | 26.1        | 1,323,614                    | 1,467,674 |
| Less: Deferred income                       | 28          | (225,650)                    | (286,982) |
| Less: Current portion                       |             | (183,459)                    | (136,780) |
|                                             |             | 914,505                      | 1,043,912 |
| SBP's Financing Scheme for Renewable Energy | 26.2        | 277,403                      | 289,638   |
| Less: Deferred income                       | 28          | (40,160)                     | (51,288)  |
| Less: Current portion                       |             | (49,800)                     | (27,911)  |
|                                             |             | 187,443                      | 210,439   |
| Long-term loan                              | 26.3 & 26.4 | 3,100,657                    | 2,370,678 |
| Less: Current portion                       |             | (286,230)                    | (91,891)  |
|                                             |             | 2,814,427                    | 2,278,787 |
| Diminshing musharaka I                      | 26.5        | 5,094                        | 5,745     |
| Diminshing musharaka II                     | 26.6        | 3,113                        | 3,447     |
| Less: Current portion                       |             | (2,448)                      | (2,448)   |
|                                             |             | 5,759                        | 6,744     |
|                                             |             | 3,922,134                    | 3,539,882 |

- 26.1 In 2020, SBP introduced Temporary Economic Refinance Facility to facilitate purchase of new plant and machinery to be used for setting up of new projects in all sectors. The total amount of the facilities from various commercial banks is Rs. 1,510 million. The facilities carry interest at rates ranging from 1.95% to 3.00% per annum and are repayable in 32 equal quarterly installments starting from July 2023. The facilities are secured against charge against the underlying fixed assets and pledge over mutual fund units.
- 26.2 In 2016, SBP introduced Refinance Scheme for Renewable Energy to encourage and facilitate purchase and installation of renewable energy facilities. Through a circular issued in 2019, the expiry period of the scheme was extended to June 30, 2022. The total amount of the facilities from various commercial banks is Rs. 358 million. The facilities carry interest at rates ranging from 2.45% to 3.45% per annum and are repayable in 40 equal quarterly installments. The facilities are secured against charge against the underlying fixed assets.
- 26.3 In 2022, the Holding Company obtained long-term loan from a commercial bank for investment in ThalNova Power Thar (Private) Limited through its subsidiary, Thal Power (Private) Limited. The facilities carry interest at 3-month KIBOR + 0.25% per annum and are repayable in 20 equal quarterly installments starting from March 2025. The facility is secured against charge against fixed assets of the Holding Company. In 2023 and 2024, the Holding Company also obtained long-term loan from a commercial bank for installation of solar power system. The facility carries interest rate of 3 month KIBOR + 0.25% per annum and are repayable in 18 equal quarterly installments starting from March 2024. The facilities are secured against charge against the underlying fixed assets.
- 26.4 During the year ended June 30, 2024, the Subsidiary Company obtained a long-term loan amounting to Rs. 500 million from Habib Metropolitan Bank for investment in Capex of new production line for manufacturing of car seats of Toyota Cross. The facilities carries interest at the rate of 3-month KIBOR + 1.5% per annum and are repayable in 20 equal quarterly installments with first repayment made in December 2023. The facilities are secured against specific charge against imported plant and machineries of the Company with 25% margin registered with SECP duly insured in Bank's favor covering all risks with premium payment receipt.
- 26.5 This represents arrangement of Rs. 8.408 million with First Habib Modaraba managed by Habib Metropolitan Modaraba Management Company (Private) Limited for executives of the Subsidiary Company. The tenor of the facility is five years with no grace period. This facility carries mark-up at the rate of 3-month KIBOR + 2% per annum. This facility is repayable in 60 equal monthly installments with first repayment made in December 2021 and is payable latest by November 2026.
- 26.6 This represents arrangement of Rs. 4.320 million with First Habib Modaraba managed by Habib Metropolitan Modaraba Management Company (Private) Limited for executives of the Subsidiary Company. The tenor of the facility is five years with no grace period. This facility carries mark-up at the rate of 3-month KIBOR + 2% per annum, this facility is repayable in 60 equal monthly installments with first repayment made in November 2022 and is payable latest by October 2027.

|                                                     | Note                                                                                                                                                                                                                                                                                                                                                                           | 2024                         | 2023      |
|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------|
|                                                     |                                                                                                                                                                                                                                                                                                                                                                                | ----- (Rupees in '000) ----- |           |
| <b>27. LEASE LIABILITIES</b>                        |                                                                                                                                                                                                                                                                                                                                                                                |                              |           |
| Opening balance                                     |                                                                                                                                                                                                                                                                                                                                                                                | 1,021,531                    | 1,016,725 |
| Re-assessment of lease liabilities                  |                                                                                                                                                                                                                                                                                                                                                                                | 2,111                        | 14,502    |
| Accretion of interest                               | 41                                                                                                                                                                                                                                                                                                                                                                             | 116,391                      | 125,226   |
| Less: Lease rentals paid                            |                                                                                                                                                                                                                                                                                                                                                                                | (147,074)                    | (134,922) |
| Balance at the end of the year                      |                                                                                                                                                                                                                                                                                                                                                                                | 992,959                      | 1,021,531 |
| Less: current portion                               |                                                                                                                                                                                                                                                                                                                                                                                | (131,263)                    | (131,231) |
| Long-term lease liabilities                         |                                                                                                                                                                                                                                                                                                                                                                                | 861,696                      | 890,300   |
| <b>28. DEFERRED INCOME</b>                          |                                                                                                                                                                                                                                                                                                                                                                                |                              |           |
| Deferred income                                     | 28.1 & 28.2                                                                                                                                                                                                                                                                                                                                                                    | 265,810                      | 338,270   |
| Less: current portion                               |                                                                                                                                                                                                                                                                                                                                                                                | (63,487)                     | (80,671)  |
|                                                     |                                                                                                                                                                                                                                                                                                                                                                                | 202,323                      | 257,599   |
| <b>28.1 Movement - deferred income</b>              |                                                                                                                                                                                                                                                                                                                                                                                |                              |           |
| Opening balance                                     |                                                                                                                                                                                                                                                                                                                                                                                | 338,270                      | 403,655   |
| Amortisation during the year                        | 41                                                                                                                                                                                                                                                                                                                                                                             | (72,460)                     | (65,385)  |
| Closing balance                                     |                                                                                                                                                                                                                                                                                                                                                                                | 265,810                      | 338,270   |
| <b>28.2</b>                                         | This relates to benefit of SBP's Temporary Economic Refinance Facility and SBP's Financing Scheme for Renewable Energy at below-market interest rate. The deferred income is being amortised to the consolidated statement of profit or loss on a systematic basis over the period during which the related interest expense, which it is intended to compensate, is expensed. |                              |           |
|                                                     | Note                                                                                                                                                                                                                                                                                                                                                                           | 2024                         | 2023      |
|                                                     |                                                                                                                                                                                                                                                                                                                                                                                | ----- (Rupees in '000) ----- |           |
| <b>29. DEFERRED TAX LIABILITY - NET</b>             |                                                                                                                                                                                                                                                                                                                                                                                |                              |           |
| <b>Taxable temporary differences arising on:</b>    |                                                                                                                                                                                                                                                                                                                                                                                |                              |           |
| Accelerated depreciation                            |                                                                                                                                                                                                                                                                                                                                                                                | 585,741                      | 528,705   |
| Investment in associates and joint venture          |                                                                                                                                                                                                                                                                                                                                                                                | 4,480,962                    | 2,310,631 |
|                                                     |                                                                                                                                                                                                                                                                                                                                                                                | 5,066,703                    | 2,839,336 |
| <b>Deductible temporary differences arising on:</b> |                                                                                                                                                                                                                                                                                                                                                                                |                              |           |
| Provisions                                          |                                                                                                                                                                                                                                                                                                                                                                                | (853,425)                    | (792,554) |
| Lease liabilities                                   |                                                                                                                                                                                                                                                                                                                                                                                | (21,373)                     | (31,125)  |
| Unused tax losses carried forward                   |                                                                                                                                                                                                                                                                                                                                                                                | (11,486)                     | (11,486)  |
| Unused tax credit carried forward                   |                                                                                                                                                                                                                                                                                                                                                                                | (115,484)                    | –         |
| Unrealized loss on investments classified as FVPL   |                                                                                                                                                                                                                                                                                                                                                                                | (3,607)                      | (87,350)  |
|                                                     |                                                                                                                                                                                                                                                                                                                                                                                | (1,005,375)                  | (922,515) |
|                                                     |                                                                                                                                                                                                                                                                                                                                                                                | 4,061,328                    | 1,916,821 |
| <b>30. TRADE AND OTHER PAYABLES</b>                 |                                                                                                                                                                                                                                                                                                                                                                                |                              |           |
| Creditors                                           | 30.1                                                                                                                                                                                                                                                                                                                                                                           | 1,444,278                    | 2,358,567 |
| Accrued liabilities                                 | 30.1                                                                                                                                                                                                                                                                                                                                                                           | 2,292,741                    | 2,355,280 |
| Additional custom duty provision                    | 30.2                                                                                                                                                                                                                                                                                                                                                                           | 906,801                      | 866,498   |
| Salaries payable                                    |                                                                                                                                                                                                                                                                                                                                                                                | 12,915                       | 19,117    |
| Advance from customer (Contract liabilities)        | 30.3                                                                                                                                                                                                                                                                                                                                                                           | 297,750                      | 44,848    |
| Royalty payable                                     | 30.4                                                                                                                                                                                                                                                                                                                                                                           | 101,097                      | 144,731   |
| Payable to provident fund                           |                                                                                                                                                                                                                                                                                                                                                                                | 5,866                        | 935       |
| Payable to retirement benefit fund                  |                                                                                                                                                                                                                                                                                                                                                                                | 20,492                       | 17,382    |
| Security deposits                                   |                                                                                                                                                                                                                                                                                                                                                                                | 1,614                        | 1,616     |
| Levies payable                                      |                                                                                                                                                                                                                                                                                                                                                                                | 429,317                      | 79,848    |
| Other liabilities                                   | 30.5                                                                                                                                                                                                                                                                                                                                                                           | 202,885                      | 243,768   |
|                                                     |                                                                                                                                                                                                                                                                                                                                                                                | 5,715,756                    | 6,132,590 |



|      |                                               | 2024                         | 2023          |
|------|-----------------------------------------------|------------------------------|---------------|
|      |                                               | ----- (Rupees in '000) ----- |               |
| 30.1 | This includes amounts due to related parties: |                              |               |
|      | Habib Insurance Company Limited               | 1,767                        | 3,177         |
|      | Indus Motor Company Limited                   | —                            | 14,413        |
|      | METRO Pakistan (Private) Limited              | 28,816                       | 14,125        |
|      | Agriauto Stamping (Private) Limited           | 1,740                        | 1,642         |
|      | Shabbir Tiles & Ceramics Limited              | 1,384                        | —             |
|      |                                               | <u>33,707</u>                | <u>33,357</u> |

- 30.2 In 2021, the Federal Board of Revenue vide its SRO dated June 28, 2019 imposed additional custom duty on the imports of certain items specified in the First Schedule to the Customs Act, 1969. The Group aggrieved by the notification is contesting its applicability by filing appeal before the Appellate Tribunal Customs Karachi (ATC) where the hearing is currently pending.

In order to secure the Group's commitment as above, a commercial bank has issued a guarantee in favour of the Group amounting to Rs. 179.32 million (2023: Rs. 179.32 million).

With reference to the above Indus Motor Company Limited (IMC), a related party, committed to reimburse the Group for any outflow that it may incur on account of additional customs duty paid on goods imported for supplies made to IMC. Accordingly, a reimbursement asset is recorded as disclosed in note 19 to these consolidated financial statements.

- 30.3 Revenue recognised during the year that was included in contract liabilities balance at the beginning of the year amounts to Rs. 44.848 million (2023: Rs. 141.092 million).

|      | Note                                          | 2024                         | 2023           |
|------|-----------------------------------------------|------------------------------|----------------|
|      |                                               | ----- (Rupees in '000) ----- |                |
| 30.4 | <b>Royalty payable</b>                        |                              |                |
|      | Opening balance                               | 144,731                      | 144,463        |
|      | Charge for the year                           | 155,481                      | 159,387        |
|      | Paid during the year                          | (199,115)                    | (159,119)      |
|      | Closing balance                               | <u>101,097</u>               | <u>144,731</u> |
| 30.5 | <b>Other liabilities</b>                      |                              |                |
|      | Provision against municipal utility charges   | —                            | 32,801         |
|      | Withholding tax payable                       | 39,016                       | 12,379         |
|      | Employees Old-Age Benefits Institution (EOBI) | 80,879                       | 82,968         |
|      | Workers' Welfare Fund                         | 23,292                       | 53,858         |
|      | Others                                        | 59,698                       | 61,762         |
|      |                                               | <u>202,885</u>               | <u>243,768</u> |

- 30.5.1 During the year, the Subsidiary Company has reversed certain long outstanding payables and provisions after approval from the Board of Directors of Subsidiary Company.

- 30.5.2 During the year ended 30 June 2017, the Supreme Court of Pakistan (SCP) declared the amendments made in WWF through Finance Act as null and void. However, a review petition was tried in 2017 against the above order of SCP by the Federal Board of Revenue. The management of MHPL, based on the opinion of its legal advisor, is confident that the MHPL would not be liable to pay any amount in respect of this matter and hence accrual has been reversed during the year.

- 30.5.3 This includes provision for water usage charges of Rs. 2.5 million, in 2023, Karachi Water & Sewerage Board (KWSB) issued a warrant notice to the Subsidiary Company, demanding Rs. 10.838 million in arrears for land revenue, which KWSB claimed was due to non-payment of monthly water charges from April 2018 onward. On August 26, 2023, the Subsidiary Company challenged this notice and the alleged arrears. A stay order in favor of the Subsidiary Company has been confirmed on July 8, 2024.

A settlement has been reached in which KWSB agreed to issue a revised challan for Rs. 2.467 million. Upon issuance of this revised challan, the Subsidiary Company will receive a No Objection Certificate (NOC) from KWSB, and the case will be disposed of as settled between the parties.

|                                              | Note | 2024                         | 2023      |
|----------------------------------------------|------|------------------------------|-----------|
|                                              |      | ----- (Rupees in '000) ----- |           |
| <b>31. WARRANTY OBLIGATIONS</b>              |      |                              |           |
| Warranty obligations                         | 31.1 | 986,538                      | 908,897   |
| <b>31.1 Movement of warranty obligations</b> |      |                              |           |
| Opening balance                              |      | 908,897                      | 823,154   |
| Charge for the year                          | 37   | 83,980                       | 100,082   |
| Claims paid during the year                  |      | (6,339)                      | (14,339)  |
| Closing balance                              |      | 986,538                      | 908,897   |
| <b>32. SHORT-TERM BORROWINGS</b>             |      |                              |           |
| Export Refinance Scheme                      | 32.1 | 780,000                      | 555,000   |
| Running finance facilities                   | 32.2 | 294,831                      | 473,815   |
|                                              |      | 1,074,831                    | 1,028,815 |

32.1 This represents Export Refinance Facility obtained by the Holding Company from various commercial banks. The total amount of the facility is Rs. 780 million. It carries markup at rates ranging from 17% to 19% per annum (2023: 16.7% to 17% per annum) and is payable within 180 days on rollover basis. The facility is secured against a joint Pari Passu hypothecation charge on all present and future stocks and book debts of the Holding Company.

32.2 This represents short-term running finance facilities obtained from various commercial banks which carries markup at the rates ranging from 3 month KIBOR + 0.25% - 0.4% to 1 month KIBOR + 1% (2023: 3 month KIBOR + 0.25% to 1 month KIBOR + 1%) per annum and are repayable on demand. These are secured by way of pair passu hypothecation charge over all the present and future stocks and receivables of the Subsidiary Company and all plant and machineries of the Subsidiary Company located at factory premises. As at June 30, 2024 the unutilised portion of these facilities amounts to Rs. 300 million (2023: Rs. 221 million).

|                                              | Note | 2024                         | 2023      |
|----------------------------------------------|------|------------------------------|-----------|
|                                              |      | ----- (Rupees in '000) ----- |           |
| <b>33. INCOME TAX - NET</b>                  |      |                              |           |
| Group tax relief adjustments                 | 33.1 | (593,466)                    | (593,466) |
| Income tax provision less tax payments – net |      | 1,453,039                    | 1,723,801 |
|                                              |      | 859,573                      | 1,130,335 |

33.1 In terms of the provisions of Section 59B of the Income Tax Ordinance, 2001 (the Ordinance), a subsidiary company may surrender its tax losses in favour of its holding company for set off against the income of its holding company subject to certain conditions as prescribed under the Ordinance.

Accordingly, the Holding Company adjusted its tax liabilities for the tax years 2008 to 2010 by acquiring the losses of its subsidiary company and consequently an aggregate sum of Rs. 593.466 million equivalent to the tax value of the losses acquired had been paid to the subsidiary company.

The original assessments of the Holding Company for the tax years 2008 to 2010 were amended under Section 122(5A) of the Ordinance by the tax authorities by disallowing Group Relief claimed by the Holding Company under Section 59B of the Ordinance aggregating to Rs. 593.466 million. The Holding Company preferred appeals against the said amended assessments before the Commissioner Inland Revenue (Appeals) who vide his orders dated 10 June 2011 and 11 July 2011 has held that the Holding Company is entitled to Group Relief under Section 59B of the Ordinance. However, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the Commissioner Inland Revenue (Appeal) (CIR) Order. The ATIR has passed an order in favour of the Holding Company for the above tax years. In response, the Tax department filed reference application / appeal against the order of ATIR before the High Court of Sindh and with the Chairman ATIR which are under the process of hearings.

## 34. CONTINGENCIES AND COMMITMENTS

### 34.1 Contingencies

34.1.1 The Group Relief tax contingency is disclosed in note 33.1 to these consolidated financial statements.

34.1.2 Officer Inland Revenue ("OIR") initiated the proceedings for monitoring of withholding taxes of MHPL vide show cause notice on 06 April 2016. The exparte under Section 161/205/182(1) of the Income Tax Ordinance, 2001 were passed on 14 April 2016 and tax of Rs. 1,810 million for the tax years from 2011 to 2014, was determined inclusive of default surcharge and penalty. MHPL being aggrieved with the order of Assessing Officer, filed an appeal before the Commissioner Inland Revenue (Appeals) through combined appellate order dated 23 May 2016 for the tax years 2011 to 2014 maintained the decision of OIR.

MHPL being aggrieved with order of the Commissioner Inland Revenue (Appeals), filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which by an order dated 20 June 2016 annulled the orders of OIR and Commissioner Inland Revenue (Appeals) and also deleted the consequential default surcharge and penalty.

Further, during the year 2017, OIR challenged the order of the ATIR in the Honorable High Court of Sindh (HCS) and the case is still pending before the Honourable High Court of Sindh. Based on the opinion of the tax advisor the position of MHPL is sound on technical basis and eventual outcome ought to be in favour of MHPL. Pending the resolution of the matters stated above, no provision has been made in these consolidated financial statements.

|                                                                                                                     | Note   | 2024                         | 2023      |
|---------------------------------------------------------------------------------------------------------------------|--------|------------------------------|-----------|
|                                                                                                                     |        | ----- (Rupees in '000) ----- |           |
| <b>34.2 Commitments</b>                                                                                             |        |                              |           |
| 34.2.1 Post dated cheques issued to Collector of Custom and a customer against advance export proceeds              |        | 4,664                        | 17,071    |
| 34.2.2 Outstanding letters of credit                                                                                |        | 2,960,502                    | 3,960,911 |
| 34.2.3 Letter of guarantees issued by banks on behalf of the Group in respect of financial commitments of the Group | 34.2.9 | 5,158,552                    | 5,962,030 |
| 34.2.4 Corporate guarantee issued to collector of customs                                                           |        | 26,560                       | 26,560    |
| 34.2.5 Commitments in respect of raw material                                                                       |        | 526,321                      | 419,806   |
| 34.2.6 Commitments in respect of capital expenditure                                                                |        | —                            | 396       |
| 34.2.7 Commitments for rentals under Ijarah (lease) agreements                                                      |        |                              |           |
| Within one year                                                                                                     |        | 2,448                        | 842       |
| Later than one year but not later than five years                                                                   |        | 4,199                        | 1,824     |
|                                                                                                                     |        | 6,647                        | 2,666     |
| 34.2.8 Commitments in respect of investment are disclosed in note 11 to these consolidated financial statements.    |        |                              |           |
| 34.2.9 This guarantee is secured by assets disclosed in note 8.1.4 to these consolidated financial statements.      |        |                              |           |

|                                                  | Note                                                                                           | 2024                         | 2023        |
|--------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------|-------------|
|                                                  |                                                                                                | ----- (Rupees in '000) ----- |             |
| <b>35. REVENUE FROM CONTRACTS WITH CUSTOMERS</b> |                                                                                                |                              |             |
| Export sales                                     |                                                                                                | 3,387,251                    | 2,911,998   |
| Local sales                                      |                                                                                                | 30,483,879                   | 35,249,487  |
|                                                  |                                                                                                | 33,871,130                   | 38,161,485  |
| Less: Sales tax                                  |                                                                                                | (4,709,686)                  | (5,287,069) |
| Less: Sales discount                             |                                                                                                | (1,412)                      | (3,196)     |
|                                                  |                                                                                                | (4,711,098)                  | (5,290,265) |
|                                                  |                                                                                                | 29,160,032                   | 32,871,220  |
| Add: Service income                              | 35.1                                                                                           | 245,872                      | 257,031     |
|                                                  |                                                                                                | 29,405,904                   | 33,128,251  |
| 35.1                                             | Service income is presented net of sales tax of Rs. 68.868 million (2023: Rs. 61.124 million). |                              |             |
|                                                  | Note                                                                                           | 2024                         | 2023        |
|                                                  |                                                                                                | ----- (Rupees in '000) ----- |             |
| <b>36. COST OF SALES</b>                         |                                                                                                |                              |             |
| Raw material consumed                            | 36.1                                                                                           | 20,296,204                   | 23,210,185  |
| Salaries, wages and benefits                     |                                                                                                | 3,370,293                    | 3,362,701   |
| Stores and spares consumed                       |                                                                                                | 426,271                      | 393,796     |
| Repairs and maintenance                          |                                                                                                | 163,666                      | 194,500     |
| Power and fuel                                   |                                                                                                | 801,831                      | 642,713     |
| Rent, rates and taxes                            |                                                                                                | 14,261                       | 7,604       |
| Vehicle running and maintenance                  |                                                                                                | 60,568                       | 56,737      |
| Insurance                                        |                                                                                                | 33,172                       | 18,493      |
| Communication                                    |                                                                                                | 31,146                       | 24,596      |
| Travelling and conveyance                        |                                                                                                | 63,997                       | 56,136      |
| Entertainment                                    |                                                                                                | 9,996                        | 9,566       |
| Printing and stationery                          |                                                                                                | 15,752                       | 15,277      |
| Legal and professional expenses                  |                                                                                                | 28,043                       | 18,345      |
| Computer accessories                             |                                                                                                | 35,470                       | 27,977      |
| Royalty                                          | 30.4 & 36.2                                                                                    | 155,481                      | 159,387     |
| Depreciation on operating fixed assets           | 8.2                                                                                            | 1,121,013                    | 822,678     |
| Amortization on intangible assets                | 9.1                                                                                            | 66,043                       | 45,326      |
| Research and development                         |                                                                                                | 18,582                       | 6,840       |
| Ijarah rentals                                   |                                                                                                | —                            | 979         |
| Technical assistance fee                         |                                                                                                | 157                          | 347         |
| Others                                           |                                                                                                | 5,966                        | 10,071      |
|                                                  |                                                                                                | 26,717,912                   | 29,084,254  |
| Work-in-process                                  |                                                                                                |                              |             |
| Opening                                          |                                                                                                | 513,289                      | 809,655     |
| Closing                                          |                                                                                                | (758,618)                    | (513,289)   |
|                                                  |                                                                                                | (245,329)                    | 296,366     |
| Cost of goods manufactured                       |                                                                                                | 26,472,583                   | 29,380,620  |
| Finished goods                                   |                                                                                                |                              |             |
| Opening stock                                    |                                                                                                | 1,577,501                    | 1,255,532   |
| Purchases                                        |                                                                                                | 16,035                       | 27,883      |
| Closing stock                                    |                                                                                                | (1,471,850)                  | (1,577,501) |
|                                                  |                                                                                                | 121,686                      | (294,086)   |
|                                                  |                                                                                                | 26,594,269                   | 29,086,534  |
| 36.1                                             | <b>Raw material consumed</b>                                                                   |                              |             |
|                                                  | Opening stock                                                                                  | 6,818,804                    | 5,819,908   |
|                                                  | Purchases                                                                                      | 19,354,209                   | 24,209,081  |
|                                                  | Closing stock                                                                                  | (5,876,809)                  | (6,818,804) |
|                                                  |                                                                                                | 20,296,204                   | 23,210,185  |

**Royalty**

| <b>Party name</b>                    | <b>Relationship<br/>Registered address /<br/>Country of Incorporation</b> | <b>with Company<br/>or its directors</b> | <b>2024</b><br>------(Rupees in '000)----- | <b>2023</b>    |
|--------------------------------------|---------------------------------------------------------------------------|------------------------------------------|--------------------------------------------|----------------|
| Denso Corporation                    | 448-8661 1-1, Showa-Cho,<br>Kariya-city, Aichi-Pref., Japan               | None                                     | 52,954                                     | 66,992         |
| Furukawa Electric<br>Company Limited | 1000, Amago, Koura, Inukami,<br>Shiga Pref, 522-0242, Japan               | None                                     | 50,586                                     | 69,749         |
| Yazaki Corporation                   | 4-28 1-Chome, Mita, Minato-ku<br>Tokyo, Japan                             | None                                     | 8,378                                      | 6,028          |
| THN                                  | 43, Seongseo-ro 71-gil<br>Dalseo-gu, Daegu,<br>The Republic of Korea      | None                                     | 2,981                                      | 3,631          |
| Kyungshin<br>Corporation             | 98, Gaetbeoi-Ro, Yeonsu-Gu,<br>Incheon, Republic of Korea                 | None                                     | 934                                        | 507            |
| Toyota Boshoku<br>Japan Corporation  | 88, kanayama, kamekubi-cho<br>Toyotam Aichi, 470-0395 Japan               | None                                     | 39,648                                     | 12,480         |
|                                      |                                                                           |                                          | <u>155,481</u>                             | <u>159,387</u> |

Note

**2024**      **2023**  
------(Rupees in '000)-----

**37.****DISTRIBUTION AND SELLING EXPENSES**

|                                        |      |                |                |
|----------------------------------------|------|----------------|----------------|
| Salaries and benefits                  |      | 181,816        | 136,212        |
| Vehicle running expense                |      | 22,663         | 20,834         |
| Utilities                              |      | 1,574          | 960            |
| Insurance                              |      | 12,329         | 6,171          |
| Rent, rates and taxes                  |      | 5,858          | 5,997          |
| Communication                          |      | 2,869          | 3,178          |
| Advertisement and publicity            |      | 15,462         | 5,329          |
| Travelling and conveyance              |      | 35,914         | 25,815         |
| Entertainment                          |      | 1,542          | 1,328          |
| Printing and stationery                |      | 525            | 559            |
| Computer accessories                   |      | 2,114          | 608            |
| Research and development               |      | 32             | 184            |
| Depreciation on operating fixed assets | 8.2  | 3,732          | 5,720          |
| Amortization on intangible assets      | 9.1  | 166            | 216            |
| Repairs and maintenance                |      | 1,005          | 1,529          |
| Export expenses                        |      | 54,311         | 41,030         |
| Freight expenses                       |      | 381,310        | 432,790        |
| Provision for warranty obligations     | 31.1 | 83,980         | 100,082        |
| Ijarah rentals                         |      | —              | 1,615          |
| Commission and brokerage               |      | 4,602          | 3,068          |
| Others                                 |      | 3,056          | 6,033          |
|                                        |      | <u>814,860</u> | <u>799,258</u> |

|                                          | Note        | 2024                         | 2023             |
|------------------------------------------|-------------|------------------------------|------------------|
|                                          |             | ----- (Rupees in '000) ----- |                  |
| <b>38. ADMINISTRATIVE EXPENSES</b>       |             |                              |                  |
| Salaries and benefits                    |             | 950,545                      | 744,377          |
| Vehicle running expense                  |             | 41,329                       | 33,867           |
| Printing and stationery                  |             | 5,096                        | 4,391            |
| Rent, rates and taxes                    |             | 60,341                       | 51,742           |
| Utilities                                |             | 198,469                      | 163,380          |
| Insurance                                |             | 8,417                        | 6,643            |
| Entertainment                            |             | 5,470                        | 4,631            |
| Subscription                             |             | 2,525                        | 4,205            |
| Communication                            |             | 7,533                        | 8,386            |
| Advertisement and publicity              |             | 2,719                        | 5,117            |
| Repairs and maintenance                  |             | 48,943                       | 46,094           |
| Travelling and conveyance                |             | 27,706                       | 17,596           |
| Legal and professional advisory services |             | 90,255                       | 153,142          |
| Computer accessories                     |             | 19,965                       | 17,067           |
| Auditors' remuneration                   | 38.1        | 13,063                       | 11,679           |
| Depreciation on operating fixed assets   | 8.2         | 72,629                       | 69,612           |
| Amortization on intangible assets        | 9.1         | 3,848                        | 4,715            |
| Depreciation on investment property      | 10.1        | 353,281                      | 367,647          |
| Ijarah rentals                           |             | —                            | 2,393            |
| Charity and donations                    | 38.2 & 38.3 | 72,178                       | 83,642           |
| Directors' fee & meeting expenses        |             | 1,838                        | 2,560            |
| General contracted services              |             | 667                          | 2,242            |
| Others                                   |             | 10,305                       | 6,145            |
|                                          |             | <u>1,997,121</u>             | <u>1,811,273</u> |
| <b>38.1 Auditors' remuneration</b>       |             |                              |                  |
| Audit fee                                |             | 6,617                        | 4,775            |
| Half-yearly review                       |             | 630                          | 484              |
| Taxation services                        |             | 1,315                        | 2,978            |
| Other certifications                     |             | 2,455                        | 2,291            |
| Out of pocket expenses                   |             | 2,046                        | 1,151            |
|                                          |             | <u>13,063</u>                | <u>11,679</u>    |



**Charity and donations**

Charity and donations include the following donees in whom directors or their spouses are interested:

| <b>Name of donee</b>                           | <b>Address of donee</b>                                                                                | <b>Name of directors / spouse</b>                                 | <b>2024</b><br>----- (Rupees in '000) ----- | <b>2023</b><br>----- (Rupees in '000) ----- |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Mohamedali Habib Welfare Trust                 | 2nd Floor, House of Habib, 3 Jinnah Co-operative Housing Society, Block 7/8, Shahrah-e-Faisal, Karachi | Mr. Rafiq M. Habib - Trustee                                      | 3,045                                       | 9,045                                       |
| Habib Education Trust                          | 4th Floor, United Bank building I.I. Chundrigar Road, Karachi                                          | Mr. Mohamedali R. Habib - Trustee                                 | —                                           | 7,000                                       |
| Habib University Foundation                    | 147, Block 7&8, Banglore Cooperative Housing Society, Tipu Sultan Road, Karachi                        | Mr. Rafiq M. Habib - Trustee<br>Mr. Mohamedali R. Habib - Trustee | —                                           | 5,000                                       |
| Ghulaman-e-Abbas Educational and Medical Trust | Bab-e-Ali, Al-Alamdar Building, Near Lyari Expressway, Mauripur Road, Karachi                          | Mr. Rafiq M. Habib - Trustee                                      | 5,000                                       | —                                           |
| Hussaini Haemotology & Oncology Trust          | 43-Rehmat Manzil, Bhurgari Road, Numaish, Karachi                                                      | Mr. Mohamedali R. Habib - Trustee                                 | —                                           | 96                                          |
| Anjuman-e-Behbood Samat-e-Itfai                | ABSA School, 26-C National Highway, Korangi Road, Karachi                                              | Mrs. Rafiq M. Habib - Vice President                              | 255                                         | 30                                          |
| Karachi Relief Trust                           | 1D 27 Korangi Industrial Area, Sector 16, Korangi, Karachi                                             | Mr. Khayam Hussain - Trustee                                      | —                                           | 5,825                                       |

Donees to whom donations exceed 10% of total donation or Rs. 1 million, whichever is higher is as follows:

| <b>Name of donee</b>                                  | <b>Note</b> | <b>2024</b><br>----- (Rupees in '000) ----- | <b>2023</b><br>----- (Rupees in '000) ----- |
|-------------------------------------------------------|-------------|---------------------------------------------|---------------------------------------------|
| The Citizens Foundation                               |             | 6,936                                       | —                                           |
| Patient's Aid Foundation                              |             | 6,600                                       | 1,800                                       |
| Indus Hospital and Health Network                     |             | 14,000                                      | 15,000                                      |
| Model Town Society                                    |             | 7,998                                       | —                                           |
| Saylani International Trust                           |             | 5,000                                       | —                                           |
| <b>39. OTHER CHARGES</b>                              |             |                                             |                                             |
| Workers' profits participation fund                   | 19.1        | 20,786                                      | 98,079                                      |
| Workers' welfare fund                                 |             | 13,286                                      | 42,452                                      |
| Provision for impairment of investment property       |             | —                                           | 71,163                                      |
| Loss in revaluation of investments classified at FVPL |             | 9,634                                       | 16,355                                      |
| Allowance for expected credit losses                  | 16.3        | 44,836                                      | 2,692                                       |
| Exchange loss - net                                   |             | —                                           | 571,037                                     |
|                                                       |             | <b>88,542</b>                               | <b>801,778</b>                              |

|                                                                                                        | Note                                                                                                                                                                                                                                                                                                                                                                                          | 2024                         | 2023              |
|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------|
|                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                               | ----- (Rupees in '000) ----- |                   |
| <b>40. OTHER INCOME</b>                                                                                |                                                                                                                                                                                                                                                                                                                                                                                               |                              |                   |
| <b>Income from financial assets</b>                                                                    |                                                                                                                                                                                                                                                                                                                                                                                               |                              |                   |
| Dividend income from:                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                               |                              |                   |
| Dynea Pakistan Limited                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                               | 14,297                       | 6,127             |
| Habib Sugar Mills Limited                                                                              |                                                                                                                                                                                                                                                                                                                                                                                               | 11,201                       | 6,534             |
| TPL Properties Limited                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                               | –                            | 4,108             |
| Allied Bank Limited                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                               | 2,455                        | 1,636             |
| Habib Bank Limited                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                               | 798                          | 391               |
| Mutual funds                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                               | 1,283,444                    | 199,905           |
|                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                               | <u>1,312,195</u>             | <u>218,701</u>    |
| Interest on:                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                               |                              |                   |
| Interest on deposit accounts                                                                           |                                                                                                                                                                                                                                                                                                                                                                                               | 357,163                      | 267,225           |
| Term deposit receipts                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                               | 16,311                       | 25,409            |
| Government treasury bills                                                                              |                                                                                                                                                                                                                                                                                                                                                                                               | 248,421                      | 219,727           |
| Term Finance Certificates (TFCs)                                                                       |                                                                                                                                                                                                                                                                                                                                                                                               | 58,912                       | 47,853            |
|                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                               | <u>680,807</u>               | <u>560,214</u>    |
| Gain on sale of government securities                                                                  |                                                                                                                                                                                                                                                                                                                                                                                               | 313,453                      | 91,642            |
| Gain on disposal of investment in mutual funds                                                         |                                                                                                                                                                                                                                                                                                                                                                                               | 67,752                       | 29,827            |
| Gain / (loss) on revaluation of investments classified as FVPL                                         |                                                                                                                                                                                                                                                                                                                                                                                               | 34,149                       | 599,412           |
| Exchange gain - net                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                               | 24,011                       | –                 |
| Liabilities no longer payable written back                                                             | 40.4                                                                                                                                                                                                                                                                                                                                                                                          | 130,376                      | 16,505            |
|                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                               | <u>1,250,548</u>             | <u>1,297,600</u>  |
| <b>Income from non financial assets</b>                                                                |                                                                                                                                                                                                                                                                                                                                                                                               |                              |                   |
| Gain on disposal of operating fixed assets                                                             |                                                                                                                                                                                                                                                                                                                                                                                               | 36,313                       | 77,954            |
| (Loss) / gain on disposal of investment property                                                       |                                                                                                                                                                                                                                                                                                                                                                                               | (862)                        | 1,968             |
| Rental income                                                                                          | 40.1 & 40.2                                                                                                                                                                                                                                                                                                                                                                                   | 2,600,524                    | 2,333,657         |
| Scrap sales                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                               | 62,370                       | 122,993           |
| Claim from suppliers / customers                                                                       |                                                                                                                                                                                                                                                                                                                                                                                               | 163,509                      | 25,496            |
| Rent from sign boards, utilities and others                                                            | 40.3                                                                                                                                                                                                                                                                                                                                                                                          | 148,490                      | 114,113           |
| Advertising income                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                               | 2,850                        | 1,888             |
| Insurance claim                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                               | –                            | 6,884             |
| Commission income                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                               | –                            | 85                |
| Duty drawback                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                               | 41,077                       | 10,347            |
| Others                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                               | –                            | 3,119             |
|                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                               | <u>3,054,271</u>             | <u>2,698,504</u>  |
|                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                               | <u>5,617,014</u>             | <u>4,214,805</u>  |
| <b>40.1 Maturity analysis of operating lease payments</b>                                              |                                                                                                                                                                                                                                                                                                                                                                                               |                              |                   |
| The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows: |                                                                                                                                                                                                                                                                                                                                                                                               |                              |                   |
| Within one year                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                               | 2,747,329                    | 2,267,937         |
| After one year but not more than five years                                                            |                                                                                                                                                                                                                                                                                                                                                                                               | 6,859,345                    | 7,926,023         |
|                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                               | <u>9,606,674</u>             | <u>10,193,960</u> |
| <b>40.2</b>                                                                                            | The Group has entered into long-term rentals agreements with METRO Pakistan (Private) Limited (MPPL) in respect of store premises. The rentals are payable annually at fixed amount subject to inflationary adjustments. In addition, the Group has also entered into various short-term rental arrangements with shops with various parties with period of one year and which are renewable. |                              |                   |

- 40.3 The Subsidiary Company is providing building management services to lessees. Such services include maintenance services, electricity and conditioning services.
- 40.4 During the year, the Company has reversed certain long outstanding payables and provisions after approval from the Board of Directors.

|                                                                             | Note | 2024                         | 2023      |
|-----------------------------------------------------------------------------|------|------------------------------|-----------|
|                                                                             |      | ----- (Rupees in '000) ----- |           |
| <b>41. FINANCE COSTS</b>                                                    |      |                              |           |
| Interest on:                                                                |      |                              |           |
| Export Refinance Scheme                                                     |      | 4,236                        | 71,484    |
| State Bank of Pakistan's Refinance Scheme for Payment of Salaries and Wages |      | —                            | 523       |
| State Bank of Pakistan's Refinance Scheme for Temporary Economic Relief     |      | 92,958                       | 85,998    |
| State Bank of Pakistan's Financing Scheme for Renewable Energy              |      | 26,769                       | 14,194    |
| Long-term loan                                                              |      | 633,848                      | 269,075   |
| Loan from Thal Boshoku Asia Corporation Limited - NCI                       |      | —                            | 20,840    |
| Running finance facilities                                                  |      | 173,270                      | 42,225    |
| Lease liabilities                                                           | 27   | 116,391                      | 125,226   |
| Amortisation of deferred income                                             | 28.1 | (72,460)                     | (65,385)  |
|                                                                             |      | 975,012                      | 564,180   |
| Bank charges and commission                                                 |      | 33,248                       | 39,854    |
|                                                                             |      | 1,008,260                    | 604,034   |
| <b>42. LEVY AND TAXATION</b>                                                |      |                              |           |
| Levy                                                                        | 42.1 | 710,403                      | 232,461   |
| Taxation                                                                    | 42.2 | 3,445,414                    | 3,446,482 |
| Levy and tax charged                                                        |      | 4,155,817                    | 3,678,943 |

- 42.1 This represents final taxes paid under sections 113, 150 and 154 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 / IAS 37.

|                      |  | 2024                         | 2023      |
|----------------------|--|------------------------------|-----------|
|                      |  | ----- (Rupees in '000) ----- |           |
| <b>42.2 Taxation</b> |  |                              |           |
| Current              |  | 1,470,767                    | 2,138,095 |
| Prior                |  | (184,267)                    | (130,482) |
|                      |  | 1,286,500                    | 2,007,613 |
| Deferred             |  | 2,158,914                    | 1,438,869 |
|                      |  | 3,445,414                    | 3,446,482 |

- 42.3 During the year, provision for current taxation is based on minimum tax and final tax regime. Accordingly, the reconciliation between accounting profit before tax and tax expense has not been presented in these consolidated financial statements.

- 42.4 This includes Super Tax on high earning persons. Vide Finance Act 2023, rates for Super Tax were increased with maximum rate upto 10% with retrospective effect for tax year 2023. The Group, being effected with retrospective application, approached the Islamabad High Court and obtained favourable order, whereby higher rates has been suspended, and income on which the final tax regime is applicable has been excluded from the ambit of Super Tax. As per suspended law, applicable rate of tax for the Group is 10% on total income. Department has filed Intra Court Appeal against IHC judgement which is pending for adjudication.

#### 43. EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the Holding Company which is based on:

|                                                                               | 2024                          | 2023      |
|-------------------------------------------------------------------------------|-------------------------------|-----------|
|                                                                               | ----- (Rupees in '000) -----  |           |
|                                                                               |                               | Restated  |
| Profit for the year attributable to the equity holders of the Holding Company | 8,512,687                     | 3,155,585 |
|                                                                               | Number of shares in thousands |           |
| Weighted average number of ordinary shares of Rs. 5 each in issue             | 81,030                        | 81,030    |
|                                                                               | ----- (Rupees) -----          |           |
| Earnings per share - Basic and diluted                                        | 105.06                        | 38.94     |

#### 44. CASH GENERATED FROM OPERATIONS

|                                                                               | Note | 2024                         | 2023        |
|-------------------------------------------------------------------------------|------|------------------------------|-------------|
|                                                                               |      | ----- (Rupees in '000) ----- |             |
| Profit before taxation and levy                                               |      | 13,534,373                   | 7,286,847   |
| Adjustments for non-cash charges and other items:                             |      |                              |             |
| Depreciation on:                                                              |      |                              |             |
| Right of use assets                                                           |      | 95,417                       | 58,478      |
| Investment properties                                                         |      | 353,279                      | 367,647     |
| Others                                                                        |      | 1,101,920                    | 839,531     |
| Amortisation                                                                  |      | 70,200                       | 50,267      |
| Finance costs on:                                                             |      |                              |             |
| Lease liabilities                                                             | 41   | 116,391                      | 125,226     |
| Others                                                                        | 41   | 891,869                      | 478,808     |
| Interest income                                                               | 40   | (680,807)                    | (531,329)   |
| Share in profit of associates                                                 |      | (9,014,507)                  | (3,046,668) |
| Liabilities no longer payable written back                                    |      | (124,801)                    | (31,625)    |
| Gain on revaluation / redemption / disposal of investments classified at FVPL |      | (405,722)                    | (713,078)   |
| Dividend income                                                               | 40   | (1,312,190)                  | (214,435)   |
| Allowance for expected credit losses                                          | 16.3 | 44,836                       | 2,627       |
| Charge of provision for impairment of property, plant and equipment           |      | 12,331                       | —           |
| Provision for impairment of investment property                               |      | —                            | 71,163      |
| Provision for retirement benefits                                             |      | —                            | 11,326      |
| Unrealised exchange loss on long-term loan                                    |      | —                            | 119,753     |
| Gain on disposal of investment properties                                     |      | —                            | (1,968)     |
| Gain on disposal of operating fixed assets                                    | 40   | (36,313)                     | (75,983)    |
|                                                                               |      | (8,888,097)                  | (2,490,260) |
|                                                                               |      | 4,646,276                    | 4,796,587   |
| Decrease / (increase) in current assets                                       |      |                              |             |
| Stores, spares and loose tools                                                |      | (20,060)                     | 7,383       |
| Stock-in-trade                                                                |      | 1,634,420                    | 649,648     |
| Trade debts                                                                   |      | (1,637,288)                  | 228,382     |
| Loans and advances                                                            |      | 155,507                      | (1,069,284) |
| Trade deposits and short-term prepayments                                     |      | 1,337,660                    | (348,668)   |
| Sales tax refundable                                                          |      | 278,638                      | (393,340)   |
| Other receivables                                                             |      | (114,193)                    | 36,210      |
|                                                                               |      | 1,634,684                    | (889,669)   |
| (Decrease) / increase in current liabilities                                  |      |                              |             |
| Trade and other payables                                                      |      | (657,806)                    | 364,602     |
| Warranty obligations                                                          |      | 77,641                       | 85,743      |
|                                                                               |      | 5,700,795                    | 4,357,263   |

|                                      | Note | 2024                         | 2023             |
|--------------------------------------|------|------------------------------|------------------|
|                                      |      | ----- (Rupees in '000) ----- |                  |
| <b>45. CASH AND CASH EQUIVALENTS</b> |      |                              |                  |
| Cash and bank balances               | 21   | 2,227,608                    | 1,823,181        |
| Short-term investments - T-Bills     | 20   | 477,149                      | 1,011,607        |
| Term Deposit Receipts (TDRs)         | 20   | 2,227                        | 77,227           |
| Short-term borrowings                | 32   | (294,831)                    | (473,815)        |
|                                      |      | <u>2,412,153</u>             | <u>2,438,200</u> |

**46. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

Related parties of the Group comprise of associates, retirement benefit funds, directors and key management personnel. Details of transactions with related parties, duly approved by the Board, are as under:

|                          |                                         | 2024                         | 2023       |
|--------------------------|-----------------------------------------|------------------------------|------------|
|                          |                                         | ----- (Rupees in '000) ----- |            |
| <u>Relationship</u>      | <u>Nature of transactions</u>           |                              |            |
| Associates               | Sales                                   | 9,149,571                    | 10,527,939 |
|                          | Professional services rendered          | 186,244                      | 174,060    |
|                          | Rental income on properties             | 2,305,716                    | 2,069,193  |
|                          | Franchising fee                         | —                            | 12,979     |
|                          | Insurance premium paid                  | 36,927                       | 73,566     |
|                          | Insurance claim received                | 972                          | 24,853     |
|                          | Supplies purchased                      | 1,836,768                    | 624,763    |
|                          | Purchase of assets                      | 45,159                       | 31,720     |
|                          | Purchase of goods                       | —                            | 3,344      |
| Retirement benefit funds | Contribution to provident fund          | 105,205                      | 85,265     |
|                          | Contribution to retirement benefit fund | 12,331                       | 11,326     |

- 46.1 Transactions with key management personnel are disclosed in note 47 to the consolidated financial statements.
- 46.2 Receivable from and payable to related parties as at June 30, 2024 are disclosed in the respective notes to the consolidated financial statements.

46.3 Following are the related parties of the Group with whom the Group had entered into transactions or have arrangement / agreement in place as per mutually agreed terms and conditions:

| <b>S. No.</b> | <b>Company name</b>                                                   | <b>Basis of association</b> | <b>Aggregate % of shareholding</b> | <b>Nature of transactions</b>                                                        |
|---------------|-----------------------------------------------------------------------|-----------------------------|------------------------------------|--------------------------------------------------------------------------------------|
| 1.            | Indus Motor Company Limited                                           | Associate<br>(note 46.3.1)  | 6.22%                              | Sales of goods / Professional services rendered / Rent received                      |
| 2.            | Shabbir Tiles and Ceramics Limited                                    | Associate<br>(note 46.3.1)  | 1.30%                              | Sales of goods / Supplies purchased / Professional services rendered / Rent received |
| 3.            | Habib Insurance Company Limited                                       | Associate<br>(note 46.3.1)  | 4.63%                              | Insurance premium / Insurance claim received                                         |
| 4.            | Agriauto Industries Limited                                           | Associate<br>(note 46.3.1)  | 7.35%                              | Professional services rendered / Rent paid / Bonus shares                            |
| 5.            | Sindh Engro Coal Mining Company Limited                               | Associate<br>(note 46.3.1)  | 11.90%                             | Dividend                                                                             |
| 6.            | Thal Limited - Employees' Provident Fund                              | Retirement benefit fund     | —                                  | Contribution made                                                                    |
| 7.            | Thal Limited - Employees' Retirement Benefit Fund                     | Retirement benefit fund     | —                                  | Contribution made                                                                    |
| 8.            | Makro-Habib Pakistan Limited - Employees' Provident Fund              | Retirement benefit fund     | —                                  | Contribution made                                                                    |
| 9.            | Noble Computer Services (Private) Limited - Employees' Provident Fund | Retirement benefit fund     | —                                  | Contribution made                                                                    |
| 10.           | Habib Metro Pakistan (Private) Limited - Employees' Provident Fund    | Retirement benefit fund     | —                                  | Contribution made                                                                    |
| 11.           | Thal Boshoku Pakistan (Private) Limited - Employees' Provident Fund   | Retirement benefit fund     | —                                  | Contribution made                                                                    |
| 12.           | ThalNova Thar Power (Private) Limited                                 | Joint Venture               | —                                  | Investment made                                                                      |
| 13.           | Metro Cash & Carry International Holdings B.V.                        | Associate of subsidiary     | —                                  | Dividend paid                                                                        |
| 14.           | METRO Pakistan (Private) Limited                                      | Associate of subsidiary     | —                                  | Rental income                                                                        |



46.3.1 These entities are associated companies / undertakings of the Group under Companies Act, 2017

46.4 Following are the associated companies / undertakings of the Group outside Pakistan with whom the Group had entered into transactions or have arrangement / agreement in place:

**Toyota Boshoku Asia Corporation Limited**

Registered Address: 1-1 Toyoda-cho, Kariya-shi, Aichi, 448-8651  
Country of incorporation: Thailand  
Basis of association: Shareholder  
Aggregate shareholding: 31%

**Toyota Tsusho Corporation**

Country of incorporation: Japan  
Basis of association: Shareholder  
Aggregate shareholding: 10%  
Nature of transaction: Supplies purchased

**Toyota Boshoku Corporation Japan**

Registered Address: 1-1 Toyoda-cho, Kariya-shi, Aichi, 448-8651  
Country of incorporation: Japan  
Basis of association: Shareholder  
Aggregate shareholding: 4%  
Nature of transaction: Supplies purchased

**47. REMUNERATION OF CHIEF EXECUTIVE OFFICER, EXECUTIVES AND DIRECTORS**

|                                         | 2024                    |           |            | 2023                    |           |            |
|-----------------------------------------|-------------------------|-----------|------------|-------------------------|-----------|------------|
|                                         | Chief Executive Officer | Directors | Executives | Chief Executive Officer | Directors | Executives |
|                                         | (Rupees in '000)        |           |            |                         |           |            |
| Managerial remuneration                 | 94,775                  | —         | 957,018    | 79,029                  | —         | 761,317    |
| Bonus                                   | 38,494                  | —         | 278,045    | 3,470                   | —         | 70,104     |
| Group's contribution to provident fund  | 4,497                   | —         | 33,965     | 3,748                   | —         | 25,527     |
| Group's contribution to retirement fund | —                       | —         | 11,633     | —                       | —         | 8,941      |
| Other perquisites                       | —                       | —         | 8,199      | —                       | —         | 7,632      |
|                                         | 137,766                 | —         | 1,288,860  | 86,247                  | —         | 873,521    |
| Number of persons                       | 1                       | 6         | 140        | 1                       | 6         | 111        |

47.1 The Chief Executive Officer, directors and certain executives of the Holding Company are provided with free of cost use of Company maintained cars.

47.2 Five non-executive directors (2023: five) have been paid fees of Rs. 1,365,000 (2023: Rs. 1,675,000) for attending board and other meetings.

47.3 The Chief Executive Officer and Directors of Pakistan Industrial Aids (Private) Limited, Thal Boshoku Pakistan (Private) Limited, Thal Power (Private) Limited, Makro-Habib Pakistan Limited and Thal Electrical (Private) Limited are not being paid any remuneration for holding the office.

|                                                 | 2024                                                                                                            | 2023       |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|------------|
|                                                 | ----- (Rupees in '000) -----                                                                                    |            |
| <b>48. PLANT CAPACITY AND ACTUAL PRODUCTION</b> |                                                                                                                 |            |
| <b>Annual Capacity</b>                          |                                                                                                                 |            |
| Jute (Metric Tons)                              | 33,800                                                                                                          | 33,800     |
| Auto air conditioners (Units)                   | 90,000                                                                                                          | 90,000     |
| Paper bags (Nos. 000s)                          | 356,000                                                                                                         | 356,000    |
| Woven polypropylene bags (Nos. 000s)            | 90,000                                                                                                          | 90,000     |
| Alternator (Units)                              | 90,000                                                                                                          | 90,000     |
| Starter (Units)                                 | 90,000                                                                                                          | 90,000     |
| Seat tracks (Sets)                              | 55,000                                                                                                          | 55,000     |
| Side frame (Sets)                               | 55,000                                                                                                          | 55,000     |
| Air cleaner (Sets)                              | 110,000                                                                                                         | 110,000    |
| Seats (Units)                                   | 50,000                                                                                                          | 50,000     |
| <b>Actual Production</b>                        |                                                                                                                 |            |
| Jute (Metric Tons)                              | 18,080                                                                                                          | 28,149     |
| Auto air conditioners (Units)                   | 15,512                                                                                                          | 32,052     |
| Wire harness (Units)                            | 75,773                                                                                                          | 102,351    |
| Paper bags (Nos. 000s)                          | 189,982                                                                                                         | 188,450    |
| Woven polypropylene bags (Nos. 000s)            | 80,770                                                                                                          | 70,878     |
| Alternator (Units)                              | 10,609                                                                                                          | 17,221     |
| Starter (Units)                                 | 10,475                                                                                                          | 18,198     |
| Seat tracks (Sets)                              | 15,000                                                                                                          | 13,000     |
| Side frame (Sets)                               | 15,000                                                                                                          | 13,000     |
| Air cleaner (Sets)                              | 5,000                                                                                                           | 7,000      |
| Seats (Units)                                   | 10,000                                                                                                          | 7,000      |
| Reason for shortfall                            | Low demand                                                                                                      | Low demand |
| 48.1                                            | The capacity of wire harness is dependent on product mix.                                                       |            |
| 48.2                                            | The production capacity of laminate operations depends on the relative proportion of various types of products. |            |

#### 49. PROVIDENT FUND

Investments out of provident fund have been made in compliance with the provisions of section 218 of the Act and the rules formulated for this purpose.

2024

(Rupees in '000)

2023

|                                          | Interest/Mark-up bearing    |                        |                         |           | Non-Interest/Mark-up bearing |                        |                         |            |
|------------------------------------------|-----------------------------|------------------------|-------------------------|-----------|------------------------------|------------------------|-------------------------|------------|
|                                          | No maturity/on demand       | Maturity upto one year | Maturity after one year | Subtotal  | No maturity/on demand        | Maturity upto one year | Maturity after one year | Total      |
|                                          | ------(Rupees in '000)----- |                        |                         |           |                              |                        |                         |            |
| <b>Financial assets</b>                  |                             |                        |                         |           |                              |                        |                         |            |
| <b>Fair value through OCI</b>            |                             |                        |                         |           |                              |                        |                         |            |
| Long-term investments                    | -                           | -                      | -                       | -         | 207,299                      | -                      | -                       | 207,299    |
| <b>Fair value through profit or loss</b> |                             |                        |                         |           |                              |                        |                         |            |
| Short-term investments                   | 238,325                     | 3,011,491              | -                       | 3,249,816 | 6,378,157                    | -                      | -                       | 9,627,973  |
| <b>Amortized cost</b>                    |                             |                        |                         |           |                              |                        |                         |            |
| Short term investments                   |                             |                        |                         |           |                              |                        |                         |            |
| - T-bills                                | 1,011,607                   | 3,011,491              | -                       | 4,023,098 | -                            | -                      | -                       | 4,023,098  |
| Long-term deposits                       | -                           | -                      | -                       | -         | -                            | -                      | 285,612                 | 285,612    |
| Trade debts                              | -                           | -                      | -                       | -         | -                            | 3,731,568              | -                       | 3,731,568  |
| Loans and advances                       | -                           | -                      | -                       | -         | -                            | -                      | -                       | -          |
| Trade deposits                           | -                           | -                      | -                       | -         | -                            | 32,702                 | -                       | 32,702     |
| Interest accrued                         | -                           | -                      | -                       | -         | -                            | 39,415                 | -                       | 39,415     |
| Other receivables                        | -                           | -                      | -                       | -         | -                            | 922,557                | -                       | 922,557    |
| Cash and bank balances                   | 1,336,322                   | -                      | -                       | 1,336,322 | 486,859                      | -                      | -                       | 1,823,181  |
|                                          | 2,586,254                   | 6,022,982              | -                       | 8,609,236 | 7,072,315                    | 4,726,242              | 285,612                 | 20,693,405 |
| <b>Financial liabilities</b>             |                             |                        |                         |           |                              |                        |                         |            |
| <b>Amortized cost</b>                    |                             |                        |                         |           |                              |                        |                         |            |
| Long-term deposits                       | -                           | -                      | -                       | -         | -                            | -                      | 291,807                 | 291,807    |
| Long-term borrowings                     | -                           | 259,030                | 3,539,882               | 3,798,912 | -                            | -                      | -                       | 3,798,912  |
| Lease liabilities                        | -                           | 131,231                | 890,300                 | 1,021,531 | -                            | -                      | -                       | 1,021,531  |
| Trade and other payables                 | -                           | -                      | -                       | -         | -                            | 6,086,126              | -                       | 6,086,126  |
| Accrued mark-up                          | -                           | -                      | -                       | -         | -                            | 99,982                 | -                       | 99,982     |
| Unclaimed dividend                       | -                           | -                      | -                       | -         | 103,451                      | -                      | -                       | 103,451    |
| Unpaid dividend                          | -                           | -                      | -                       | -         | 23,532                       | -                      | -                       | 23,532     |
| Short-term borrowings                    | -                           | 1,028,815              | -                       | 1,028,815 | -                            | -                      | -                       | 1,028,815  |
|                                          | -                           | 1,419,076              | 4,430,182               | 5,849,258 | 126,983                      | 6,186,108              | 291,807                 | 12,454,156 |

## 51. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial instruments are subject to credit risk, liquidity risk, foreign currency risk, interest rate risk and equity price risk. The Board of Directors oversees policies for managing each of these risks which are summarised below.

### 51.1 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties failed completely to perform as contracted.

The maximum credit risk is equal to the carrying amount of financial assets. For banks and financial institutions, only independently rated parties with reasonable credit rating are accepted. For trade receivables, internal risk assessment process considers the credit risk of the customer, taking into account its financial position, past experience and other factors.

The carrying values of financial assets which are not impaired are as under:

|                        | 2024                         | 2023              |
|------------------------|------------------------------|-------------------|
|                        | ----- (Rupees in '000) ----- |                   |
| Long term deposits     | 36,296                       | 285,612           |
| Trade debts            | 5,324,021                    | 3,731,568         |
| Trade deposits         | 18,757                       | 32,702            |
| Interest accrued       | 43,082                       | 39,415            |
| Other receivables      | 1,045,041                    | 922,557           |
| Short term investments | 13,284,920                   | 9,627,973         |
| Cash and bank balances | 2,227,608                    | 1,823,181         |
|                        | <u>21,979,725</u>            | <u>16,463,008</u> |

Ageing analysis of trade debts is as follows:

|                                     | Past due but not impairment  |                  |                |                |                | 2024             | 2023             |
|-------------------------------------|------------------------------|------------------|----------------|----------------|----------------|------------------|------------------|
|                                     | Not overdue                  | 01 to 30 days    | 31 to 60 days  | 61 to 90 days  | Over 90 days   | Total            | Total            |
|                                     | ----- (Rupees in '000) ----- |                  |                |                |                |                  |                  |
| Due from related parties            | 848,797                      | 326,300          | 21,160         | —              | —              | 1,196,257        | 717,912          |
| Other parties                       | 1,662,492                    | 1,085,359        | 378,312        | 484,707        | 626,509        | 4,237,379        | 3,095,183        |
| Total                               | <u>2,511,289</u>             | <u>1,411,659</u> | <u>399,472</u> | <u>484,707</u> | <u>626,509</u> | <u>5,433,636</u> | <u>3,813,095</u> |
| Expected credit loss                | 22,062                       | 12,156           | 12,386         | 11,724         | 51,287         | 109,615          | 81,462           |
| Expected credit loss effective rate | 1%                           | 1%               | 3%             | 2%             | 8%             | 2%               | 2%               |

The credit quality of financial assets other than bank balances and short term investments in TDRs and TFCs can be assessed with reference to their historical performance with no or some defaults in recent history, however, no losses.

The credit quality of the Group's bank balances and short term investments in TDRs and TFCs can be assessed with reference to external credit ratings as follows:

| Bank Balances                              | Rating agency | Rating     |           |
|--------------------------------------------|---------------|------------|-----------|
|                                            |               | Short-term | Long-term |
| Habib Metropolitan Bank Limited            | PACRA         | A1+        | AA+       |
| Bank Al Habib Limited                      | PACRA         | A1+        | AAA       |
| Bank Alfalah Limited                       | PACRA         | A1+        | AAA       |
| Standard Chartered Bank (Pakistan) Limited | PACRA         | A1+        | AAA       |
| Faysal Bank Limited                        | PACRA         | A1+        | AA        |
| Habib Bank Limited                         | VIS           | A-1+       | AAA       |
| Meezan Bank Limited                        | VIS           | A-1+       | AAA       |
| National Bank of Pakistan                  | PACRA         | A1+        | AAA       |
| United Bank Limited                        | VIS           | A-1+       | AAA       |
| Telenor Microfinance Bank Limited          | PACRA         | A1         | A         |
| Al Baraka Bank (Pakistan) Limited          | VIS           | A-1        | A+        |
| Bank of Punjab                             | PACRA         | A1+        | AA+       |
| MCB Bank Limited                           | PACRA         | A1+        | AAA       |
| <b>Short term investments</b>              |               |            |           |
| TFCs                                       | VIS           | A-1+       | AA        |

## 51.2 Market risk

Market risk is the risk that the value of the financial instruments may fluctuate as a result of changes in market currency rates, interest rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. There has been no change in the Group's exposure to market risk or the manner in which this risk is managed and measured.

Under market risk the Group is exposed to currency risk, price risk and liquidity risk.

### 51.2.1 Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions in foreign currencies.

|                          | 2024                      | 2023         |
|--------------------------|---------------------------|--------------|
|                          | ----- (FCY in '000) ----- |              |
| <b>USD</b>               |                           |              |
| Bank balances            | 1,373                     | 1,197        |
| Trade receivables        | 2,357                     | 883          |
| Trade and other payables | (624)                     | (2,559)      |
|                          | <u>3,106</u>              | <u>(479)</u> |
| <b>EUR</b>               |                           |              |
| Trade and other payables | 45                        | 45           |
| <b>JPY</b>               |                           |              |
| Trade and other payables | (217)                     | (98,282)     |
| <b>CNY</b>               |                           |              |
| Trade and other payables | (4)                       | (1,191)      |
| <b>AED</b>               |                           |              |
| Trade and other payables | 539                       | (184)        |
| <b>GBP</b>               |                           |              |
| Trade receivables        | 2                         | 32           |
| Trade and other payables | —                         | (8)          |



The following exchange rates have been applied at the reporting date:

|     | 2024      | 2023   |
|-----|-----------|--------|
|     | Rs. / FCY |        |
| USD | 278.80    | 287.10 |
| EUR | 298.41    | 314.27 |
| JPY | 1.73      | 2.00   |
| CNY | 38.53     | 39.98  |
| AED | 76.37     | 78.72  |
| GBP | 351.85    | 365.40 |

#### Sensitivity analysis:

The following table demonstrates the sensitivity to a reasonably possible change in the foreign exchange rate, with all other variables held constant, of the Group's profit before tax and the Group's equity.

|      | Change | Effect on profit before tax | Effect on equity |
|------|--------|-----------------------------|------------------|
| 2024 | %      | (Rupees in '000)            |                  |
|      | + 10   | 92,062                      | 67,799           |
|      | - 10   | (92,062)                    | (67,799)         |
| 2023 |        |                             |                  |
|      | + 10   | (37,328)                    | (27,491)         |
|      | - 10   | 37,328                      | 27,491           |

#### 51.2.2 Interest 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 Group's exposure to the risk of changes in market interest rates relates primarily to the cash and deposit and savings accounts, short term borrowings (export refinance scheme) and long-term borrowings.

#### Sensitivity analysis:

The following figures demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant, of the Group's profit before tax:

|      | Increase / decrease in basis points (KIBOR) | Effect on profit before tax |
|------|---------------------------------------------|-----------------------------|
| 2024 | (Rupees in '000)                            |                             |
|      | + 100                                       | (31,128)                    |
|      | - 100                                       | 31,128                      |
| 2023 |                                             |                             |
|      | + 100                                       | (29,941)                    |
|      | - 100                                       | 29,941                      |

### 51.2.3 Price risk

Price risk is the risk that the fair value of future cashflows of financial instruments will fluctuate because of changes in market prices (other than those arising from interest 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 similar financial instruments traded in the market. The Group is exposed to price risk in respect of its investments in listed shares and mutual funds.

As at the reporting date, the exposure to investments at fair value was Rs. 13,632.380 million. A decrease of 10% in the fair value of these investments would have a negative impact of approximately Rs. 1,363.238 million on equity. An increase of 10% in the prices of these investments would positively impact equity with the similar amount.

### 51.2.4 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with the financial instruments.

Through its treasury function, the Group continually monitors its liquidity position and ensures availability of funds by maintaining flexibility in funding by keeping committed credit lines available.

The maturity profile of the Group's liabilities based on contractual maturities is disclosed in note 50 to these consolidated financial statements.

## 52. CAPITAL RISK MANAGEMENT

The Group's prime objective when managing capital is to safeguard its ability to continue as a going concern, maintain healthy capital ratios, strong credit rating and optimal capital structure in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholder value and reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as proportion of borrowings to equity at year end.

The proportion of borrowings to equity at year end was:

|                  | 2024                         | 2023       |
|------------------|------------------------------|------------|
|                  | ----- (Rupees in '000) ----- |            |
| Total borrowings | 5,702,840                    | 5,158,713  |
| Total equity     | 52,962,121                   | 44,743,749 |
| Gearing ratio    | 11%                          | 12%        |

The Group finances its expansion projects through borrowings and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk.

53. CHANGES IN LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

|                                          | 2024             |                   |                                                 |                       |
|------------------------------------------|------------------|-------------------|-------------------------------------------------|-----------------------|
|                                          | Dividends        | Lease liabilities | Long-term borrowing (including deferred income) | Short-term borrowings |
|                                          | (Rupees in '000) |                   |                                                 |                       |
| Balance at beginning of the year         | 126,982          | 1,021,531         | 4,137,565                                       | 1,028,815             |
| <b>Changes from financing cash flows</b> |                  |                   |                                                 |                       |
| Dividend paid during the year            | (1,310,799)      | —                 | —                                               | —                     |
| Payments made during the year - net      | —                | (147,074)         | —                                               | —                     |
| Financing obtained during the year - net | —                | —                 | 575,147                                         | 32,204                |
|                                          | (1,310,799)      | (147,074)         | 575,147                                         | 32,204                |
| <b>Other changes</b>                     |                  |                   |                                                 |                       |
| Dividend declared during the year        | 1,314,944        | —                 | —                                               | —                     |
| Finance cost during the year - net       | —                | 116,391           | 69,629                                          | 13,812                |
| Reassessment of lease liabilities        | —                | 2,111             | —                                               | —                     |
| Amortization of deferred income          | —                | —                 | (72,460)                                        | —                     |
|                                          | 1,314,944        | 118,502           | (2,831)                                         | 13,812                |
| <b>Balance at end of the year</b>        | <b>131,127</b>   | <b>992,959</b>    | <b>4,709,881</b>                                | <b>1,074,831</b>      |
|                                          | 2023             |                   |                                                 |                       |
|                                          | Dividends        | Lease liabilities | Long-term borrowing (including deferred income) | Short-term borrowings |
|                                          | (Rupees in '000) |                   |                                                 |                       |
| Balance at beginning of the year         | 125,890          | 1,016,725         | 3,064,527                                       | 701,816               |
| <b>Changes from financing cash flows</b> |                  |                   |                                                 |                       |
| Dividend paid during the year            | (850,249)        | —                 | —                                               | —                     |
| Payments made during the year - net      | —                | (134,922)         | —                                               | 213,290               |
| Financing obtained during the year - net | —                | —                 | 768,633                                         | —                     |
|                                          | (850,249)        | (134,922)         | 768,633                                         | 213,290               |
| <b>Other changes</b>                     |                  |                   |                                                 |                       |
| Dividend declared during the year        | 851,341          | —                 | —                                               | —                     |
| Finance cost during the year - net       | —                | 125,226           | 369,790                                         | 113,709               |
| Reassessment of lease liabilities        | —                | 14,502            | —                                               | —                     |
| Amortization of deferred income          | —                | —                 | (65,385)                                        | —                     |
|                                          | 851,341          | 139,728           | 304,405                                         | 113,709               |
| <b>Balance at end of the year</b>        | <b>126,982</b>   | <b>1,021,531</b>  | <b>4,137,565</b>                                | <b>1,028,815</b>      |

## 54. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

### Fair value hierarchy

The different levels of fair valuation methods have been defined as follows:

- Quoted prices in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (level 3).

| 2024                                                     |                  |            |         |            |
|----------------------------------------------------------|------------------|------------|---------|------------|
|                                                          | Level 1          | Level 2    | Level 3 | Total      |
|                                                          | (Rupees in '000) |            |         |            |
| <b>Assets</b>                                            |                  |            |         |            |
| Investments carried at fair value through OCI            | 347,460          | –          | –       | 347,460    |
| Investments carried at fair value through profit or loss | –                | 13,284,920 | –       | 13,284,920 |
| 2023                                                     |                  |            |         |            |
|                                                          | Level 1          | Level 2    | Level 3 | Total      |
|                                                          | (Rupees in '000) |            |         |            |
| <b>Assets</b>                                            |                  |            |         |            |
| Investments carried at fair value through OCI            | 207,299          | –          | –       | 207,299    |
| Investments carried at fair value through profit or loss | –                | 9,627,973  | –       | 9,627,973  |

There were no transfers amongst levels during the year.

The market prices of listed shares have been obtained from Pakistan Stock Exchange and the market prices of mutual funds and TFCs have been obtained from Mutual Fund Association of Pakistan.

**55. OPERATING SEGMENTS****55.1 Segment analysis**

|                                                           | 2024             |                                        |                                 |             |             | 2023             |                                        |                                 |             |             |
|-----------------------------------------------------------|------------------|----------------------------------------|---------------------------------|-------------|-------------|------------------|----------------------------------------|---------------------------------|-------------|-------------|
|                                                           | (Rupees in '000) |                                        |                                 |             |             | (Rupees in '000) |                                        |                                 |             |             |
|                                                           | Engineering      | Building Materials and Allied Products | Real estate management & others | Elimination | Total       | Engineering      | Building Materials and Allied Products | Real estate management & others | Elimination | Total       |
| <b>Sales revenue - external - internal</b>                | 12,901,112       | 16,232,371                             | 272,421                         | -           | 29,405,904  | 14,732,693       | 18,106,852                             | 288,706                         | -           | 33,128,251  |
| <b>Rental income</b>                                      | -                | -                                      | 292,532                         | (292,532)   | -           | -                | -                                      | 215,207                         | (215,207)   | -           |
| <b>Total segment revenue</b>                              | -                | -                                      | 2,749,032                       | -           | 2,749,032   | -                | -                                      | 2,446,926                       | -           | 2,446,926   |
| <b>Segment result</b>                                     | 12,901,112       | 16,232,371                             | 3,313,985                       | (292,532)   | 32,154,936  | 14,732,693       | 18,106,852                             | 2,950,839                       | (215,207)   | 35,575,177  |
| <b>Unallocated (expenses) / income:</b>                   | 469,387          | 2,068,801                              | 1,755,586                       | -           | 4,293,774   | 1,009,391        | 2,568,992                              | 1,570,565                       | -           | 5,148,948   |
| Administrative and distribution costs                     |                  |                                        |                                 |             | (1,533,411) |                  |                                        |                                 |             | (1,301,235) |
| Other charges                                             |                  |                                        |                                 |             | (88,542)    |                  |                                        |                                 |             | (801,778)   |
| Other income                                              |                  |                                        |                                 |             | 2,856,305   |                  |                                        |                                 |             | 1,798,278   |
| <b>Operating profit</b>                                   |                  |                                        |                                 |             | 5,528,126   |                  |                                        |                                 |             | 4,844,213   |
| Finance cost                                              |                  |                                        |                                 |             | (1,008,260) |                  |                                        |                                 |             | (604,034)   |
| Share of profit after tax of associates and joint venture |                  |                                        |                                 |             | 9,014,507   |                  |                                        |                                 |             | 3,046,668   |
| Taxation                                                  |                  |                                        |                                 |             | (4,155,817) |                  |                                        |                                 |             | (3,678,943) |
| <b>Segment assets</b>                                     |                  |                                        |                                 |             | 9,378,556   |                  |                                        |                                 |             | 3,607,904   |
| Corporate assets                                          | 10,751,611       | 13,013,039                             | 18,784,975                      | 8,122,196   | 50,671,821  | 11,109,230       | 14,164,613                             | 18,218,700                      | (44,809)    | 43,447,734  |
| <b>Segment liabilities</b>                                |                  |                                        |                                 |             | 21,309,919  |                  |                                        |                                 |             | 18,141,011  |
| Corporate liabilities                                     | 4,616,291        | 4,359,922                              | 1,735,014                       | (213,705)   | 10,497,522  | 4,966,133        | 4,274,246                              | 1,761,661                       | (243,892)   | 10,758,148  |
| Unallocated liabilities                                   |                  |                                        |                                 |             | 3,470,069   |                  |                                        |                                 |             | 2,912,709   |
|                                                           |                  |                                        |                                 |             | 5,052,028   |                  |                                        |                                 |             | 3,174,139   |
|                                                           |                  |                                        |                                 |             | 19,019,619  |                  |                                        |                                 |             | 16,844,996  |

The engineering segment is engaged in the manufacturing of automotive parts.

The building material and allied products segment includes jute, papersack and laminate operations.

The third segment includes the real estate management, trading and management services.

## 55.2 Geographical Information of customers

Revenues from customers (Country wise)

|                      | 2024                         | 2023              |
|----------------------|------------------------------|-------------------|
|                      | ----- (Rupees in '000) ----- |                   |
| Pakistan             | 26,018,653                   | 30,216,253        |
| Australia            | 168,971                      | 288,034           |
| Iraq                 | 331,872                      | —                 |
| Egypt                | 567,289                      | 315,916           |
| Italy                | 182,386                      | 177,794           |
| Jordan               | 17,450                       | —                 |
| Malaysia             | 7,684                        | —                 |
| Spain                | 7,040                        | 1,665             |
| New Zealand          | 16,472                       | 7,276             |
| Oman                 | 41,158                       | 21,758            |
| Qatar                | 49,487                       | 28,931            |
| Saudi Arabia         | 180,583                      | 32,327            |
| Switzerland          | 76,169                       | 163,344           |
| Africa               | 25,883                       | 12,689            |
| Turkey               | 173,247                      | 291,578           |
| Turkmenistan         | 476,604                      | —                 |
| Uganda               | —                            | 8,035             |
| United Arab Emirates | 612,314                      | 1,534,981         |
| United Kingdom       | 29,306                       | 23,119            |
| Sweden               | 14,588                       | —                 |
| USA                  | 78,708                       | —                 |
| Ireland              | 8,191                        | —                 |
| Libya                | 8,001                        | —                 |
| Netherland           | 20,350                       | —                 |
| Tanzania             | 244,539                      | —                 |
| Kenya                | 42,708                       | —                 |
| Gambia               | 6,198                        | —                 |
| Canada               | 53                           | 4,551             |
|                      | <u>29,405,904</u>            | <u>33,128,251</u> |

The revenue information above is based on the location of customers.



55.3 Revenue from one customer amounted to Rs. 8,812 million (2023: Rs. 11,329 million), arising from sales in the engineering segment.

55.4 All non-current assets of the group as at June 30, 2024 are located in Pakistan.

**56. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE**

The Board of Directors in its meeting held on September 10, 2024 has approved the following:

- i. transfer of Rs. 1,600 million from unappropriated profit to general reserve; and
- ii. payment of cash dividend of Rs. 6.00 per share for the year ended June 30, 2024 for approval of the members at the Annual General Meeting to be held on October 24, 2024.

|                                                     | 2024                         | 2023  |
|-----------------------------------------------------|------------------------------|-------|
|                                                     | ----- (Rupees in '000) ----- |       |
| <b>57. NUMBER OF EMPLOYEES</b>                      |                              |       |
| <b>Total number of employees</b>                    |                              |       |
| Total number of Group's employees as at June, 30    | 4,189                        | 4,262 |
| Average number of Group's employees during the year | 4,226                        | 4,892 |

**58. GENERAL**

58.1 Corresponding figures have been re-arranged and reclassified, wherever necessary. However, there were no material rearrangements to report.

58.2 Figures have been rounded off to the nearest thousands.

**59. DATE OF AUTHORISATION FOR ISSUE**

These consolidated financial statements were authorized for issue on September 10, 2024 by the Board of Directors of the Holding Company.



Chief Executive Officer



Director



Chief Financial Officer

## Combine Pattern of Shareholding As at June 30, 2024

| No. of Shareholders | Size of Holding |        | Total Shares Held |
|---------------------|-----------------|--------|-------------------|
|                     | From            | To     |                   |
| 1,437               | 1               | 100    | 46,509            |
| 1,164               | 101             | 500    | 293,233           |
| 504                 | 501             | 1000   | 354,933           |
| 746                 | 1001            | 5000   | 1,586,940         |
| 133                 | 5001            | 10000  | 964,268           |
| 52                  | 10001           | 15000  | 662,906           |
| 26                  | 15001           | 20000  | 459,984           |
| 11                  | 20001           | 25000  | 250,697           |
| 11                  | 25001           | 30000  | 316,939           |
| 9                   | 30001           | 35000  | 293,536           |
| 9                   | 35001           | 40000  | 336,079           |
| 4                   | 40001           | 45000  | 169,568           |
| 10                  | 45001           | 50000  | 480,012           |
| 9                   | 50001           | 55000  | 477,726           |
| 8                   | 55001           | 60000  | 462,387           |
| 3                   | 60001           | 65000  | 191,121           |
| 3                   | 65001           | 70000  | 199,510           |
| 3                   | 70001           | 75000  | 221,471           |
| 1                   | 75001           | 80000  | 75,761            |
| 2                   | 85001           | 90000  | 174,788           |
| 2                   | 90001           | 95000  | 185,532           |
| 3                   | 95001           | 100000 | 294,900           |
| 1                   | 100001          | 105000 | 101,741           |
| 2                   | 110001          | 115000 | 222,202           |
| 3                   | 115001          | 120000 | 353,840           |
| 1                   | 125001          | 130000 | 127,381           |
| 1                   | 130001          | 135000 | 130,815           |
| 3                   | 145001          | 150000 | 443,468           |
| 2                   | 150001          | 155000 | 304,088           |
| 1                   | 165001          | 170000 | 168,198           |
| 1                   | 175001          | 180000 | 178,202           |
| 1                   | 195001          | 200000 | 195,079           |
| 4                   | 220001          | 225000 | 886,753           |
| 1                   | 235001          | 240000 | 239,495           |
| 1                   | 255001          | 260000 | 257,589           |
| 2                   | 280001          | 285000 | 561,430           |
| 1                   | 305001          | 310000 | 305,416           |
| 1                   | 315001          | 320000 | 315,152           |
| 2                   | 320001          | 325000 | 645,698           |

## Combine Pattern of Shareholding As at June 30, 2024

| No. of Shareholders | Size of Holding |         | Total Shares Held |
|---------------------|-----------------|---------|-------------------|
|                     | From            | To      |                   |
| 6                   | 330001          | 335000  | 1,990,164         |
| 1                   | 370001          | 375000  | 374,700           |
| 1                   | 375001          | 380000  | 375,800           |
| 1                   | 400001          | 405000  | 401,443           |
| 5                   | 420001          | 425000  | 2,108,547         |
| 2                   | 430001          | 435000  | 865,400           |
| 2                   | 495001          | 500000  | 997,070           |
| 1                   | 600001          | 605000  | 601,052           |
| 1                   | 605001          | 610000  | 608,534           |
| 1                   | 655001          | 660000  | 656,529           |
| 1                   | 665001          | 670000  | 666,608           |
| 1                   | 690001          | 695000  | 694,800           |
| 1                   | 710001          | 715000  | 711,503           |
| 1                   | 800001          | 805000  | 800,400           |
| 1                   | 810001          | 815000  | 810,300           |
| 1                   | 830001          | 835000  | 830,269           |
| 1                   | 840001          | 845000  | 843,547           |
| 1                   | 850001          | 855000  | 851,137           |
| 1                   | 905001          | 910000  | 909,507           |
| 3                   | 995001          | 1000000 | 2,999,912         |
| 1                   | 1095001         | 1100000 | 1,098,016         |
| 1                   | 1150001         | 1155000 | 1,153,170         |
| 1                   | 1185001         | 1190000 | 1,189,452         |
| 1                   | 1330001         | 1335000 | 1,330,745         |
| 1                   | 1340001         | 1345000 | 1,340,202         |
| 1                   | 1375001         | 1380000 | 1,379,578         |
| 1                   | 1405001         | 1410000 | 1,405,639         |
| 1                   | 1485001         | 1490000 | 1,488,324         |
| 1                   | 1540001         | 1545000 | 1,544,279         |
| 1                   | 1815001         | 1820000 | 1,818,017         |
| 1                   | 2890001         | 2895000 | 2,894,306         |
| 1                   | 3210001         | 3215000 | 3,213,887         |
| 4                   | 3790001         | 3795000 | 15,170,103        |
| 1                   | 3940001         | 3945000 | 3,944,386         |
| 1                   | 4080001         | 4085000 | 4,080,336         |
| 1                   | 4945001         | 4950000 | 4,946,900         |
| <b>4,230</b>        |                 |         | <b>81,029,909</b> |

## Combine Pattern of CDC and Physical Shareholding As at June 30, 2024

| S. No. | Categories of Shareholders                                                        | No. of Shares Held | Category-wise No. of Folios/CDC Accounts | Category-wise Shares Held | Percentage (%) |
|--------|-----------------------------------------------------------------------------------|--------------------|------------------------------------------|---------------------------|----------------|
| 1      | Individuals                                                                       |                    | 4,062                                    | 29,018,076                | 35.81          |
| 2      | Investment Companies                                                              |                    | 2                                        | 634                       | 0.00           |
| 3      | Joint Stock Companies                                                             |                    | 38                                       | 2,282,384                 | 2.82           |
| 4      | Directors, Chief Executive Officer and Their Spouse and Minor Children            |                    | 11                                       | 4,323,461                 | 5.34           |
|        | Aliya Saeeda Khan                                                                 | 1,000              |                                          |                           |                |
|        | Imran Ali Habib                                                                   | 222,203            |                                          |                           |                |
|        | Jamila Rafiq Habib                                                                | 909,507            |                                          |                           |                |
|        | Khayam Husain                                                                     | 1,000              |                                          |                           |                |
|        | Mr. Mohamedali Rafiq Habib                                                        | 1,566,834          |                                          |                           |                |
|        | Muhammad Salman Burney                                                            | 1,000              |                                          |                           |                |
|        | Rafiq Habib                                                                       | 1,340,202          |                                          |                           |                |
|        | Sayed Mohamedali Habib                                                            | 280,715            |                                          |                           |                |
|        | Tayyab Ahmed Tareen                                                               | 1,000              |                                          |                           |                |
| 5      | Executives                                                                        |                    | 4                                        | 15,531                    | 0.02           |
| 6      | Associated Companies, Undertakings and Related Parties                            |                    | —                                        | —                         | —              |
| 7      | Public Sector Companies and Corporations                                          |                    | 1                                        | 3,944,386                 | 4.87           |
| 8      | Banks, DFI's , NBFIs, Insurance Companies, Takaful, Modarabas's and Pension Funds |                    | 25                                       | 4,704,776                 | 5.81           |
|        | Financial Institutions                                                            | 4,251,802          |                                          |                           |                |
|        | Insurance Companies                                                               | 66,169             |                                          |                           |                |
|        | Modaraba                                                                          | 17,438             |                                          |                           |                |
|        | Pension Funds                                                                     | 369,367            |                                          |                           |                |
|        | <b>Holding 5% or more voting interest</b>                                         |                    |                                          |                           |                |
|        | Shahbaz Yasin Malik                                                               | 4,946,900          |                                          |                           |                |
|        | National Bank of Pakistan                                                         | 4,080,336          |                                          |                           |                |
| 9      | <b>Mutual Funds</b>                                                               |                    | 26                                       | 2,680,452                 | 3.31           |
|        | CDC - Trustee Pakistan Capital Market Fund                                        | 15,500             |                                          |                           |                |
|        | CDC - Trustee Atlas Stock Market Fund                                             | 195,079            |                                          |                           |                |
|        | CDC - Trustee Faysal Stock Fund                                                   | 1,952              |                                          |                           |                |
|        | CDC - Trustee AKD Index Tracker Fund                                              | 12,266             |                                          |                           |                |
|        | CDC - Trustee AKD Opportunity Fund                                                | 13,500             |                                          |                           |                |
|        | CDC - Trustee Faysal Asset Allocation Fund                                        | 2,406              |                                          |                           |                |
|        | CDC - Trustee UBL Stock Advantage Fund                                            | 150,014            |                                          |                           |                |
|        | CDC - Trustee Atlas Islamic Stock Fund                                            | 57,500             |                                          |                           |                |
|        | CDC - Trustee AL-Ameen Shariah Stock Fund                                         | 220,217            |                                          |                           |                |
|        | CDC - Trustee NBP Stock Fund                                                      | 257,589            |                                          |                           |                |
|        | CDC - Trustee NBP Balanced Fund                                                   | 11                 |                                          |                           |                |

## Combine Pattern of CDC and Physical Shareholding As at June 30, 2024

| S. No. | Categories of Shareholders                                    | No. of Shares Held | Category-wise No. of Folios/CDC Accounts | Category-wise Shares Held | Percentage (%) |
|--------|---------------------------------------------------------------|--------------------|------------------------------------------|---------------------------|----------------|
|        | CDC - Trustee APF - Equity Sub Fund                           | 12,701             |                                          |                           |                |
|        | CDC - Trustee APIF - Equity Sub Fund                          | 13,896             |                                          |                           |                |
|        | CDC - Trustee MCB Pakistan Asset Allocation Fund              | 24,000             |                                          |                           |                |
|        | CDC - Trustee NIT - Equity Market Opportunity Fund            | 45,900             |                                          |                           |                |
|        | CDC - Trustee UBL Asset Allocation Fund                       | 4,700              |                                          |                           |                |
|        | CDC - Trustee AL-Ameen Islamic Asset Allocation Fund          | 7,376              |                                          |                           |                |
|        | CDC - Trustee AL-Ameen Islamic Ret. Sav. Fund-equity Sub Fund | 41,612             |                                          |                           |                |
|        | CDC - Trustee UBL Retirement Savings Fund - Equity Sub Fund   | 32,740             |                                          |                           |                |
|        | CDC - Trustee National Investment (Unit) Trust                | 1,488,324          |                                          |                           |                |
|        | CDC - Trustee NBP Islamic Stock Fund                          | 6,094              |                                          |                           |                |
|        | DCCL - Trustee AKD Islamic Stock Fund                         | 5,054              |                                          |                           |                |
|        | CDC - Trustee Atlas Islamic Dedicated Stock Fund              | 17,500             |                                          |                           |                |
|        | CDC - Trustee Golden Arrow Stock Fund                         | 46,000             |                                          |                           |                |
|        | CDC - Trustee Faysal Islamic Dedicated Equity Fund            | 1,505              |                                          |                           |                |
|        | CDC - Trustee Faysal Islamic Stock Fund                       | 7,016              |                                          |                           |                |
| 10     | <b>Foreign Investors</b>                                      |                    | 27                                       | 32,396,123                | 39.98          |
|        | <b>Holding 5% or more voting interest</b>                     |                    |                                          |                           |                |
|        | Ali Reza Limited                                              | 7,561,504          |                                          |                           |                |
|        | Asad Limited                                                  | 7,517,613          |                                          |                           |                |
|        | Mustafa Limited                                               | 8,282,214          |                                          |                           |                |
|        | Shakir Limited                                                | 5,397,558          |                                          |                           |                |
| 11     | Co-Operative Societies                                        |                    | 2                                        | 6,814                     | 0.01           |
| 12     | Charitable Trust                                              |                    | 10                                       | 1,083,699                 | 1.34           |
| 13     | Others                                                        |                    | 22                                       | 573,573                   | 0.71           |
|        | <b>Total</b>                                                  |                    | <b>4,230</b>                             | <b>81,029,909</b>         | <b>100.00</b>  |

## E-dividend Mandate Form

We wish to inform you that in accordance with the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed company to pay cash dividend to shareholders only through electronic mode directly into the bank account designated by the entitled shareholders.

In order to receive your dividends directly into your bank account, please complete the particulars as mentioned below and return this letter duly signed along with a copy of your CNIC to the share registrar of the Company M/s FAMCO Share Registration Services (Pvt) Limited 8-F, Next to Hotel Faran, Nursery, Block-6, P.E.C.H.S. Shahra-e-Faisal, Karachi.

CDC shareholders are requested to submit their dividend mandate and CNIC directly to their broker (participant)/CDC on the given below format.

I hereby communicate to receive my future dividends directly in my bank account as detailed below:

Name of shareholder: \_\_\_\_\_

Folio / CDC account no: \_\_\_\_\_ of Thal Limited.

Address of shareholder: \_\_\_\_\_

Contact number of shareholder: \_\_\_\_\_

Email address: \_\_\_\_\_

Title of account: \_\_\_\_\_

IBAN (see Note below):

[illegible]

Account no: \_\_\_\_\_

Branch code: \_\_\_\_\_

Name of bank: \_\_\_\_\_

Bank branch & full mailing address: \_\_\_\_\_

CNIC no. (copy attached): \_\_\_\_\_

NTN (in case of corporate entity): \_\_\_\_\_

It is stated that the above particulars given by me are correct and to the best of my knowledge; I shall keep the Company informed in case of any changes in the said particulars in future.

**Shareholder's Signature**

**Note:**

Please provide complete IBAN, after checking with your concerned branch to enable electronic credit directly to your bank account. Joint account holders shall specify complete title of account including name of shareholder.

The payment of cash dividend will be processed to the above account only. Your company is entitled to rely on the account number as per your instructions. The company shall not be responsible for any loss, damage, liability or claim arising, directly or indirectly, from any error, delay, or failure in performance of any of its obligations hereunder which is caused by incorrect payment instructions and / or due to any event beyond the control of the company.

The shareholder who hold shares in physical form are requested to submit the required dividend mandate form after duly filled in to the share registrar concerned. The shareholders who hold shares in Central Depository Company are requested to submit the required dividend mandate form after duly filled in to their Participants / Investor Account Services.



# تھل لمیٹڈ

## ای۔ ڈیوٹنڈ مینڈیٹ فارم

ہم آپ کو مطلع کرنا چاہتے ہیں کہ کمپنیز ایکٹ ۲۰۱۷ کے سیکشن ۲۳۲ کی شقوں کے مطابق کسی بھی لکٹر کمپنی کے لئے یہ لازم ہے کہ شیئرز ہولڈرز کو نقد منافع منقسمہ کی ادائیگی صرف بذریعہ الیکٹرونک طریقہ کار استحقاق کے حامل شیئرز ہولڈرز کی جانب سے نامزد کردہ بینک اکاؤنٹ میں براہ راست کی جائے۔

اپنے منافع منقسمہ کو براہ راست اپنے بینک اکاؤنٹ میں وصول کرنے کی غرض سے براہ مہربانی درج ذیل کے مطابق کوائف مکمل کریں اور اس لیٹر کو باقاعدہ دستخط کے ساتھ بشمول اپنے سی این آئی سی کی کاپی کمپنی کے رجسٹرار میسرز ٹیکو شیئرز رجسٹریشن سروسز (پرائیویٹ) لمیٹڈ، 8-F، نزد ہوٹل فاران، نرسری، یلاک-6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی کو ارسال کریں۔

سی ڈی سی شیئرز ہولڈرز سے درخواست ہے کہ اپنے منافع منقسمہ کا مینڈیٹ اور سی این آئی سی برائے راست اپنے بروکر (پارٹنر پینٹ) / سی ڈی سی کو دیئے گئے درج ذیل فارمیٹ پر فراہم کر دیں۔ میں بذریعہ الیڈ اپنے مستقبل کے منافع منقسمہ کو براہ راست اپنے بینک اکاؤنٹ میں وصول کرنا چاہوں گا جیسا کہ تفصیل ذیل میں درج ہے:

شیئرز ہولڈر کا نام \_\_\_\_\_  
 فونیو نمبر / سی ڈی سی اکاؤنٹ نمبر: \_\_\_\_\_ کمپنی \_\_\_\_\_ تھل لمیٹڈ۔  
 شیئرز ہولڈر کا پتہ \_\_\_\_\_  
 شیئرز ہولڈر کا رابطہ نمبر \_\_\_\_\_  
 ای میل ایڈریس \_\_\_\_\_  
 اکاؤنٹ کا ٹائٹل \_\_\_\_\_

انٹرنیشنل بینک اکاؤنٹ نمبر (نیچے نوٹ ملاحظہ کریں)

اکاؤنٹ نمبر \_\_\_\_\_

برانچ کوڈ \_\_\_\_\_

بینک کا نام \_\_\_\_\_

بینک برانچ اور ڈاک کا مکمل پتہ \_\_\_\_\_

سی این آئی سی نمبر (کاپی منسلک) \_\_\_\_\_

این ٹی این (کارپوریٹ ادارے کی صورت میں) \_\_\_\_\_

واضح کیا جاتا ہے کہ میری جانب سے دیئے گئے مذکورہ بالا کوائف درست اور میری بہترین معلومات کے مطابق ہیں۔ میں مستقبل میں اپنے کوائف میں کسی تبدیلی کی صورت میں کمپنی کو مطلع کرتا رہوں گا۔

شیئرز ہولڈر کے دستخط

نوٹ؛

براہ مہربانی مکمل آئی بی اے این نمبر اپنی متعلقہ برانچ کے ساتھ مکمل چیکنگ کے بعد فراہم کریں تاکہ آپ کے بینک اکاؤنٹ میں الیکٹرونک کریڈٹ کو براہ راست ممکن بنایا جاسکے۔

نقد منافع منقسمہ کی ادائیگی صرف مذکورہ بالا اکاؤنٹ میں کی جائے گی۔ آپ کی کمپنی آپ کی ہدایات کے مطابق اکاؤنٹ نمبر پر انحصار کرے گی۔ کمپنی ایسے کسی بھی نقصان، ڈیجیٹل یا دعویٰ کی بلواسطہ یا بلاواسطہ کسی بھی وقت کسی تاخیر یا ایسے کسی بھی مالی ذمہ داری کی ادائیگی کیلئے ذمہ دار نہ ہوگی جو کسی غیر درست ادائیگی کی ہدایات کے باعث ہو اور / یا کمپنی کے کنٹرول کے باہر کسی معاملے کے تحت ہو۔

ایسے شیئرز ہولڈرز جو فیکل صورت میں شیئرز کے حامل ہوں ان سے درخواست ہے کہ اپنا مطلوبہ ڈیوٹنڈ مینڈیٹ فارم باقاعدہ پُر کر کے متعلقہ شیئرز رجسٹرار کو جمع کرائیں۔ وہ شیئرز ہولڈرز جو سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ میں شیئرز رکھتے ہیں ان سے درخواست ہے کہ وہ مطلوبہ منافع منقسمہ کا مینڈیٹ فارم باقاعدہ بھرنے کے بعد اپنے پارٹنر پینٹس / انویسٹر اکاؤنٹ سروسز کو جمع کرا دیں۔

## Form of Proxy Fifty Eighth Annual General Meeting

The Secretary  
Thal Limited  
House of Habib, 4<sup>th</sup> Floor  
Shahra-e-Faisal,  
Karachi - 75350

I/We \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_  
being member of Thal Limited, and holder of \_\_\_\_\_  
ordinary shares as per share register folio no. \_\_\_\_\_  
and / or CDC participant I.D. no. \_\_\_\_\_  
and sub. account no. \_\_\_\_\_ hereby appoint \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_  
or failing him / her \_\_\_\_\_  
as my / our proxy to vote for me/us and on my/our behalf at the 58th Annual General Meeting of the Company to be held on October 24, 2024 and or any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_

### Witnessess:

Signature \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

CNIC or \_\_\_\_\_

Passport no. \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

CNIC or \_\_\_\_\_

Passport no. \_\_\_\_\_

(Signature should agree with  
the specimen signature  
registered with the Company).

Signature on  
Rs. 5/-  
revenue stamp

### Note:

- This proxy form duly completed and signed, must be received at the registered office of the Company or share registrar of the Company, not less than 48 hours before the time of holding the meeting.
- No person shall act as proxy unless he/she himself/herself is a member of the Company, except that a corporation may appoint a person who is not a member.
- If a member appoints more than one proxy and more than one instrument of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

For CDC account holders/corporate entities:

In addition to the above the following requirements have to be met:

- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

# تھل لمیٹڈ

پراکسی فارم

۵۸ واں سالانہ اجلاس عام

سیکرٹری  
تھل لمیٹڈ

ہاؤس آف حبیب، چوتھی منزل  
شاہراہ فیصل، کراچی۔ ۷۵۳۵۰

میں/ہم

ساکن \_\_\_\_\_ ضلع \_\_\_\_\_

میں بحیثیت ممبر تھل لمیٹڈ اور ہولڈر بابت

عام شیئرز جن کے شیئرز رجسٹر فوئیو نمبر \_\_\_\_\_ اور/یا سی ڈی سی پارٹیشن آئی ڈی نمبر \_\_\_\_\_

اور ذیلی اکاؤنٹ نمبر \_\_\_\_\_ بذریعہ \_\_\_\_\_

ساکن \_\_\_\_\_ ضلع \_\_\_\_\_

اور اگر ان کے لئے ممکن نہ ہو تو \_\_\_\_\_ ساکن \_\_\_\_\_

کولٹورا پنا/ہمارا پراکسی مقرر کرتا/کرتی ہوں تاکہ وہ ۲۴ اکتوبر ۲۰۲۲ء کو منعقد کئے جانے والے کمپنی کے ۵۸ ویں سالانہ اجلاس عام میں میری/ہماری جگہ ووٹ دے سکیں۔

دستخط \_\_\_\_\_ مورخہ \_\_\_\_\_ ۲۰۲۲ء

گواہان:

دستخط \_\_\_\_\_

نام \_\_\_\_\_

پتہ \_\_\_\_\_

شناختی کارڈ نمبر \_\_\_\_\_

یا پاسپورٹ نمبر \_\_\_\_\_

دستخط \_\_\_\_\_

نام \_\_\_\_\_

پتہ \_\_\_\_\_

شناختی کارڈ نمبر \_\_\_\_\_

یا پاسپورٹ نمبر \_\_\_\_\_

نوٹ:

۱۔ یہ پراکسی فارم باقاعدہ مکمل کردہ اور دستخط شدہ صورت میں کمپنی کے رجسٹرڈ آفس یا کمپنی کے شیئرز رجسٹرار کو اجلاس کے مقررہ وقت سے کم از کم ۴۸ گھنٹے قبل لازماً موصول ہو جائیں۔

۲۔ کوئی فرد پراکسی کے فرائض انجام نہیں دے سکتا جب تک کہ وہ کمپنی کا ممبر نہ ہو، ماسوائے ایک کارپوریشن جو ممبر کے علاوہ بھی کسی فرد کو پراکسی مقرر کر سکتی ہے۔

۳۔ اگر کوئی ممبر ایک سے زائد پراکسی کا تقرر کرتا ہے یا کسی ممبر کی جانب سے پراکسی کی ایک سے زائد دستاویز کمپنی کو جمع کرائی جاتی ہے تو پراکسی کی ایسی تمام دستاویز غیر کارآمد تصور کی جائیں گی۔

سی ڈی سی اکاؤنٹ ہولڈرز/کارپوریٹ اداروں کے لئے:

مذکورہ بالا کے علاوہ درج ذیل شرائط کو پورا کرنا بھی لازم ہے:

i پراکسی فارم پر ۲ افراد کی گواہی ہو، جن کے نام، پتے اور سی این آئی سی نمبر فارم پر درج ہونے چاہئیں۔

ii بنی فیشل اونز اور پراکسی کے سی این آئی سی یا پاسپورٹ کی مصدقہ نقول پراکسی فارم کے ساتھ فراہم کی جائیں۔

iii کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی مع نمونہ دستخط کمپنی کو پراکسی فارم کے ساتھ جمع کرائی جائیں (اگر یہ پہلے فراہم نہ کئے گئے ہوں)۔

دستخط  
مبلغ ۵ روپے  
کے ڈاک ٹکٹ



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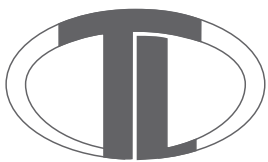


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## **THAL LIMITED**

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