SHIRAZI INVESTMENTS (PRIVATE) LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

Shirazi Investments

Directors' Report
On the Consolidated Financial Statements

The Directors of Shirazi Investments (Private) Limited (the Company) are pleased to present the audited consolidated financial statements for the year ended 30 June 2025.

Consolidated Results

The comparison of annual audited results for the year ended 30 June 2025 as against the year 2024 is as follows:

(Rupees in million)

Particulars	30 June 2025	30 June 2024
Total Revenue	282,425	244,672
Share of profit of associates and joint venture-net of tax	10,172	8,060
Profit before tax	36,754	29,794
Profit after tax	20,354	18,609
Attributable to:		
Equity holders of the Holding Company	13,304	13,155
Non-controlling interest	7,050	5,454

Total revenue was Rs. 282,425 million in 2025 as against Rs. 244,672 million last year due to higher revenues and other operating income of the subsidiary companies. The cost of sales and services increased to Rs. 230,523 million as against Rs. 203,869 million last year. The percentage-wise sales and services cost stood at 81.6% of sales compared to 83.3% during the last year. Thus, the gross margin increased by 1.7%. Distribution cost and administration expenses increased by 10.4% to Rs. 14,516 million as against Rs. 13,153 million last year. Share of profit of associates and joint venture significantly increased by 26.2% to Rs. 10,172 million from Rs. 8,060 million during the previous year due to increase in profitability of associates and realized and unrealized gains recognized against mutual funds investment. As a result, profit before tax increased by 23.4% to Rs. 36,754 million from Rs. 29,794 million last year. While profit after tax increased by 9.4% to Rs. 20,354 million from Rs. 18,609 million last year.

A brief review of the operational performance of each entity for the year is as follows:

Atlas Honda Limited

The Company achieved net sales of Rs. 203,894 million, an increase of 28.0% compared to the corresponding period of the last year. The gross profit increased from Rs. 12,227 million to Rs. 22,180 million, up by 81.4% as a result of higher sales volume, better sales mix, and stable exchange rates. Other income, net of other operating expenses and financial charges, contributed an impressive Rs. 7,822 million to the bottom line on account of efficient treasury operations. The above factors supported the Company in achieving profit before tax and levies of Rs. 24,342 million as compared to profit before tax of Rs. 15,738 million in the same period last year. Resultantly, the profit after tax stood at Rs.15,252 million, up by 57.1%.

Atlas Battery Limited

Sales for the year were Rs. 35,201 million against Rs. 41,471 million last year. The decrease was mainly due to shift in customer demand from heavy to medium batteries, yielding lower realization, together with the intensified price and discount competition and an unconventional price gap relative to competitors. Profit before tax stood at Rs. 625 million as compared to Rs. 2,170 million last year, down by 71.2%. After providing Rs. 534 million for taxation (mainly on minimum tax basis), the profit after tax stood at Rs. 91 million as compared to Rs. 1,344 million of last year, down by 93.2%.

Atlas Insurance Limited

The Company's financial year ends in December. However, based on Jul 24 - Jun 25, the net premium was Rs. 3,164 million against Rs. 2,667 million last year. This growth was primarily driven by higher contributions from the marine, aviation and transport segment, as well as the fire and property damage business segments. Profit after tax for the year was Rs. 1,812 million against Rs. 1,485 million last year.

Atlas Engineering (Private) Limited

During the year Atlas Autos (Private) Limited (a wholly-owned subsidiary) was merged with and into Atlas Engineering (Private) Limited with effect from July 1, 2024, pursuant to the order of the Honorable High Court of Sindh. Sales for the year were Rs. 36,881 million against Rs. 29,256 million for the last year. Profit after tax for the year was Rs. 3,041 million against Rs. 1,862 million last year, increased by 26.1% as compared to last year. Uptick in automobile parts and lubricants sales contributed in profitability increase.

Atlas Asset Management Limited

Income from management fees increased to Rs. 1,653 million against Rs. 876 million last year. A surge of 88.7% in management fees is mainly due to increased assets under management (AUMs). During the year, Atlas Asset Management earned an after-tax profit of Rs. 750 million against Rs. 421 million last year. Surge in management fees coupled with unrealized gain on remeasurement of investments contributed towards increase in profitability.

Shirazi Trading Company (Private) Limited

Revenue for the year was Rs. 6,987 million against Rs. 6,847 million last year. Hire purchase revenue stream contributed towards the increase in revenue whereas revenue from sales of goods was decreased as compared to last year. Profit after tax for the year was Rs. 443 million against Rs. 278 million of last year.

Atlas Hitec (Private) Limited

Sales for the year ended 31 March 2025 were Rs. 4,690 million against Rs. 3,777 million last year. Profit before tax for the year was Rs. 288 million compared to last year of Rs. 87 million, and profit after tax for the year was Rs. 172 million against Rs. 48 million last year. Profitability increased due to an increase in the business volumes.

Atlas DID (Private) Limited

Sales for the year were Rs. 2,613 million against Rs. 2,049 million last year. An increase in demand from OEM customers resulted in higher revenues. Profit after tax for the year was Rs. 148 million against Rs. 44 million last year.

Atlas GCI (Private) Limited

The Company's accounting year ends in December. However, based on Jul 24 – Jun 25, the sales revenue amounted to Rs. 971 million against Rs. 715 million last year. Profit after tax for the year was Rs. 125 million against Rs. 76 million last year.

Atlas Metals (Private) Limited

Turnover for the year decreased to Nil against Rs. 100 million last year due to discontinuation of lead parts business during last year. Profit after tax for the year stood at Rs. 4 million against the loss of Rs. 67 million last year.

Atlas Power Limited

During the year, the Company executed a Negotiated Settlement Agreement (NSA) on October 25, 2024, with the CPPA and the Government of Pakistan (GoP), effecting the early termination/maturity of the Power Purchase Agreement (PPA) effective from October 1, 2024. As a result, revenue for the year was dropped to Rs. 1,015 million against Rs. 15,415 million last year. Furthermore, the Company has received the agreed amount as full and final settlement in respect of its trade debts recoverable from CPPA-G as of September 30, 2024. Accordingly, receivable amounts pertaining to delayed payment mark-up and other adjustments have been written-off. Resultantly, the Company incurred a loss for the year of Rs. 6,506 million against last year's profit of Rs. 451 million.

Atlas Energy Limited

Sales for the year were Rs. 313 million against Rs. 234 million last year. The increase in revenue was due to increase in energy revenue. However, profit after tax for the year increased to Rs. 135 million against Rs. 109 million last year, mainly due to an increase in revenue.

Atlas Solar Limited

The Company's revenue recognized during the year was Rs. 2,599 million against Rs. 3,077 million last year. Reduction is revenue was due to revision in tariff. Profit after tax for the period was Rs. 502 million against Rs. 445 million last year.

Atlas Venture Limited (UAE)

Revenue for the year was Rs. 58 million against Rs. 12 million last year. Profit for the year was Rs. 54 million against Rs. 9 million last year.

Atlas World Wide General Trading LLC (UAE)

Revenue for the year was Rs. 772 million against Rs. 305 million last year. Profit for the year was Rs. 19 million against Rs. 11 million last year.

Atlas Global FZE (UAE)

Revenues for the year was Rs. 19,392 million against Rs. 18,289 million last year. Profit for the year was Rs. 242 million against Rs. 127 million last year.

On behalf of the Board of Directors

Noorullah	Frahim Ali Khan
Chief Executive Officer	Director

Karachi: 7 October 2025

Shirazi Investments (Pvt) Limited
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INDEPENDENT AUDITORS' REPORT

To the members of Shirazi Investments (Private) Limited

Opinion

We have audited the annexed consolidated financial statements of **Shirazi Investments (Private) Limited** and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, comprising 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, 2025, 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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises of the Directors' Report, but does not include the consolidated financial statements and our auditors' report thereon.

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with 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 is responsible for overseeing the Group's financial reporting process.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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 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.

The engagement partner on the audit resulting in this independent auditors' report is Osman Hameed Chaudhri.

Shinewing Hameed Chaudhri & Co

SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS
KARACHI;

Dated: October 7, 2025

UDIN: AR202510104cvCMtrqnl

SHIRAZI INVESTMENTS (PRIVATE) LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025	2024
ASSETS	**Note**	**----- Rupees in '000 -----**	
Non-current assets			
Property, plant and equipment	7	**45,080,336**	53,981,337
Intangible assets	8	**130,752**	51,098
Investment in associates and joint venture	9	**14,222,972**	13,557,006
Investment in associates - mutual funds	10	**49,083,493**	29,308,337
Long term investments	11	**6,322,664**	4,090,947
Long term loans	12	**174,379**	175,602
Long term deposits and other receivables	13	**446,602**	439,868
Net investment in finance lease		**5,536**	19,699
		115,466,734	101,623,894
Current assets			
Stores, spares and loose tools	14	**3,973,422**	3,734,193
Stock-in-trade	15	**20,445,633**	26,337,394
Trade debts	16	**8,581,965**	22,353,000
Receivable from funds under management	17	**181,652**	99,676
Loans and advances	18	**538,378**	449,411
Deposits, prepayments and other receivables	19	**9,590,939**	3,792,475
Accrued investment income		**1,176,795**	710,246
Short term investments	20	**30,077,540**	15,830,129
Sales tax refundable - net		**1,087,225**	990,039
Current portion of net investment in finance lease		**14,163**	11,385
Cash, bank balances and deposits	21	**36,926,136**	43,197,586
		112,593,848	117,505,534
Non current assets held for sale	22	**8,389,218**	-
		236,449,800	219,129,428

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

Chairman	Chief Executive Officer	Director

SHIRAZI INVESTMENTS (PRIVATE) LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

EQUITY AND LIABILITIES	Note	2025	2024
		----- Rupees in '000 -----	
Equity attributable to the Holding Company			
Share capital	23	2,201,124	2,201,124
Capital reserves		17,686,184	17,686,184
General reserves		40,455,883	35,340,883
Unappropriated profits		27,021,463	20,919,321
Unrealised gain on revaluation of investments		13,289,287	9,661,694
Revaluation surplus on property, plant and equipment		5,794,957	5,794,957
		106,448,899	91,604,163
Non-controlling interests		26,769,588	22,869,557
Total equity		133,218,487	114,473,720
Non-current liabilities			
Long term loans - secured	24	11,488,481	13,042,679
Long term deposits	25	75,415	57,866
Deferred liabilities	26	1,502,844	1,530,089
Lease liabilities	27	1,298,120	1,634,615
Deferred income - government grant	28	179,398	254,903
Deferred taxation	29	6,912,298	3,462,314
		21,456,556	19,982,466
Current liabilities			
Trade and other payables	30	70,796,300	63,019,369
Current portion of lease liabilities	27	253,994	277,650
Current portion of deferred income	28	75,443	85,907
Short term borrowings - secured	31	8,284,762	15,652,403
Accrued mark-up		268,605	982,012
Current portion of long term loans	24	1,355,307	3,062,063
Current portion of long term deposits	25	7,468	3,021
Taxation - net		448,392	629,562
Unclaimed dividend / dividend payable		284,486	961,255
		81,774,757	84,673,242
Contingencies and commitments	32		
		236,449,800	219,129,428

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

Chairman	**Chief Executive Officer**	**Director**

SHIRAZI INVESTMENTS (PRIVATE) LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- Rupees in '000 -----	
Income			
Sales of goods and rendering of services	33	**269,852,015**	235,934,073
Fee / commission from asset management	34	**1,658,677**	881,172
Dividend income		**1,137,018**	1,265,301
Other operating income	35	**9,777,220**	6,591,911
		282,424,930	244,672,457
Expenses			
Cost of sales and services	36	**230,522,516**	203,868,554
Distribution costs and administrative expenses	37	**14,516,056**	13,153,075
Other expenses	38	**7,293,912**	825,832
Finance costs	39	**3,510,266**	5,091,698
		255,842,750	222,939,159
Profit from operations		**26,582,180**	21,733,298
Share of profit of associates and joint venture including mutual funds - net of tax		**10,171,815**	8,060,371
Profit before final taxes, minimum tax differential and income tax		**36,753,995**	29,793,669
Final taxes	40.1	**(1,480,656)**	(985,046)
Minimum tax differential	40.2	**(322,215)**	(47,416)
Profit before income tax		**34,951,124**	28,761,207
Income tax			
Current tax - for the year including super tax		**(13,713,566)**	(9,397,702)
- for the prior years		**(445,521)**	(428,954)
Deferred tax	40.3	**(438,026)**	(325,842)
		(14,597,113)	(10,152,498)
Profit for the year		**20,354,011**	18,608,709
Attributable to:			
Equity holders of the Holding Company		**13,303,591**	13,154,390
Non-controlling interest		**7,050,420**	5,454,319
		20,354,011	18,608,709
Earnings per share - basic and diluted	41	**60.44**	59.76

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

Chairman	Chief Executive Officer	Director

SHIRAZI INVESTMENTS (PRIVATE) LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	----- Rupees in '000 -----	
Net profit for the year	**20,354,011**	18,608,709
Other comprehensive income to be reclassified to - statement of profit and loss account in subsequent periods		
Exchange gain on translation of net assets of foreign operations	**28,192**	39,773
Other comprehensive income not to be reclassified - to statement of profit and loss account in subsequent periods		
Net unrealised gain on revaluation of investments - at fair value through other comprehensive income	**5,886,707**	3,814,540
Gain on sale of investment at fair value through other comprehensive income	**7,479**	-
Remeasurement of staff retirement benefit obligations	**82,484**	124,139
Related deferred taxation	**(1,604,956)**	(420,615)
Surplus on revaluation during the year	**-**	268,247
	4,371,714	3,786,311
Total comprehensive income - net of tax	**24,753,917**	22,434,793
Attributable to:		
Equity holders of the Holding Company	**17,618,153**	16,492,152
Non-controlling interest	**7,135,764**	5,942,641
	24,753,917	22,434,793

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

Chairman	Chief Executive Officer	Director

SHIRAZI INVESTMENTS (PRIVATE) LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Share capital	Capital reserves		Revenue reserves		Unrealised gain on revaluation of investments	Revaluation surplus on property, plant and equipment	Sub-total	Non-controlling interest	Total
		Share premium	Amalgamation reserve (Note 1.1)	General reserve	Unappropriated profit					
	Rupees in '000									
Balance as at June 30, 2023	2,201,124	26,839,742	(9,153,558)	34,340,883	10,679,910	6,592,179	5,526,710	77,026,990	16,926,916	93,953,906
Transfer to general reserves	-	-	-	1,000,000	(1,000,000)	-	-	-	-	-
Profit for the year	-	-	-	-	13,154,390	-	-	13,154,390	5,454,319	18,608,709
Other comprehensive income	-	-	-	-	-	3,069,515	268,247	3,337,762	488,322	3,826,084
Total comprehensive income for the year	-	-	-	-	13,154,390	3,069,515	268,247	16,492,152	5,942,641	22,434,793
Dividend paid during the year	-	-	-	-	(1,914,979)	-	-	(1,914,979)	-	(1,914,979)
Balance as at June 30, 2024	2,201,124	26,839,742	(9,153,558)	35,340,883	20,919,321	9,661,694	5,794,957	91,604,163	22,869,557	114,473,720
Transfer to general reserves	-	-	-	**5,115,000**	**(5,115,000)**	-	-	-	-	-
Reclassification adjustment of realised gain on sale of investment at fair value through other comprehensive income					**686,969**	**(686,969)**		-	-	-
Profit for the year	-	-	-	-	**13,303,591**	-	-	**13,303,591**	**7,050,420**	**20,354,011**
Other comprehensive income	-	-	-	-	-	**4,314,562**	-	**4,314,562**	**85,344**	**4,399,906**
Total comprehensive income for the year	-	-	-	-	**13,303,591**	**4,314,562**	-	**17,618,153**	**7,135,764**	**24,753,917**
Dividend paid during the year	-	-	-	-	**(2,773,417)**	-	-	**(2,773,417)**	**(3,235,733)**	**(6,009,150)**
Balance as at June 30, 2025	**2,201,124**	**26,839,742**	**(9,153,558)**	**40,455,883**	**27,021,463**	**13,289,287**	**5,794,957**	**106,448,899**	**26,769,588**	**133,218,487**

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

Chairman **Chief Executive Officer** **Director**

SHIRAZI INVESTMENTS (PRIVATE) LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
CASH FLOW FROM OPERATING ACTIVITIES		----- Rupees in '000 -----	
Cash generated from operations	43	**40,273,256**	26,129,913
Mark-up / interest paid		**(3,945,347)**	(5,165,191)
Taxes paid		**(14,736,126)**	(7,908,703)
Gratuity paid		**(486,101)**	(86,592)
Long term loans - net		**1,223**	10,542
Long term deposits - net		**(6,734)**	(2,687)
		(19,173,085)	(13,152,631)
Net cash generated from operating activities		**21,100,171**	12,977,282
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		**(5,216,756)**	(3,445,208)
Proceeds from sale of fixed assets		**1,332,183**	613,180
Proceed from sale of investment in associates - net		**-**	382,972
Purchase of intangible assets		**(122,228)**	(40,032)
Investment in associates - net		**(4,698,686)**	(10,680,394)
Dividends received from associates		**351,757**	280,278
Dividends received from investments		**1,137,018**	1,265,301
Long term investments - net		**(2,231,717)**	(2,652,488)
Net investment in finance lease		**11,385**	9,011
Net cash used in investing activities		**(9,437,044)**	(14,267,380)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loans - net		**(3,260,954)**	3,466,042
Long term financing - government grant - net		**(85,969)**	(79,627)
Dividend paid		**(6,685,919)**	(2,501,280)
Lease rentals paid		**(556,090)**	(573,023)
Long term deposits - net		**21,996**	10,221
Short term borrowings - net		**(7,367,641)**	4,364,513
Net cash (used in) / generated from financing activities		**(17,934,577)**	4,686,846
Net (decrease) / increase in cash and cash equivalents		**(6,271,450)**	3,396,748
Cash and cash equivalents at beginning of the year		**43,197,586**	39,800,838
Cash and cash equivalents at end of the year		**36,926,136**	43,197,586

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

Chairman **Chief Executive Officer** **Director**

SHIRAZI INVESTMENTS (PRIVATE) LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 THE GROUP AND ITS OPERATIONS

The "Group" consists of:

Holding Company	Note
- Shirazi Investments (Private) Limited (SIL)	**1.1**

These financial statements are the consolidated financial statements of the Holding Company and its subsidiaries ("the Group"). In addition to the consolidated financial statements, the Holding Company prepares and presents its separate financial statements for the year ended June 30, 2025.

These consolidated financial statements include the financial statements of the following companies:

Subsidiary companies	Note	Percentage
- Atlas Asset Management Limited (AAML)	**1.2**	100.00%
- Atlas Engineering (Private) Limited (AEL) *[Amalgamated with/into Atlas Autos (Private) Limited]*	**1.3**	100.00%
- Shirazi Trading Company (Private) Limited (STC)	**1.4**	100.00%
- Atlas Power Limited (APL)	**1.5**	92.09%
- Atlas Venture Limited (AVL)	**1.6**	100.00%
- Atlas Metals (Private) Limited (AML)	**1.7**	100.00%
- Atlas Energy Limited (AENL)	**1.8**	100.00%
- Atlas Global FZE (AGF)	**1.10**	100.00%
- Atlas Insurance Limited (AIL)	**1.11**	75.33%
- Atlas Battery Limited (ABL)	**1.12**	60.17%
- Atlas Honda Limited (AHL)	**1.13**	54.57%
- Atlas World Wide General Trading LLC (AWWGT)	**1.14**	49.00%
- Atlas Hitec (Private) Limited (AHPL)	**1.15**	60.72%
- Atlas Solar Limited (ASL)	**1.16**	93.67%
- Atlas DID (Private) Limited (ADIDL)	**1.17**	60.00%
- Atlas GCI (Private) Limited (AGCIPL)	**1.18**	44.29%
- Atlas Real Estate (Private) Limited (AREL)	**1.19**	100.00%

The year end of all the subsidiaries is same as of the Holding Company except for AHL, AHPL, ADIDPL, AGCIPL and AIL. The year end of AHPL, ADIDPL and AHL is March 31, and of AIL and AGCIPL is December 31.

1.1 Shirazi Investments (Private) Limited (SIL)

SIL was incorporated on August 27, 1962 as a private limited company. The registered office of the Holding Company is situated at Second Floor, Federation House, Sharae Firdousi, Clifton, Karachi. The Company is engaged in trading and investment in equity and debt securities, underwriting, real estate and warehousing business.

On May 13, 2016 the Board of Directors of the Company had passed a resolution authorizing the Company to explore the viability of the potential merger between the Shirazi Capital (Private) Limited (SCPL) and Shirazi (Private) Limited (SPL) with and into the Company. The Company had engaged the services of a consultant and decided on a swap ratio in exchange of shares for SCPL and SPL and a scheme of amalgamation (the scheme) was filed in High Court of Sindh after approval from the Board of Directors and shareholders of the Company, SCPL and SPL on June 11, 2016.

The High Court of Sindh through its order dated November 23, 2016 sanctioned the scheme. Pursuant to this sanction, the entire business of SCPL and SPL including their Assets, Liabilities, and the Rights and Obligations have been amalgamated into and vest in the Group with effect from the effective date as mentioned in the scheme i.e., July 01, 2016 which the Group has considered effective date of merger. In consideration, 91,819,873 fully paid ordinary shares of Rs.10 each have been issued to the registered shareholders of SCPL whereas 9,572,566 fully paid ordinary shares of Rs.10 each have been issued to the registered shareholders of SPL.

This amalgamation was accounted for in the books using predecessor's accounting method as it was a business combination of entities under common control and therefore scoped out of IFRS-3 'Business Combinations'. The net assets of SCPL and SPL have been incorporated at their net carrying amount in the books as on June 30, 2016 and the difference in value of the net assets and shares as issued above has been carried in the equity under the head "Amalgamation reserve". Furthermore, the acquired entity's results and balance sheet are incorporated prospectively from the date on which the business combination occurred. Consequently, these financial statements do not reflect the results of the acquired entity for the period before the transaction occurred and the corresponding amounts for the previous year presented are also not restated.

In consequence of the above amalgamation, Atlas Insurance Limited (AIL), Atlas Battery Limited (ABL), Atlas Hitec (Private) Limited (AHPL) and Atlas Honda Limited (AHL) had become subsidiaries of SIL which were previously accounted for as associates.

1.2 Atlas Asset Management Limited (AAML)

AAML was incorporated in Pakistan as a public limited company on August 20, 2002 under the Companies Ordinance, 1984, and obtained certificate for the commencement of business on December 18, 2002. AAML has been issued license by the Securities and Exchange Commission of Pakistan to carry on business of asset management services as a Non-Banking Finance Group (NBFC) under section 282C of the Companies Act, 1984 and under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). On January 08, 2007, the Securities and Exchange Commission of Pakistan issued license to AAML to carry on business as Pension Fund Manager, under the Voluntary Pension System Rules, 2005 (VPS Rules, 2005).

AAML is managing Atlas Income Fund, Atlas Islamic Income Fund, Atlas Islamic Stock Fund, Atlas Stock Market Fund, Atlas Liquid Fund, Atlas Money Market Fund, Atlas Pension Fund, Atlas Pension Islamic Fund, Atlas Islamic Fund of Funds, Atlas Islamic Dedicated Stock Fund, Atlas Sovereign Fund, Atlas Islamic Money Market Fund, Atlas Liquid Fund, Atlas KPK Islamic Pension Fund and Atlas Private Equity Fund. The registered office of AAML is situated at Ground Floor, Federation House, Sharae Firdousi, Clifton, Karachi.

1.3 Atlas Engineering (Private) Limited (AEL)

Atlas Engineering (Private) Limited (AEL) was incorporated in Pakistan as a private limited company in 1963 and was converted into a public listed company in 1966. During the year ended March 31, 2012, the Company was delisted from the relevant stock exchanges. The Company was re-converted to a private limited company with effect from January 5, 2018. The Company is engaged in manufacturing of components and parts of automotive vehicles. The registered office and factory of the Company is situated at 15th Mile, National Highway, Landhi, Karachi, Pakistan.

The Board of Directors of the AEL, in its meeting held on November 7, 2023, approved the Scheme of Arrangement (the Scheme) for the merger/amalgamation of the entire undertaking of Atlas Autos (Private) Limited (AAPL) with and into the Company under sections 279 to 283 and 285 of the Companies Act, 2017. The Scheme was filed with the Honourable High Court of Sindh, Karachi on November 21, 2023, and was subsequently sanctioned by the Court on October 25, 2024, with effect from July 1, 2024.

Under the Scheme, (i) all business, operations, assets, unappropriated profits, liabilities, rights, benefits, contracts, legal proceedings and obligations of AAPL were transferred to and vested in the Company effective from July 1, 2024; (ii) in consideration of the amalgamation, the Company issued and allotted 69,780,000 shares to the shareholders of AAPL; and (iii) AAPL stood dissolved without winding up upon issuance and allotment of the aforesaid shares.

1.4 Shirazi Trading Company (Private) Limited (STC)

Shirazi Trading Company (Private) Limited (STC) was incorporated in Pakistan as a private limited company on 20 June 1975 under the Companies Act, 1913 (now Companies Act, 2017). The Company is a wholly owned subsidiary of Shirazi Investments (Private) Limited (the Holding Company). The Company is primarily engaged in the business of trading and maintenance of office equipment, power generators, security and medical equipment, trading of automotive parts and trading of motorcycle under hire purchase agreement. The Company has countrywide sales and service network and its branches are located at Karachi, Lahore, Islamabad, Multan and Peshawar.

1.5 Atlas Power Limited (APL)

APL was incorporated on January 05, 2007 as a public unlisted company in Pakistan. The principal activity of APL is to build and operate generation plant for the generation and supply of electricity. The registered office is situated at 26-27 km Lahore - Sheikhupura Road, Sheikhupura.

APL had entered into a Power Purchase Agreement (PPA) with the Central Power Purchasing Agency (CPPA) for a term of 25 years, originally set to expire on March 22, 2035. During the year, APL executed a Negotiated Settlement Agreement (NSA) on October 25, 2024, with the CPPA and the Government of Pakistan (GoP), effecting the early termination/maturity of the following agreements effective from October 1, 2024:

(a) The existing PPA with the Power Purchaser;

(b) The Implementation Agreement (IA) with the President of the Islamic Republic of Pakistan;

(c) The Government Guarantee issued by the President of the Islamic Republic of Pakistan on behalf of the GoP.

Following the termination/maturity of the agreement, the Board of Directors in their meeting held on October 23, 2024, and the members of APL in their Extraordinary General Meeting held on the same date, formally approved the termination/maturity of the PPA, IA, and Government Guarantee. The Board approved the writing off of the Company's receivables from the Power Purchaser pertaining to Arbitration amounts (savings in fuel & O&M and fuel inventory gains).

1.6 Atlas Venture Limited (AVL)

AVL is an offshore Free Zone Company with limited liability formed in accordance with the Offshore Companies Regulations of Jebel Ali Free Zone of 2003 and is registered with the Jebel Ali Free Zone Authority under License No. 110700. The principal activity of AVL is general trading and holding activities. The registered office of AVL is 8A, Dubai Creek Tower, Bani Yas Street Deira, Dubai, UAE.

1.7 Atlas Metals (Private) Limited (AML)

Atlas Metals (Private) Limited (AML) was incorporated in Pakistan as a Private Limited Company on September 18, 2012, under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is a wholly owned subsidiary of Shirazi Investments (Private) Limited. The principal activity of the Company was manufacturing parts for batteries. The registered office of the Company is located at 2nd Floor, Federation House, Sharae Firdousi, Clifton, Karachi. The geographical location and address of the factory of the Company is 15th Mile, National Highway, Landhi, Karachi.

On December 6, 2023, the management of the Company presented operational strategy of the Company to the Board of Directors which included discontinuation of the Company's current business. Since there is no alternate business available for the Company for a couple of years the management also proposes disposal of fixed assets of the Company and release of all staff of the Company. The Board of Directors, after carefully evaluating the financial situation and considering various alternatives, decided that the lead parts casting business will be discontinued with effect from January 1, 2024 to avoid further losses and settle all liabilities as per books of accounts. On December 29, 2023, the members in Extra Ordinary General Meeting have approved sale of fixed assets of the Company. Previously with the approval from the High Court on October 18, 2023, and the registration of the order, the share capital was reduced by Rs.450 million to Rs.100 million.

As discussed above, subsequent to closure of business activities, and non-availability of future business strategy / projections of AML for the upcoming financial year, AML have been considered as non going concern.

1.8 Atlas Energy Limited (AENL)

AENL was incorporated as an unquoted public limited company in Pakistan on May 18, 2016 under the Companies Ordinance 1984 (now Companies Act, 2017). The registered office of AENL is situated at 64 XX, Khayaban -e- Iqbal, DHA Phase III, Lahore.

The purpose of Atlas Energy Limited is to provide cost effective tailored solar solutions for industrial and commercial consumers.

1.10 Atlas Global FZE (AGF)

Atlas Global FZE (the "Establishment") is a Free Zone Establishment with Limited Liability in the Jebel Ali Free Zone, Dubai formed under the Law No. 9 of 1992 and implementing regulations issued thereunder by Jebel Ali Free Zone.

The Establishment was registered on 19 November 2015. The registered office of the Establishment is Office No. 708A, Building no. 18, JAFZA View Building, Jebel Ali Free Zone, Dubai, United Arab Emirates. AGF is principally engaged in general trading activities.

1.11 Atlas Insurance Limited (AIL)

AIL was incorporated as a public limited company on September 06, 1934 under the Companies Act, 1913 (now the Companies Act, 2017) and is listed on the Pakistan Stock Exchange. The AIL is engaged in general insurance business. The registered office of AIL is situated at 63/A, Block - XX, Phase III (Commercial), Khyaban-e-Iqbal, Defence Housing Authority, Lahore, Pakistan.

AIL was granted license to work as Window Takaful Operator (WTO) dated March 02, 2016 by the Securities and Exchange Commission of Pakistan (SECP) under Takaful Rules, 2012 to carry on Window Takaful Operations in Pakistan.

1.12 Atlas Battery Limited (ABL)

ABL was incorporated as a public limited company on October 19, 1966 and its shares are quoted on Pakistan Stock Exchange Limited. ABL is engaged in manufacturing and sale of automotive and motorcycle batteries & allied products. The registered office is located at D-181, Central Avenue, S.I.T.E., Karachi. The manufacturing facilities of the ABL are located at S.I.T.E., Karachi with branches at Karachi, Lahore, Multan, Islamabad, Faisalabad, Sahiwal, Peshawar, Sukkur and Rahim Yar Khan.

1.13 Atlas Honda Limited (AHL)

AHL was incorporated as a public limited company on October 16, 1962 under the Companies Act, 1913 (now Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The registered office is located at 1- McLeod Road, Lahore. AHL is principally engaged in progressive manufacturing and marketing of motorcycles and spare parts. The manufacturing and assembling facilities of AHL are located at Karachi and Sheikhupura, with business units located in Hyderabad, Multan, Lahore, Faisalabad and Islamabad.

1.14 Atlas World Wide General Trading LLC (AWWGT)

AWWGT is a limited liability company registered in the Emirate of Dubai under Federal Law No. 2 of 2015 on commercial companies as amended. It is owned jointly by U.A.E national and SIL. AWWGT is principally engaged in general trading activities. The Company was established on February 25, 2007. The registered office is office 3105-42, 30th Floor, Single business tower, Business bay, Dubai, United Arab Emirates.

1.15 Atlas Hitec (Private) Limited (AHPL)

AHPL was incorporated in Pakistan as a private limited company on September 13, 2012 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The principal activity of AHPL is to manufacture and sale automotive parts and allied products. The registered office of AHPL is situated at 2nd Floor, Federation House, Sharae Firdousi, Clifton Karachi, Pakistan. The geographical location and address of the factory of AHPL is 15th Mile, National Highway, Landhi, Karachi.

AHPL was formed in accordance with a joint venture agreement concluded among Atlas Autos (Private) Limited, Atlas Honda Limited and Denso Corporation (the Joint Ventures) with a shareholding of 45 percent, 29 percent and 26 percent, respectively. Denso Corporation was incorporated in Japan with registered office situated at 1-1, Showa-Cho, Kariya-shi, Aichi-ken 448-8661, Japan.

1.16 Atlas Solar Limited (ASL)

Atlas Solar Limited (formerly Zhenfa Pakistan New Energy Company Limited) "ASL" was incorporated in Pakistan on September 04, 2014 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) with object to construct, operate and own a 100MW solar power plant for generation and supply of electricity.

ASL has started its commercial operations with effect from 14 April 2022. The registered office of the company is situated at 64/XX, Khayaban-e-Iqbal DHA Phase 3, Lahore, Punjab. Production facility of the Company has been constructed at Rakh Chaubara, District Layyah, Punjab, Pakistan. SIL and APL holds 20% and 80% shareholding of ASL.

1.17 Atlas DID (Private) Limited (ADIDPL)

ADIDPL is a private limited company incorporated in Pakistan on July 22, 2019, under the Companies Act, 2017. The registered office is situated at 2nd Floor, Federation House, Sharae Firdousi, Clifton, Karachi. ADIDPL is engaged in the manufacturing, processing and trading of automotive parts, components, accessories and tools. The manufacturing facility of the ADIDPL is situated at Karachi. AAPL holds 60% shareholding of ADIDPL.

1.18 Atlas GCI (Private) Limited (AGCIPL)

AGCIPL was incorporated as a private limited company in Pakistan on August 06, 2019 under the Companies Act, 2017. The registered office is situated at 2nd floor, Federation House, Sharae Firdousi, Clifton, Karachi. AGCIPL is engaged in manufacturing of circuit assemblies for electric components of two wheeler vehicles. AAPL and AHPL holds 20% and 40% shareholding of AGCIPL.

1.19 Atlas Real Estate (Private) Limited (AREL)

Atlas Real Estate (Private) Limited (AREL) was incorporated in Pakistan as a private limited company on April 11, 2025 under the Companies Act, 2017 (the Act). AREL is engaged in the marketing and development of all type of real estate including developed or underdeveloped land, housing or commercial projects including commercial markets or multistorey building (for commercial and residential purposes), shopping centers, restaurants, hotels, recreational facilities etc. The registered office of the Company is situated at 2nd Floor, Federation House, Shara-e-Firdousi, Clifton, Karachi.

2 STATEMENT OF COMPLIANCE

These 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:

- International Financial Reporting Standards (IFRSs), issued by International Accounting Standard Board (IASB) as notified under Companies Act, 2017 (the Act);

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as 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 provisions of and directives issued under the Act have been followed.

3 BASIS OF CONSOLIDATION

These consolidated financial statements have been prepared from the information available in the audited financial statements of the Holding Company and the audited financial statements of the subsidiaries. Subsidiary companies are consolidated from the date on which more than 50% of voting rights are transferred to the Group or power to control the company is established and are excluded from consolidation from the date of disposal or when the control is lost.

The assets, liabilities, income and expenses of subsidiary companies have been consolidated on a line by line basis. Material intra-group balances and transactions have been eliminated.

IFRS 10 "Consolidated Financial Statements" was made applicable from periods beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by Securities and Exchange Commission of Pakistan (SECP). However, vide S.R.O 56(I) /2016 dated January 28, 2016, SECP has directed that the requirements of consolidation under section 237 of the Companies Ordinance, 1984 (now Companies Act, 2017) and IFRS-10 "Consolidated Financial Statements" is not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the requirements of this standard have not been considered in the preparation of these consolidated financial statements.

4 MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Property, plant and equipment

4.1.1 Operating fixed assets - owned

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for leasehold land which is stated at revalued amount. The leasehold land is held by AEL, ABL and APL (subsidiary companies) which carry leasehold land at revalued amount. Cost comprises acquisition and other directly attributable costs. Depreciation is charged to profit and loss account applying the reducing balance / straight line method whereby the cost of an asset is written-off over its estimated useful life at the rates specified in note 7.1 to the financial statements. In respect of additions depreciation is charged from the month in which asset is available for use and on disposal up to the month immediately preceding the deletion.

Leasehold land are revalued by professionally qualified valuers with sufficient regularity to ensure that their net carrying value does not differ materially from their fair value. A surplus arising on revaluation is credited to the surplus on revaluation of fixed assets account. Any deficit arising on subsequent revaluation of fixed assets is adjusted against the balance in the above-mentioned surplus account.

The carrying amounts are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and where carrying value exceeds estimated recoverable amount, assets are written down to their estimated recoverable amount.

The asset's residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end.

An item of fixed assets 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 profit and loss account in the year the asset is derecognised.

Maintenance and normal repairs are charged to profit and loss account as and when incurred. Major renewals and improvements are capitalized only when it increases the future economic benefit embodied in the item of property, plant and equipment.

Gains and losses on disposal of fixed assets, if any, are taken to profit and loss account.

4.1.2 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses, if any. It includes advances to suppliers for purchase of assets and expenditure incurred in respect of fixed assets in the course of their construction and installation. Transfers are made to relevant fixed assets categories as and when assets are available for use.

4.1.3 Right-of-use assets

The Group recognises a 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 lease term.

4.1.4 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised at the rates specified in note 8 to the financial statements. The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

4.2 Impairment of non-financial assets

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use.

4.3 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.3.1 Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances, loans and advances to employees / counter parties and due to counterparties, are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

Classification

In accordance with IFRS 9, the Group classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

Financial assets

The Group classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets.
- The contractual cash flow characteristics of the financial asset.

4.3.2 Financial assets measured at fair value through other comprehensive income (FVOCI)

a) Debt instruments at FVOCI

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss. On de-recognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment under expected credit loss model. The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon de-recognition of the assets.

b) Equity instruments at FVOCI

Upon initial recognition, the Group elects to classify irrevocably its equity investments as equity instruments at FVOCI when they meet the definition of equity instruments under IAS 32 Financial Instruments: Presentation and are not held for trading. The Group's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. Such classification is determined on an instrument by instrument basis.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

4.3.3 Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortized cost are subject to impairment under expected credit loss model.

4.3.4 Financial assets measured at fair value through profit or loss

A financial asset is measured at fair value through profit or loss if:

(a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding;

(b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or

(c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different basis.

4.3.5 Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss, if any.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where 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 the Group has:

(a) Transferred substantially all of the risks and rewards of the asset; or

(b) 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 right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. 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. The Group derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Impairment of financial assets

The adoption of IFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL. 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 Group considers a financial asset in default when contractual payments are past due ranging from 210 days to 300 days depending upon customer segment. 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. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The Group has applied the standard's simplified approach and calculated 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 assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The expected credit losses are recognised in the statement of profit or loss.

Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position of the Group has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.4 Derivatives

These are measured at fair value. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the balance sheet. The resultant gains and losses are included in the profit and loss account.

4.5 Securities under repurchase / reverse repurchase agreements

Transactions of repurchase / reverse repurchase of marketable securities are entered into at contracted rates for specified periods of time and are accounted for as follows:

4.6 Financial instruments

All financial assets and financial liabilities are recognised at the time when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income currently.

The Group's principal financial assets are investments, loans and advances, deposits, cash and bank balances and other receivables.

4.7 Stores, spare parts and loose tools

Stores, spare parts and loose tools are valued at lower of cost and net realisable value. Cost is determined on an average basis except for goods in transit which are valued at invoice price plus other related charges paid thereon upto the balance sheet date. Provision is made for slow moving and obsolete items, if any, to write them down to their estimated net realizable value.

4.8 Stock-in-trade

Stock-in-trade, except items-in-transit, is valued at the lower of average purchase cost and net realisable value. Stock-in-transit is stated at invoice value plus other charges paid thereon to the balance sheet date.

Work-in-process and finished goods consist of direct materials and labour and a proportion of manufacturing overheads.

Net realisable value signifies the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

4.9 Trade debts

Trade debts originated by the Group are recognised and carried at original invoice amount less provision for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off when identified.

4.10 Loans and advances

These are stated at cost, which is the fair value of consideration given, less provision for doubtful receivables.

4.11 Employee Benefits

4.11.1 Employee compensated absences

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date using their current salary levels. However, in respect of employees of the Holding Company, accrual for compensated absences is made in accordance with the independent actuarial valuation.

4.11.2 Post employment benefits

Retirement benefits are payable to staff on completion of prescribed qualifying period of service. The main features of the schemes operated by the Group for its employees are as follows:

(i) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than the defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in current and prior periods; that benefit is discounted to determine its present value. The calculation is performed annually by a qualified actuary using the Projected Unit Credit method.

(a) Gratuity plan

Funded

There are approved funded defined benefit gratuity schemes for all permanent employees of the Holding Company, AAML, AEL, STC, APL, AAPL, AML, AIL, ABL, AHL and AHPL subject to attainment of service of prescribed minimum period. The contributions to the scheme are made in accordance with the independent actuarial valuation.

Unfunded

ABL, AHL and AEL operates an approved unfunded gratuity scheme for its non-management staff. The contributions to the scheme are made in in accordance with the independent actuarial valuation.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in consolidated statement of profit or loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

The Holding Company, AAML, AEL, STC, APL, AIL, ABL, AHL, AHPL, ADIDPL and AGCIPL operate a recognised / approved contributory provident fund for its permanent employees, who have completed the minimum qualifying period of service. Equal monthly contributions at the rate of 11.00% per annum of basic salaries plus dearness allowance and cost of living allowance are made by the Holding Company and the employees to the fund.

4.11.3 Long service award

The Holding Company, ABL, AHL and APL in the Group make provision for long service award, to which employees are entitled after the completion of each 5 years of their service, with a minimum of 15 years of service.

4.12 Borrowing costs

Borrowing cost incurred to the extent that is directly attributable to the acquisition, construction or production of the qualifying assets are capitalised and included in respective assets. All other borrowing costs are recognised as an expense in the period in which they are incurred.

4.13 Ijarah rentals

Ijarah payments under an Ijarah arrangement are recognised as an expense in the profit and loss account on a straight line basis over the Ijarah term unless another systematic basis is representative of the time pattern of the user's benefit.

4.14 Trade and other payables

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

4.15 Provisions

Provisions are recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligations can be made.

4.16 Warranty

The Group recognises the estimated liability to repair or replace products still under warranty at the reporting date. Provision for warranty is calculated based on past experience / history of the level of repairs and replacements.

4.17 Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. As the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

4.18 Lease liabilities

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.

Group as a lessee

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

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 any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, 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 (unless they are incurred to produce inventories) 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.

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Determining the lease term of contracts with renewal 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.

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.

4.19 Taxation

Current

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account applicable tax credits, rebates and exemptions available, if any in accordance with the Income Tax Ordinance, 2001. Profit and gains derived by APL from the power generation project are exempt from the tax under clause 132 of part I of the second schedule to the Income Tax Ordinance, 2001.

Levy

In accordance with Income Tax Ordinance, 2001 (Ordinance), computation of final taxes is not based on taxable income and as per revised guidance, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements. Further, the Group designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax is then recognised as a levy falling under the scope of IFRIC 21/IAS 37.

Deferred

Deferred tax is calculated using the liability method on all temporary differences at the balance sheet date between the tax base of the assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that the deductible temporary differences will reverse in the future and sufficient taxable profits will be available against which the deductible temporary differences and unused tax losses can be utilised.

The carrying amount of all deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or subsequently enacted at the balance sheet date.

4.20 Revenue recognition

- Capital gains or losses on sale of investments are recognised in the period in which they arise.
- Dividend income from investments is recognised when the Group's right to receive dividend has been established.
- Interest / return on Term Finance Certificates, loans and advances and bank deposits are recognised on accrual basis.
- Gains or losses on sale of investment properties and fixed assets are recognised in the period in which they are derecognised / disposed.
- Rental and commission income is recognised on accrual basis.
- Income from reverse repurchase transactions is recognised on a time proportion basis.
- Remuneration for asset management, investment advisory, and pension fund management services is calculated on Net Assets Value basis and is recognised on an accrual basis.
- Commission income from funds under management is recognised at the time of the sale of units.
- According to IFRS 15, revenue is recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.
- The Group receives revenue for supply of goods to external customers. The majority of contracts that the Group enters into relate to sales orders containing single performance obligations for the delivery of the goods. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

- Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer. The point at which control passes is determined by each customer arrangement, but generally occurs on delivery of goods to the customer. The normal credit term is 30 to 45 days upon delivery. Revenue represents net invoice value including fixed and variable consideration wherever applicable. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.
- The methodology and assumptions used to estimate rebates and returns wherever applicable are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly.
- If the time between the recognition of revenue and payment from the customer is expected to be more than one year and the impact is material, the amount of consideration is discounted using appropriate discount rates wherever necessary.

4.21 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amount and the Group intends to either settle on a net basis or to realise the asset and settle the liability simultaneously.

4.22 Foreign currency transactions

These financial statements are presented in Pak Rupee, which is the Group's functional and presentation currency. Foreign currency transactions during the year are recorded at the exchange rates approximating those ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Gains and losses on translation are taken to profit and loss account. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

4.23 Goodwill

Goodwill represents the difference between the cost of acquisition and the fair value of the Group's share of net identifiable assets of the acquired entity at the date of acquisition. Any excess of net assets over cost of acquisition is credited to profit and loss account in the period in which the acquisition is made. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The impairment loss, if any, resulting from such review is charged to the profit and loss account.

4.24 Dividend and appropriation to reserves

Dividend and appropriation to reserves are recognised in the financial statements in the period in which these are approved by the shareholders.

4.25 Transactions with related parties

Transactions with related parties are entered in the normal course of business, or at contracted rates and terms determined in accordance with market rates.

4.26 Earnings per share

The Group presents basic and diluted earnings / loss per share for its shareholders. Basic earnings / loss per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

4.27 Cash and cash equivalents

Cash and cash equivalents are carried in balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand, cheques / pay orders and bank balances.

5 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and 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 result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

Judgments made by management in the application of accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment are as follows:

(a) Determining the residual values and useful lives of property, plant and equipment and intangible assets [note 4.1, 7.1 & 8];

(b) Lease term and discount rate for calculation of lease liabilities [note 4.18];

(c) Impairment of non-financial assets [note 4.2];

(d) Classification and valuation of investments [note 4.3];

(e) Provision for slow moving stock-in-trade and adjustment of stock-in-trade to their net realisable value [note 4.7 & 4.8];

(f) Accounting for staff retirement benefits [note 4.11];

(g) Estimate of provisions and warranty [note 4.16];

(h) Estimation of current and deferred taxation [note 4.19].

6 NEW AND AMENDED STANDARDS AND INTREPRETATIONS

6.1 Standards, amendments to approved accounting standards effective in current year

New and amended standards and interpretations mandatory for the first time for the financial year beginning July 1, 2024:

(a) IFRS 16: Sale and leaseback transaction — Effective date: January 1, 2024

Amendments impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction. After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered.

(b) IAS 1: Classification of liabilities as current and non-current — Effective date: January 1, 2024

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of this amendments, the requirement for a right to be unconditional has been removed and instead, the amendments requires that a right to defer settlement must have substance and exist at the end of the reporting period. This right may be subject to a Group complying with conditions (covenants) specified in a loan arrangement. At October 31, 2022, after reconsidering certain aspects of the amendments, the IASB reconfirmed that only covenants with which a Group must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the Group must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

The other new standards, amendments to approved accounting standards and interpretations that are mandatory for the financial year beginning on July 1, 2024 are considered not to be relevant or to have any significant effect on the Group's financial reporting and operations.

6.2 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Group

The following new standards and amendments to approved accounting standards are not effective for the financial year beginning on July 1, 2024 and have not been early adopted by the Group:

(a) IAS 21: Lack of exchangeability **Effective date: January 1, 2025**

Amendments to IAS 21 'The effects of Changes in Foreign Exchange Rates' address situations where a currency may lack exchangeability, often due to government-imposed controls. In such cases, companies must estimate a spot exchange rate reflecting orderly transactions at the measurement date. The amendments provide flexibility, allowing the use of observable rates without adjustment or other estimation techniques, provided they meet the estimation objective. The assessment considers factors like the availability of multiple rates, purpose, nature, and update frequency. The amendments requires new disclosures, including the nature and financial impact of non-exchangeability, the spot exchange rate used, the estimation process, and associated risks.

(b) IFRS 7: Classification and Measurement of IFRS 9: Financial Instruments **Effective date: January 1, 2026**

Amendment to IFRS 7 'Financial Instruments: Disclosures' and IFRS 9 'Financial Instruments' – Classification and Measurement of Financial Instruments clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG targets); and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

(c) IFRS 18: Presentation and Disclosure in Financial Statements **Effective date: January 1, 2027**

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management-defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures. There are number of other standards, amendments and interpretations to the approved accounting standards that are not yet effective and are also not relevant to the Group and therefore, have not been presented here.

7 PROPERTY, PLANT AND EQUIPMENT

	Note	2025	2024
		------ Rupees in '000 ------	
Operating fixed assets	7.1	**43,196,584**	52,123,596
Capital work-in-progress	7.3	**677,722**	288,035
Right of use assets	7.4	**1,206,030**	1,569,706
		45,080,336	53,981,337

7.1 Operating fixed Assets

	Freehold land	Leasehold land	Buildings on freehold land	Buildings on leasehold land	im
At July 1, 2023					
Cost / revaluation	2,510,753	7,561,644	5,241,079	2,989,062	
Accumulated depreciation	-	357,533	2,551,072	1,111,246	
Net book value	**2,510,753**	**7,204,111**	**2,690,007**	**1,877,816**	
Year ended June 30, 2024					
Opening net book value	2,510,753	7,204,111	2,690,007	1,877,816	
Additions / revaluation	-	268,247	58	145,276	
Disposals					
- cost	-	-	17,087	-	
- accumulated depreciation	-	-	15,108	-	
	-	-	1,979	-	
Depreciation charge	-	41,067	226,878	195,749	
Closing net book value	**2,510,753**	**7,431,291**	**2,461,208**	**1,827,343**	
At June 30, 2024					
Cost / revaluation	2,510,753	7,829,891	5,224,050	3,134,338	
Accumulated depreciation	-	398,600	2,762,842	1,306,995	
Net book value	**2,510,753**	**7,431,291**	**2,461,208**	**1,827,343**	
Year ended June 30, 2025					
Opening net book value	2,510,753	7,431,291	2,461,208	1,827,343	
Additions	-	-	54,759	171,067	
Disposals					
- cost	-	912,606	1,740	349,463	
- accumulated depreciation	-	270,611	501	173,274	
	-	641,995	1,239	176,189	
Written off					
- cost	-	922	-	10,733	
- accumulated depreciation	-	347	-	9,797	
	-	575	-	936	
Assets classified as held for sale					
- cost	-	24,667	2,616,862	362,764	
- accumulated depreciation	-	15,105	1,535,704	76,099	
	-	9,562	1,081,158	286,665	
Depreciation charge	-	36,263	215,265	185,372	
Closing net book value	**2,510,753**	**6,742,896**	**1,218,305**	**1,349,248**	
At June 30, 2025					
Cost / revaluation	2,510,753	6,891,696	2,660,207	2,582,445	
Accumulated depreciation	-	148,800	1,441,902	1,233,197	
Net book value	**2,510,753**	**6,742,896**	**1,218,305**	**1,349,248**	
Depreciation rate (per annum)	**0%**	**0 - 5%**	**4 - 5%**	**5-10%**	

7.2 Details of operating fixed assets disposed-off during the year

Particular of assets	Cost	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of buyers
	---------- Rupees in '000 ----------						
Assets having net book value exceeding Rs.500,000 each							
Plant and machinery							
	4,681	(2,679)	2,002	1,971	(31)	Negotiation	M/s. Malik Traders, S.I.T.E. Karachi.
	3,151	(1,938)	1,213	1,194	(19)		
	1,760	(1,078)	682	81	(601)		
	1,416	(827)	589	70	(519)		
	1,372	(780)	592	45	(547)		
	3,150	(2,319)	831	2,345	1,514	Negotiation	Mr. Sher Khan, S.I.T.E. Karachi.
	1,220	(297)	923	24	(899)	Scrap	Munsha & Sons, 27KM Sheikhupura Road, Roshan Canal Garden, Near Khanpur Canal, Lahore
	5,594	(4,924)	670	112	(558)		
	5,011	(4,270)	741	101	(640)		
	3,596	(3,049)	547	72	(475)		
	3,498	(2,966)	532	70	(462)		
	3,568	(3,026)	542	72	(470)		
	3,637	(3,085)	552	73	(479)		
	3,730	(3,163)	567	75	(492)		
	3,637	(3,084)	553	73	(480)		
	4,156	(3,525)	631	83	(548)		
	2,390	(643)	1,747	48	(1,699)		
	1,350	(680)	670	66	(604)	Scrap	Dawood Hussain Contractor, A7/53, S74, C-104 Ghosia Masjid Road, Aagrah Taj Karachi.
	6,387	(1,381)	5,006	369	(4,637)	Scrap	Azeem Traders, Plot No.A2, Gulshan-e-Askari, Quaidabad, Landhi, Karachi.
	63,304	(43,714)	19,590	6,944	(12,646)		
Furniture and fixtures							
	709	(158)	551	809	258	Negotiation	M/s. Star Enterprises, S.I.T.E. Karachi.
	709	(158)	551	809	258		
Electric and Gas fittings							
	2,531	(1,548)	983	51	(932)	Scrap	Munsha & Sons, 27KM Sheikhupura Road, Roshan Canal Garden, Near Khanpur Canal, Lahore
	2,531	(1,548)	983	51	(932)		
Office equipments							
	1,027	(76)	951	951	-		Transfer to stock
	1,027	(76)	951	951	-		
Dies and jigs							
	8,870	(7,022)	1,848	63	(1,785)	Negotiation	D-Tech Waste Solutions, Plot # 3, Sector 10L,Orangi Town, Karachi
	2,472	(824)	1,648	18	(1,630)		
	2,353	(1,176)	1,177	17	(1,160)		
	2,248	(1,124)	1,124	16	(1,108)		
	2,035	(1,018)	1,017	14	(1,003)		
	3,393	(2,403)	990	24	(966)		
	1,925	(963)	962	14	(948)		
	1,738	(869)	869	12	(857)		
	1,646	(823)	823	12	(811)		
	1,604	(802)	802	11	(791)		
	1,070	(535)	535	7	(528)		

Particular of assets	Cost	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of buyers
	---------- Rupees in '000 ----------						
Dies and Jigs							
	20,707	(9,059)	11,648	947	(10,701)		
	5,727	(2,744)	2,983	242	(2,741)		
	5,727	(2,744)	2,983	242	(2,741)		
	29,652	(27,798)	1,854	151	(1,703)		
	29,652	(27,798)	1,854	151	(1,703)		
	4,519	(2,824)	1,695	138	(1,557)		
	4,519	(2,824)	1,695	138	(1,557)		
	4,466	(2,791)	1,675	136	(1,539)		
	4,466	(2,791)	1,675	136	(1,539)		
	2,736	(1,187)	1,549	154	(1,395)	Scrap	Munsha & Sons, 27KM Sheikhupura Road, Roshan Canal Garden, Near Khanpur Canal, Lahore
	2,736	(1,187)	1,549	154	(1,395)		
	4,066	(2,541)	1,525	124	(1,401)		
	4,066	(2,541)	1,525	124	(1,401)		
	4,031	(2,519)	1,512	123	(1,389)		
	4,031	(2,519)	1,512	123	(1,389)		
	3,746	(2,731)	1,015	82	(933)		
	3,746	(2,731)	1,015	82	(933)		
	3,696	(2,849)	847	69	(778)		
	3,696	(2,849)	847	69	(778)		
	1,717	(966)	751	61	(690)		
	3,222	(2,458)	764	203	(561)		
	3,222	(2,601)	621	203	(418)	Scrap	Peoples Steel Mills Ltd, Manghopir Rd, near Naya Nazimabad, Javedan Nagar, Karachi
	9,333	(6,028)	3,305	589	(2,716)		
	192,833	(134,639)	58,194	4,649	(53,545)		
Vehicles							
	1,501	(455)	1,046	4,136	3,090	Negotiation	Mr. Usman Shahid, H # B-6, Sector 11-B, North Karachi
	2,612	(261)	2,351	2,582	231	Auction	Amin Motors, Shop # 1296, Near New Town Police Station, Karachi.
							Employees of the Group
	3,382	(2,066)	1,316	1,316	-	Company Policy	Mr. Sami Ahmed
	3,024	(994)	2,030	2,030	-	Company Policy	Mr. Irfan Ahmed Khatri
	3,024	(994)	2,030	2,030	-	Company Policy	Mr. Iftikhar Hasan Faridy
	2,563	(1,545)	1,018	1,018	-	Company Policy	Mr. Furqan Rasheed
	1,976	(624)	1,352	1,352	-	Company Policy	Mr. Muhammad Shahid
	1,398	(833)	565	565	-	Company Policy	Mr. Syed Faraz Haider Rizvi
	1,398	(854)	544	544	-	Company Policy	Mr. Shehzaib Ghalib
	1,395	(702)	693	693	-	Company Policy	Mr. Ammar Bin Khizer
	1,335	(619)	716	716	-	Company Policy	Mr. Yasir Taufiq
	2,330	(932)	1,398	1,398	-	Company Policy	Mr. Farrukh Rahim Abbasi
	1,675	(650)	1,025	968	(57)	Company Policy	Mr. Ehtisham Javed
	3,241	(1,337)	1,904	1,904	-	Company Policy	Mr. Arman Khan
	2,330	(864)	1,466	1,466	-	Company Policy	Mr. Muhammad Shahbaz

Particular of assets	Cost	Accumu-lated deprec-iation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of buyers
	------------	Rupees in '000	------------				
Vehicles							
	1,800	(1,040)	760	760	-	Company Policy	Mr. Tanveer Ahmed Siddiqui
	3,579	(1,633)	1,946	1,946	-	Company Policy	Mr. Khawar Saeed
	1,117	(297)	820	820	-	Company Policy	Mr. Imran Siddique
	3,889	(872)	3,017	3,017	-	Company Policy	Mr. Sadaf Ashraf
	5,709	(1,371)	4,338	4,338	-	Company Policy	Mr. Waqas Asghar
	658	(158)	500	500	-	Company Policy	Mr. Kalim Abbasi
	4,916	(968)	3,948	3,948	-	Company Policy	Mr. Riaz Ahmad
	3,464	(2,163)	1,301	1,301	-	Company Policy	Mr. Amjad Mehmood
	2,316	(77)	2,239	2,239	-	Company Policy	Mr. Umair Jahangir
	1,730	(1,292)	438	3,200	2,762	Company Policy	Mr. Ayyaz Sheikh
	4,930	(1,504)	3,426	3,426	-	Company Policy	Mr. Tariq Ahmed Siddiqui
	1,796	(1,041)	755	755	-	Company Policy	Mr. Shaikh Owais Ahmed
	2,834	(1,003)	1,831	1,831	-	Company Policy	Mr. Qaiser Tanvir
	3,380	(2,056)	1,324	1,324	-	Company Policy	Mr. Fawad Javed
	3,380	(2,056)	1,324	1,324	-	Company Policy	Mr. Faran ul Haq
	4,815	(987)	3,828	3,828	-	Company Policy	Mr. Hamza Abdul Rehman
	4,084	(1,134)	2,950	2,950	-	Company Policy	Mr. Misbah
	3,380	(2,130)	1,250	1,250	-	Company Policy	Mr. Muhammad Umar Khan
	2,612	(834)	1,778	1,778	-	Company Policy	Mr. Faizan ur Rehman Sharif
	2,612	(689)	1,923	1,923	-	Company Policy	Ms. Shivani Wasu
	3,879	(1,234)	2,645	2,645	-	Company Policy	Mr. Malik Asjad Ali
	1,374	(664)	710	710	-	Company Policy	Mr. Aaqib Iqbal Satti
	1,374	(664)	710	710	-	Company Policy	Mr. Junaid Iqbal
	1,703	(823)	880	880	-	Company Policy	Mr. Rais Ahmed Khan
	2,033	(642)	1,391	1,391	-	Company Policy	Mr. Hassan Arshad
	2,479	(1,746)	733	733	-	Company Policy	Mr. Chaudry Mohsin Sarwar
	3,388	(113)	3,275	3,275	-	Company Policy	Mr. Ahmad Nisar Zaman
	3,412	(1,125)	2,287	2,287	-	Company Policy	Mr. Mohammad Faheem
	3,024	(804)	2,220	2,220	-	Company Policy	Mr. Zia ul Qadir
	2,754	(698)	2,056	2,056	-	Company Policy	Mr. Abdullah Zaheer
	3,024	(1,147)	1,877	1,877	-	Company Policy	Mr. Shabbir Qutbuddin
	3,944	(2,090)	1,854	1,854	-	Company Policy	Mr. Zia ul Hassan Khan
	2,330	(772)	1,558	1,558	-	Company Policy	Mr. Syed Anas Ahmed
	2,372	(930)	1,442	1,442	-	Company Policy	Mr. Yasir Kalim
	2,656	(1,305)	1,351	1,351	-	Company Policy	Mr. Zia ullah Baig
	3,267	(2,081)	1,186	1,186	-	Company Policy	Mr. Saad Uddin Khan
	2,592	(1,459)	1,133	1,133	-	Company Policy	Mr. Syed Azfar Hussain Hashmi
	1,730	(768)	962	962	-	Company Policy	Mr. Shafeeq Ahmed
	1,730	(786)	944	944	-	Company Policy	Mr. Syed Musharaf Ali
	2,584	(1,699)	885	885	-	Company Policy	Mr. Kashif Aqil
	2,467	(1,606)	861	861	-	Company Policy	Mr. Kashif Ashfaq
	2,467	(1,606)	861	861	-	Company Policy	Mr. Wasim Ahmed Usmani
	1,780	(944)	836	836	-	Company Policy	Mr. Ahsan Naveed

Particular of assets	Cost	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of buyers
	---------- Rupees in '000 ----------						
Vehicles							
	2,467	(1,635)	832	832	-	Company Policy	Mr. Naqi Shaukat
	2,467	(1,635)	832	832	-	Company Policy	Mr. Hafiz Muhammad Usman Malik
	2,138	(1,306)	832	832	-	Company Policy	Mr. Akhlaq Ahmad
	2,507	(1,676)	831	831	-	Company Policy	Mr. Rana Bilal Asghar
	2,467	(1,649)	818	818	-	Company Policy	Mr. Muhammad Nabeel Hassan
	2,467	(1,649)	818	818	-	Company Policy	Mr. Sajjad Ali
	2,507	(1,691)	816	816	-	Company Policy	Mr. Suhail Arif Hussain
	2,584	(1,774)	810	810	-	Company Policy	Mr. Nawaid Ali Khan
	1,780	(973)	807	807	-	Company Policy	Mr. Mubeen Anwar
	1,780	(973)	807	807	-	Company Policy	Mr. Qaim Deen
	1,780	(973)	807	807	-	Company Policy	Mr. Faisal Yasin
	1,780	(973)	807	807	-	Company Policy	Mr. Muhammad Hassan Waseem
	1,780	(973)	807	807	-	Company Policy	Mr. Waqas Ajmal
	2,467	(1,664)	803	803	-	Company Policy	Mr. Muhammad Faisal Naveed
	2,507	(1,706)	801	801	-	Company Policy	Mr. Ebrahim Abbas Atcha
	2,467	(1,678)	789	789	-	Company Policy	Mr. Syed Muhammad Salman Rizvi
	2,467	(1,678)	789	789	-	Company Policy	Mr. Qareebullah
	2,467	(1,678)	789	789	-	Company Policy	Mr. Muhammad Sarfraz Majid
	2,467	(1,678)	789	789	-	Company Policy	Mr. Muhammad Pervaiz
	1,395	(660)	735	735	-	Company Policy	Mr. Ali Asghar
	1,395	(660)	735	735	-	Company Policy	Mr. Ameen Ur Rasheed
	1,433	(759)	674	674	-	Company Policy	Ms. Kawish
	1,433	(794)	639	639	-	Company Policy	Mr. Muhammad Ramis Khan
	1,398	(809)	589	589	-	Company Policy	Mr. Sajid Ali
	1,398	(809)	589	589	-	Company Policy	Mr. Zahid Hussain
	1,118	(551)	567	567	-	Company Policy	Mr. Syed Danish Kazmi
	1,483	(965)	518	518	-	Company Policy	Mr. Ourhan Aziz
	1,483	(965)	518	518	-	Company Policy	Mr. Ghulam Murtaza
	1,483	(965)	518	518	-	Company Policy	Mr. Ahsan Abbas
	1,483	(965)	518	518	-	Company Policy	Mr. Muhammad Hasnain Sheikh
	1,483	(965)	518	518	-	Company Policy	Mr. Sumair Ahmad
	3,744	(125)	3,619	3,619	-	Company Policy	Mr. Ali Muhammad
	2,383	(817)	1,566	1,566	-	Company Policy	Mr. Sohaib Aqeel
	1,780	(824)	956	956	-	Company Policy	Mr. Muhammad Khan
	1,670	(756)	914	914	-	Company Policy	Mr. Ayaz Ashraf
	1,406	(830)	576	576	-	Company Policy	Mr. Sikander Iqbal
	829	(55)	774	774	-	Company Policy	Mr. Muhammad Raheel Asghar
	3,357	(1,526)	1,831	1,831	-	Company Policy	Mr. Shoaib Saleem
	5,949	(1,815)	4,134	4,134	-	Company Policy	Mr. Tahir Naseem
	5,497	(2,095)	3,402	3,402	-	Company Policy	Mr. Adeel Safdar
	3,009	-	3,009	3,009	-	Company Policy	Mr. Aleem Shaikh
	2,612	(544)	2,068	2,068	-	Company Policy	Ms. Afia Saeed
	3,267	(1,204)	2,063	2,063	-	Company Policy	Mr. Murtaza Uddin Qureshi
	2,027	-	2,027	2,027	-	Company Policy	Ms. Yasmin Sultan
	3,158	(1,204)	1,954	1,954	-	Company Policy	Mr. Abdullah Irfan
	1,816	-	1,816	1,816	-	Company Policy	Mr. Asif Riaz

Particular of assets	Cost	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of buyers
	------------	Rupees in '000	------------				
Vehicles							
	3,270	(2,084)	1,186	1,186	-	Company Policy	Mr. Zeeshan Haris
	2,263	(1,124)	1,139	1,139	-	Company Policy	Mr. Sajid Saleem
	1,730	(838)	892	892	-	Company Policy	Mr. Sajjad Tariq
	1,434	(547)	887	887	-	Company Policy	Mr. Farhan Khurshid
	2,467	(1,655)	812	812	-	Company Policy	Mr. Imran Khan
	2,467	(1,655)	812	812	-	Company Policy	Mr. Sarwar Naseem
	1,745	(1,025)	720	720	-	Company Policy	Mr. Mubashir Fareed
	769	(75)	694	694	-	Company Policy	Mr. Abdul Rehman
	1,335	(645)	690	690	-	Company Policy	Mr. Shoaib Sharif
	1,335	(645)	690	690	-	Company Policy	Ms. Sana Gul
	1,395	(716)	679	679	-	Company Policy	Mr. Hassan Mansoor
	1,113	(436)	677	677	-	Company Policy	Mr. Syed Faizan Ali
	1,335	(672)	663	663	-	Company Policy	Mr. Muhammad Zohaib Arain
	1,433	(806)	627	627	-	Company Policy	Mr. Adil Iqbal
	1,433	(806)	627	627	-	Company Policy	Mr. Abdul Moiz Tahir
	1,406	(812)	594	594	-	Company Policy	Mr. Asif Ameer
	1,745	(1,171)	574	574	-	Company Policy	Mr. Faizan Ur Rub
	1,398	(831)	567	567	-	Company Policy	Mr. Waseem Shafi
	1,398	(843)	555	555	-	Company Policy	Mr. Omer Akram
	1,051	(423)	628	628	-	Company Policy	Mr. Hasnain Farooq
	1,842	(335)	1,507	1,507	-	Company Policy	Mr. Sohail Hyder Ali
	2,787	(1,310)	1,477	1,477	-	Company Policy	Mr. Kamran Ansari
	1,546	(26)	1,520	1,520	-	Company Policy	Mr. Muhammad Waseem
	1,760	(1,061)	699	699	-	Company Policy	Mr. Samiullah Sheikh
	1,406	(828)	578	578	-	Company Policy	Mr. Muhammad Temur
	1,745	(1,183)	562	562	-	Company Policy	Mr. Zubair Farooq
							Ex-employees of the Group
	10,320	(1,840)	8,480	8,480	-	Company Policy	Mr. Mujahid Ul Mulk
	6,653	(3,034)	3,619	3,619	-	Company Policy	Mr. Noman Khan
	6,448	(3,097)	3,351	3,351	-	Company Policy	Mr. Sadaqat Ali Khan
	6,103	(3,041)	3,062	3,062	-	Company Policy	Mr. Sadaqat Ali Khan
	1,718	(29)	1,689	1,689	-	Company Policy	Mr. Shakeel Ahmed Qureshi
	1,382	(349)	1,033	1,033	-	Company Policy	Mr. Talha Ahsan Siddiqui
	1,976	(606)	1,370	1,370	-	Company Policy	Mr. Shoaib Advani
	1,335	(609)	726	726	-	Company Policy	Mr. Syed Ahmed Talha
	4,915	(1,364)	3,551	3,551	-	Company Policy	Ms. Mudassara Hasan
	4,084	(804)	3,280	3,280	-	Company Policy	Mr. Naveed Zaman
	4,084	(1,082)	3,002	3,002	-	Company Policy	Ms. Ayesha Iqbal
	3,459	(1,924)	1,535	1,535	-	Company Policy	Mr. Muhammad Saqib Khan
	2,612	(763)	1,849	1,849	-	Company Policy	Mr. Muhammad Makki Sajid
	2,498	(1,671)	827	827	-	Company Policy	Mr. Muhammad Arif
	1,745	(1,050)	695	695	-	Company Policy	Mr. Arif Mehmood
	1,655	(813)	842	842	-	Company Policy	Mr. Faraz Ahmed Khan
	1,335	(681)	654	654	-	Company Policy	Mr. Syed Numair Ali
	1,546	(433)	1,113	1,113	-	Company Policy	Mr. Ahsan Mehfooz

Particular of assets	Cost	Accumu-lated deprec-iation	Net book value	Sale proceeds	(Loss) / gain	Mode of disposal	Particulars of buyers
	Rupees in '000						
Vehicles							
	7,578	(2,597)	4,981	7,750	2,769	Negotiation	Mr. Mohsin Khan
	3,747	(2,148)	1,599	1,599	-	Company Policy	Mr. Imtiaz Ahmed Sheikh
	2,592	(1,477)	1,115	1,115	-	Company Policy	Mr. Shoaib Ahmed Khan
	1,733	(568)	1,165	1,165	-	Company Policy	Mr. Nisar Ahmed
	1,395	(763)	632	632	-	Company Policy	Mr. Mubarak Ali Anjum
	4,671	(311)	4,360	4,360	-	Company Policy	Mr. Muhammad Umair
	2,707	(226)	2,481	2,481	-	Company Policy	Mr. Faheem Dawood
	1,733	(462)	1,271	1,271	-	Company Policy	Mr. Sultan Ali Khan
	1,733	(504)	1,229	1,229	-	Company Policy	Mr. Ejaz Ahmed
	1,733	(547)	1,186	1,186	-	Company Policy	Mr. Muhammad Akmal Tahir
	1,395	(649)	746	746	-	Company Policy	Mr. Ahmad Himtal
	7,947	(2,208)	5,739	5,739	-	Company policy	Mr. Sarwar Shamim
	1,433	(748)	685	685	-	Company policy	Mr. Muhammad Imran
	405,256	(171,315)	233,941	242,736	8,795		
Assets having net book value below Rs.500,000 each	2,196,955	(1,096,664)	1,100,291	1,076,043	(24,248)		
June 30, 2025	**2,862,615**	**(1,448,114)**	**1,414,501**	**1,332,183**	**(82,318)**		
June 30, 2024	1,601,656	(759,802)	841,854	613,180	(228,674)		

7.3 Capital work-in-progress

	Note	2025	2024
		----- Rupees in '000 -----	
Plant and machinery		**33,046**	83,888
Furniture and fixtures		**56,074**	4,176
Software, computers and equipment		**27,619**	2,069
Civil works		-	96,809
Factory building		**338,484**	-
Factory / office equipment		**148,737**	19,184
Advance payment against - motor vehicle		**43,171**	11,702
Dies and jigs		**3,400**	37,829
Others		**27,191**	32,378
		677,722	288,035

7.4 Right of use assets

		2025	2024
Balance at the beginning of the year		**1,569,706**	1,274,848
Adjustment due to lease modification		**(14,692)**	126,456
Additions during the year		**238,115**	577,852
Disposal		**(238,912)**	(25,761)
Depreciation charged during the year		**(348,187)**	(383,689)
Balance at the end of the year		**1,206,030**	1,569,706

8 INTANGIBLE ASSETS

	Note	2025	2024
Net book value at the beginning of the year		**51,098**	63,059
Additions		**122,228**	40,032
Amortisation charge	8.1	**(42,574)**	(51,993)
Net book value at the end of the year		**130,752**	51,098
Annual rate of amortisation		**10 - 50%**	10 - 50%

8.1 Amortisation charge for the year Rs.42.57 million (2024: Rs.51.99 million) has been grouped under cost of sales and services (Note - 36) and distribution costs and administrative expenses (Note 37).

9 INVESTMENT IN ASSOCIATES AND JOINT VENTURE

	Note	2025	2024
		------ Rupees in '000 ------	
Investment in associates	9.1	**14,222,972**	13,557,006

9.1 Investment in associates

	Honda Atlas Cars (Pakistan) Limited		Honda Atlas Power Products (Private) Limited		Integration Experts		Total	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	----- Rupees in '000 -----							
Balance as at July 1, 2024	**13,513,113**	13,060,782	**43,893**	40,736	-	131,965	**13,557,006**	13,233,483
Investment sold	-	-	-	-	-	(131,965)	-	(131,965)
Share of profit / (loss)	**1,021,971**	715,204	**(5,222)**	3,157	-	-	**1,016,749**	718,361
Remeasurement gain	**974**	17,405	-	-	-	-	**974**	17,405
Dividend received	**(351,757)**	(280,278)	-	-	-	-	**(351,757)**	(280,278)
Balance as at June 30, 2025	**14,184,301**	13,513,113	**38,671**	**43,893**	-	-	**14,222,972**	13,557,006

9.1.1 Impairment loss of Rs.3,173 million and Rs.976 million was recognized in the consolidated financial statements for the year ended June 30, 2023 and June 30, 2022 respectively, based on the Holding Company's assessment of the recoverable amount of the investment. However, based on the Holding Company's assessment as at June 30, 2025, no further impairment charge is required to be recognized in respect of this investment.

9.2 Share of associates net assets and profit and loss

Name of associate	Interest held		Profit / (loss)		Total assets		Total liabilities		Share of net assets	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
			Rupees in '000							
Honda Atlas Cars (Pakistan) Limited	**30.64%**	30.64%	**1,021,971**	715,204	**16,584,371**	13,062,667	**9,497,840**	6,649,001	**7,086,531**	6,413,666
Honda Atlas Power Products (Private)	**20.00%**	20.00%	**(5,222)**	3,157	**49,451**	48,967	**10,780**	5,074	**38,671**	43,893

10 INVESTMENTS IN ASSOCIATES - MUTUAL FUNDS

2025	2024	Name of Mutual Fund	Note	2025	2024
Number of units				Carrying value	
				--- Rupees in '000 ---	
10,134,839	13,826,605	Atlas Income Fund		**5,891,315**	7,826,397
4,110,056	4,158,855	Atlas Stock Market Fund		**6,572,489**	4,213,059
10,697,133	52,361,355	Atlas Sovereign Fund		**1,098,568**	5,949,354
3,075,118	3,074,473	Atlas Islamic Stock Fund		**3,906,148**	2,511,667
136,549	157,919	Atlas Islamic Income Fund		**70,271**	80,795
38,116,302	8,200,237	Atlas Money Market Fund		**20,517,061**	4,189,674
237,886	232,405	Atlas Aggressive Allocation Islamic Plan		**276,946**	191,001
242,810	234,736	Atlas Moderate Allocation Islamic Plan		**246,685**	179,122
296,221	279,736	Atlas Conservative Allocation Islamic Plan		**239,877**	190,934
-	509,846	Atlas Islamic Capital Preservation Plan II		-	330,797
607,765	1,415,787	Atlas Islamic Money Market Fund		**306,986**	718,863
315,000	315,000	Atlas KPK Islamic Pension Fund		**39,856**	34,842
15,627,977	3,848,195	Atlas Liquid Fund		**8,654,518**	1,924,099
498,000	498,000	Atlas Pension Fund		**486,700**	344,606
498,000	498,000	Atlas Pension Islamic Fund		**496,963**	343,630
280	280	Atlas Private Equity Fund		**279,110**	279,497
				49,083,493	29,308,337

11 LONG TERM INVESTMENTS

	Note	2025	2024
Unlisted shares - at fair value through - other comprehensive income	11.1	**100,660**	-
Listed shares - Available for sale			
- Cherat Packaging Limited - related party		**527,990**	533,367
- Others	11.2	**5,694,014**	3,557,580
		6,322,664	4,090,947

11.1 Unlisted shares - at fair value through other - comprehensive income - in related parties

2025	2024		2025	2024
Number of shares		**Name of Company**	------ **Rupees in '000** ------	
5,661,524	5,661,524	Techlogix International Limited Fully paid ordinary shares of - US $ 0.0001468	**64,748**	64,748
		Less: Provision for impairment	**-**	(64,748)
		Adjustment for fair value	**35,912**	
			100,660	-
		Naymat Collateral Management Company Limited Ordinary shares of Rs.10 each	**30,000**	30,000
		Less: Provision for impairment	**(30,000)**	(30,000)
			-	-
350,000	350,000	Arabian Sea Country Club Limited Ordinary shares of Rs.10 each	**3,500**	3,500
		Less: Provision for impairment	**(3,500)**	(3,500)
			-	-
50,000	50,000	Automotive Testing & Training - Centre (Private) Limited Ordinary shares of Rs.10 each	**500**	500
		Less: Provision for impairment	**(500)**	(500)
			-	-
			100,660	-

11.2 Listed securities include an amount of Rs.3,977 million (2024: Rs.2,088 million) being the fair market value under an arrangement permissible under Shariah. Cost of these securities amounts to Rs.1,980 million (2024: Rs.1,235 million).

12 LONG TERM LOANS
- secured, considered good

	Note	2025	2024
		------ **Rupees in 000** ------	
Loans and advances to:			
Loans to staff	**12.1**	**310,274**	275,479
Current portion of long term loans		**(195,165)**	(203,599)
		115,109	71,880
Loan to Multan Electric Power Company Limited	**12.2**	**59,270**	103,722
	12.3	**174,379**	175,602

12.1 These represent interest free loans provided to employees of the Group in the form of staff personal loan and motor vehicle loan. Loans aggregating Rs.216.7 million (2024: Rs.186.6 million) are provided for purchase of motorcycles and are repayable in forty eight equal monthly instalments. These loans are secured against respective motorcycles and employees' vested retirement benefits. Advances are unsecured and are repayable in twenty four equal monthly instalments.

12.2 This relates to an interest free loan provided to Multan Electric Power Company (MEPCO) to meet the 100% expenses of grid interconnection at Tehsil Chaubara, Layyah, Punjab. The Group has paid Rs. 133.4 million in lump-sum (estimated cost of interconnectivity from Company to Power Purchaser system).This loan carries mark-up at the rate of 3 month Kibor plus 0.5% and is repayable in thirty-six (36) equal monthly instalments which would commence eighteen (18) months after commercial operation date.

12.3 The carrying values of these loans are neither past due nor impaired. The credit quality of these financial assets can be assessed with reference to no default in recent history.

13 LONG TERM DEPOSITS AND OTHER RECEIVABLES

	Note	2025	2024
		---- Rupees in '000 ----	
Deposits and retention money		**166,184**	218,482
Deferred commission		**280,418**	221,386
		446,602	439,868

14 STORES, SPARES AND LOOSE TOOLS

	Note	2025	2024
Stores and spare parts		**2,557,956**	2,297,366
Loose tools		**618,894**	710,265
Maintenance spares		**1,023,673**	919,817
		4,200,523	3,927,448
Less: Provision for slow moving stores		**(227,101)**	(193,255)
		3,973,422	3,734,193

15 STOCK-IN-TRADE

	Note	2025	2024
Raw and ancillary materials			
- in hand		**10,834,380**	13,637,910
- held with vendors		**871,407**	590,111
- in transit		**696,383**	2,089,668
		12,402,170	16,317,689
Work-in-process		**2,449,217**	2,416,874
Finished goods in hand		**5,785,340**	7,847,910
Less: Provision for obsolescence	15.1	**(191,094)**	(245,079)
		20,445,633	26,337,394

15.1 Movement of provision for slow moving inventories

	Stores, spares & loose tools		Stock-in-trade	
	2025	2024	2025	2024
	---------------- Rupees in '000 ----------------			
Balance at the beginning of the year	**193,255**	166,677	**245,079**	171,771
Charge for the year	**33,846**	26,578	**7,852**	115,717
Amount written off during the year	**-**	-	**(61,837)**	(42,409)
Balance at the end of the year	**227,101**	193,255	**191,094**	245,079

16 TRADE DEBTS

	Note	2025	2024
		---- Rupees in '000 ----	
Considered good	16.1	**7,155,742**	21,068,168
Contract asset		**1,432,129**	1,291,186
Less: provision for doubtful debts		**(5,906)**	(6,354)
		1,426,223	1,284,832
Considered doubtful		**109,177**	95,445
Less: provision for doubtful debts		**(109,177)**	(95,445)
		-	-
		8,581,965	22,353,000

16.1 These includes trade receivables from CPPA-G (previously from NTDC) under PPA and are considered good. These are secured by a guarantee from the Government of Pakistan (GoP) under the Implementation Agreement and are in normal course of business and interest free. However, a penal mark-up at the rate of 3 months KIBOR plus 2% for first 60 days and 4.5% thereafter is charged in case the amounts are not paid within due dates. Included herein is delayed payment interest of Rs.5.851 million (2024: Rs.1,726 million) at the KIBOR plus 2% for first 60 days and KIBOR plus 4.5% thereafter.

16.2 Reconciliation of provision against doubtful debts is as follows:

	2025	2024
	---- Rupees in '000 ----	
Balance at the beginning of the year	**95,445**	88,412
Charge for the year	**13,732**	22,027
Reversal during the year	**-**	(14,994)
Balance at the end of the year	**109,177**	95,445

17 RECEIVABLE FROM ASSOCIATE FUNDS

	2025	2024
Management fee		
Atlas Income Fund	**11,329**	11,861
Atlas Stock Market Fund	**84,973**	32,747
Atlas Islamic Stock Fund	**27,867**	12,052
Atlas Islamic Income Fund	**2,109**	1,347
Atlas Pension Fund	**2,345**	1,526
Atlas Islamic Dedicated Stock Fund	**2,403**	1,197
Atlas Money Market Fund	**28,011**	20,350
Atlas Sovereign Fund	**2,765**	8,833
Atlas Islamic Fund of Funds	**22**	13
Atlas Pension Islamic fund	**3,698**	1,514
Atlas Islamic Money Market Fund	**3,745**	1,641
Atlas Liquid Fund	**9,058**	3,812
Atlas KPK Islamic Pension Fund	**2**	1
Atlas Islamic Cash Fund	**412**	-
Atlas Private Equity Fund	**2,913**	2,782
	181,652	99,676

17.1 The maximum aggregate amount of receivable from associate funds at the end of any month during the year was Rs.201.15 million (2024: Rs.103.27 million). These balances are recoverable within one month. As of date of the financial statements, these are neither past due nor impaired.

18 LOANS AND ADVANCES

- unsecured, considered good	Note	2025	2024
		------ Rupees in '000 ------	
Current portion of long term loans	12	195,165	203,599
Advances			
Due from staff	18.1	12,602	49,578
Due from suppliers		330,611	196,234
		343,213	245,812
Less: provision for doubtful debts		-	-
		538,378	449,411

18.1 These represent interest-free welfare loans and salary advance provided to employees in accordance with the Group's policy and have maturities upto ten months.

19 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Note	2025	2024
		---- Rupees in '000 ----	
Security / trade deposits		61,600	112,243
Prepayments for rent, insurance and others		2,729,248	2,332,701
Earnest money		121,330	87,466
Other receivables			
Letter of credit and guarantee margin		332,739	57,982
Advisory fee receivable		3,664	2,255
Receivable from Suroor Investments Limited	19.1	102,579	102,579
Advance against issuance of units in Atlas REIT	19.2	100,000	-
Due from insurance contract holder		1,135,578	215,500
Receivable against sale of properties	22.1	2,735,735	-
Workers' Profit Participation Fund from CPPA-G		24,548	96,935
Receivable from funds under back office accounting services		28,077	62,284
Assets from window takaful		1,985,888	509,420
Others		337,454	341,160
		6,786,262	1,388,115
Less: provision against other receivables		(107,501)	(128,050)
		9,590,939	3,792,475

19.1 Represents the balance of the sale consideration in respect of sale of shares of Atlas Bank Limited (merged with Summit Bank Limited) which has been fully provided in the prior year.

19.2 Represents the amount paid (on March 5, 2025) towards subscription of units in Atlas REIT, a Rental REIT Scheme managed by AAML, in accordance with the Board resolution dated October 7, 2024. The subscription of units are pending and will be settled after financial close of Atlas REIT.

20 SHORT TERM INVESTMENTS

	Note	2025	2024
		---- Rupees in '000 ----	
Investment at fair value through - other comprehensive income			
Listed shares	20.1	16,515,055	10,380,883
Available-for-sale			
Term finance certificates		20,000	20,000
Investment at fair value through profit or loss			
Pakistan investment bonds		490,888	89,952
Mutual funds	20.2	2,660,301	1,089,080
Investment at amortised cost			
Pakistan investment bonds	20.3	471,445	-
Treasury bills	20.4	3,918,861	4,211,214
Term deposit receipts		6,000,990	39,000
		30,077,540	15,830,129

20.1 Listed shares

2025 Number of shares	2024 Number of shares	Name of Company	2025 Cost	2025 Fair value	2024 Cost	2024 Fair value
			Rupees in 000			
14,636,936	14,636,936	Cherat Cement Company Limited	**1,307,435**	**4,249,103**	1,307,435	2,387,723
5,422,457	4,703,957	Engro Fertilizers Limited	**521,614**	**1,006,354**	399,334	781,892
5,599,348	3,273,848	Fauji Fertilizer Company Limited	**745,773**	**2,197,240**	344,213	534,881
3,942,167	222,867	Bank Al-Habib Limited	**441,214**	**621,995**	24,994	25,001
9,484,686	5,876,886	Habib Metropolitan Bank Limited	**457,549**	**938,225**	197,294	403,566
1,795,722	5,937,822	Meezan Bank Limited	**429,878**	**596,269**	688,668	1,421,455
2,295,975	2,087,250	Pakistan Cables Limited	**240,407**	**337,233**	240,407	323,879
896,922	696,722	Pakistan Oilfields Limited	**450,219**	**529,336**	282,523	341,352
2,279,216	-	Oil & Gas Development Company Limited	**499,972**	**502,704**	-	-
38,048,270	7,609,654	Systems Limited	**178,280**	**4,076,492**	178,280	3,183,118
5,291,190	3,816,795	United Bank Limited	**677,907**	**1,460,104**	422,213	978,016
			5,950,248	**16,515,055**	4,085,361	10,380,883

20.1.1 This includes shares which have been pledged with various banks as per the respective financing facility agreements.

20.2 Mutual funds

2025 Number of units	2024 Number of units	Name of Funds	Note	2025	2024
				---- Rupees in '000 ----	
5,991,033	3,776,807	HBL Money Market Fund	**20.2.1**	**620,685**	390,023
4,298,952	3,253,541	Lakson Money Market Fund		**494,760**	340,142
2,850,364	-	Lakson Income Fund		**329,885**	-
9,712,447	-	UBL Money Market Fund		**1,094,945**	-
-	2,083,429	UBL Government Securities Fund		-	254,653
32,785	-	National Investment Trust		**4,338**	-
1,119,356	1,010,190	HBL Cash Fund	**20.2.2**	**115,688**	104,262
				2,660,301	1,089,080

20.2.1 These units are under lien of a commercial bank against guarantees aggregating Rs.520.737 million (2024: Rs.337 million) issued in favour of Sui Southern Gas Co. Ltd. and Excise & Taxation Department, Government of Sindh on behalf of the Group.

20.2.2 This represents units of costing Rs.82 million (2024: Rs.82 million) are pledged with HBL against open ended bank guarantee aggregating Rs.100 million (2024: Rs.80 million) issued in favour of government authorities on behalf of the Group.

20.3 This includes Pakistan Investment Bonds having cost of Rs. 173,347 thousand (2024: Rs.Nil) placed as statutory deposit with the State Bank of Pakistan in accordance with the requirements of Section 29(2)(a) of the Insurance Ordinance, 2000.

20.4 This includes treasury bills having cost of Rs.Nil (2024: Rs.186,367 thousand) are placed as statutory deposit with the State Bank of Pakistan in accordance with the requirements of Section 29(2)(a) of the Insurance Ordinance, 2000.

21 CASH, BANK BALANCES AND DEPOSITS

	Note	2025	2024
		---- Rupees in '000 ----	
Bank balances and deposits:			
Current accounts		**1,058,955**	399,301
PLS saving accounts	**21.1**	**7,609,705**	8,996,192
Term deposit receipts / treasury bills	**21.2**	**27,380,398**	32,717,237
In hand:			
Cheques in hand	**21.3**	**877,003**	1,084,685
Cash in hand		**75**	171
		36,926,136	43,197,586

21.1 These carry interest rates ranging from 7.3% to 11.5% (2024: 19.5% to 20.51%) per annum.

21.2 These carry mark-up rates ranging from 4.15% to 5.5% (2024: 21% to 23.5%) per annum with maturity ranging from 7 days to 91 days (2024: 7 days to 31 days). These include term deposit receipts of Rs.210 million (2024: Rs.40 million) which are under lien with the bank against a bank guarantee issued on behalf of the Group. Also includes Rs.27,055 million (2024: Rs.24,502.5 million) invested in Treasury Bills and Pakistan Investments bonds having maturity of upto 364 days and carries markup ranging from 12.10% to 20.60% (2024: 21.21% to 22.39%).

21.3 Represents banking instruments received by the Group from dealers at regional offices in respect of sales but not deposited in the Group's bank account as of reporting date.

22 NON CURRENT ASSETS HELD FOR SALE

	Note	2025	2024
		---- Rupees in '000 ----	
Leasehold land	22.1	9,562	-
Building on freehold land	22.2	1,081,158	-
Building on leasehold land	22.1	286,665	-
Plant and machinery	22.2	7,011,833	-
		8,389,218	-

22.1 The Holding Company entered into a Sale Agreement with Central Depository Company of Pakistan Limited (acting as Trustee of Atlas REIT) for the transfer of five properties, comprising commercial and industrial plots, against consideration of Rs. 3,742.87 million, to be settled through issuance of 374.29 million REIT units (Rs.10 per unit). As at June 30, 2025, four properties were legally transferred to Atlas REIT against authorised transfer deeds. In consideration of such transfer, the Company is entitled to receive REIT units equivalent to Rs.2,735.74 million at the financial close of Atlas REIT. The carrying amount of these properties was Rs.818.18 million, resulting in a net gain of Rs.1,917.55 million recognized in statement of profit or loss.

As detail above, the transfer of the fifth property was pending due to completion of legal formalities. The Holding Company has classified this property as a "Non-current asset held for sale" under IFRS-5. Accordingly the asset has been measured at the lower of its carrying amount and fair value less costs to sell and presented separately on the face of the statement of financial position.

22.2 As fully detailed in note 1.5 to these financial statements, the management has reclassified the above assets as "Non-Current Assets Held for Sale" under IFRS-5. The management is currently negotiating with prospective buyers. The management has carried out impairment testing under IAS 36 'Impairment of Assets'. However, according to the management's assessment, there is no impact of impairment on these financial statements.

23 SHARE CAPITAL

Authorised Capital

2025	2024		2025	2024
Number of shares			---- Rupees in '000 ----	
240,000,000	240,000,000	Ordinary shares of Rs.10 each	**2,400,000**	2,400,000
Issued, subscribed and paid-up capital				
91,220,000	91,220,000	Ordinary shares of Rs.10 each fully paid in cash	**912,200**	912,200
50,000	50,000	Ordinary shares of Rs.10 each issued for consideration other than cash	**500**	500
27,450,000	27,450,000	Ordinary shares of Rs.10 each issued as fully paid bonus shares	**274,500**	274,500
101,392,439	101,392,439	Ordinary shares of Rs.10 each issued as fully paid in pursuant of amalgamation	**1,013,924**	1,013,924
220,112,439	220,112,439		**2,201,124**	2,201,124

23.1 As at year end, the shares held by Directors and Iftikhar Shirazi Family Trust were 165.084 million (2024: 165.084 million) and 55.028 million (2024: 55.028 million) respectively.

23.2 There is only one class of ordinary shares. Voting rights, board selection, right of first refusal and block voting are in proportion to their shareholding.

24 LONG TERM LOANS - secured

	Note	2025	2024
		-------- Rupees in '000 --------	
Local currency loans			
Term finance facility	**24.1**	**2,686,802**	2,874,439
Islamic Temporary Economic Refinance Facility (ITERF)	**24.2**	**163,750**	188,152
Temporary economic refinance facility - I	**24.3**	**180,782**	208,795
Temporary economic refinance facility - II	**24.3**	**41,782**	45,318
Temporary economic refinance facility - IIII	**24.4**	**1,049,761**	1,232,332
Green financing facility - phase 1	**24.5**	**34,064**	44,692
Green financing facility - phase 2	**24.5**	**68,229**	79,343
Green financing facility - phase 3	**24.6**	**104,188**	120,000
Islamic financing facility	**24.7**	-	2,062,500
Islamic financing facility - I	**24.8**	-	500,000
Islamic financing facility - II	**24.9**	-	1,333,333
Renewable energy refinancing facility	**24.10**	**45,333**	52,307
Musharakah I	**24.11**	**374,999**	541,666
Musharakah II	**24.12**	**234,375**	312,500
Musharakah III	**24.13**	**525,192**	-
Musharakah IV	**24.14**	**69,866**	-
Musharakah V	**24.15**	**1,000,000**	-
		6,579,123	9,595,377
Foreign currency loans			
Term finance facility	**24.16**	**6,501,880**	6,826,900
		13,081,003	16,422,277
Adjustment pertaining to fair value of loan at - below market interest rate		**(237,215)**	(317,535)
Less: Current portion grouped under current liabilities		**(1,355,307)**	(3,062,063)
		11,488,481	13,042,679

24.1 ASL has obtained long term loan facility from Habib Bank Limited for the construction of 100 MW solar power plant for generation and supply of electricity against the total sanctioned limit of Rs. 3,318 million. This loan carries a mark up rate of 3M KIBOR + 1.75%. This loan is repayable in 56 unequal quarterly instalments starting from 30 June 2022. This loan is secured against 100% of the Project ASL's common shares owned by the sponsoring entities, mortgage of land, building and machinery and first ranking, hypothecation charge over all movable assets (current and future) of ASL.

24.2 This represents diminishing musharakah loan received from Meezan Bank Limited under Islamic Temporary Economic Refinance Facility (ITERF) introduced by State Bank of Pakistan to finance CAPEX of the AEL. The facility is secured against first pari passu hypothecation charge over all present and future plant, machinery and equipment with 25% margin amounting to Rs.200 million in favour of the Bank. Mark-up is chargeable at SBP rate (1%) plus 2% bps per annum. The loan is for ten years with a grace period of two years and is repayable in thirty two quarterly instalments starting from December 2023.

24.3 This represents loan received from Allied Bank Limited by AEL and ABL under Temporary Economic Refinance Facility (TERF) introduced by State Bank of Pakistan the purpose to finance / retire letter of credits for CAPEX / BMR related activities and project. The facility is secured against first pari passu hypothecation charge over all present and future plant, machinery and equipment with 25% margin of AEL. Mark-up is chargeable at SBP rate (1%) plus 0.80% bps per annum. The loans are for ten years with a grace period of two years and is repayable in thirty two quarterly instalments for AEL and sixteen semi-annual installments for ABL respectively.

24.4 This represents long term loan of an amount upto the equivalent of Rs.1,500 million obtained by ADIDPL from Habib Bank Limited under 'Temporary Economic Refinancing Facility' (the Scheme) introduced by State Bank of Pakistan. The facility is secured against pari passu hypothecation charge over plant and machinery of ADIDPL to the extent of Rs.2,000 million with a 25% margin. Mark-up is chargeable at SBP rate plus 1.0% per annum and to be paid at the end of each quarter. The principal is repayable in 32 equal quarterly installments starting from the 27th month from the date of first disbursement.

24.5 AENL has arranged long term finance facility amounting Rs.270 million from Habib Bank Limited under SBP Financing Scheme for Renewable Energy. The bank against the said facility disbursed Rs.203 million in three tranches of different amounts. The loan is repayable in 40 equal quarterly installments. These finances carry mark-up at the SBP rate plus 1% and are secured against first charge over all present and future current and non-current assets of AENL with the margin of 10% and 20% respectively.

24.6 During the year ended June 30, 2022, AENL has arranged long term finance facility amounting Rs.272.5 million having a total limit of Rs.400 million including loan from SBP under Green Financing Facility of Rs.150 million repayable in 40 equal quarterly instalments. This facility has obtained by AENL for the purpose of financing the capital expenditure. This facility is secured by current and non-current assets of AENL with the margin of 20%. The rate of mark-up is 4% for the loan facility of Rs.150 million and KIBOR plus 1% for the loan facility of Rs.122.5 million. The mark-up will be payable on each quarter along with the payment of principal. This facility also includes certain financial covenants, breaches in meeting the financial covenants would permit the bank to immediately call these bank facilities.

24.7 APL has arranged a long term Islamic finance facility (Diminishing Musharakah Facility) amounting Rs.3,000 million from Meezan Bank Limited (Islamic) to restructure the APL's balance sheet and pay off conventional debt. The bank against the said facility disbursed Rs.3,000 million. This loan is repayable in 16 quarterly installments commenced from March, 2023. This finances carry mark-up at the rate of 3 month KIBOR + 0.15% per annum and are secured against 1st pari passu charge over plant and machinery of APL with 25% margin. APL during the year made early repayment of the entire outstanding amount.

24.8 APL has arranged a long term Islamic finance facility (Diminishing Musharakah Facility) amounting Rs.1,500 million from National Bank of Pakistan for rationalization and reprofiling of balance sheet of APL. The bank against the said facility disbursed Rs.1,500 million. The loan is repayable in 6 semi annual installments commenced from July, 2022. These finances carry mark-up at the rate of 3 month KIBOR + 0.15% per annum and are secured against 1st parri passu charge over plant and machinery of APL with 25% margin. APL during the year made early repayment of the entire outstanding amount.

24.9 APL has arranged another long term Islamic finance facility (Diminishing Musharakah Facility) amounting Rs.2,000 million from National Bank Limited of Pakistan for rationalization and reprofiling of balance sheet of APL. The bank against the said facility disbursed Rs.2,000 million. The loan is repayable in 6 semi annual installments commencing from July, 2023. These finances carry mark-up at the rate of 3 month KIBOR + 0.15% per annum and are secured against 1st parri passu charge over plant and machinery of APL with 25% margin. APL during the year made early repayment of the entire outstanding amount.

24.10 This represents long term loan obtained by AEL from Habib Bank Limited under Renewable Energy Refinancing Facility of an amount upto the equivalent of Rs.68 million, introduced by State Bank of Pakistan. The facility is secured against first pari passu hypothecation charge over all present and future plant and machinery and equipment of AEL with 25% margin. Mark-up is chargeable at SBP rate (2%) plus 1% per annum. The loan is for ten years with a grace period of three months and is repayable in forty quarterly instalments starting from April 2022. AEL during the year repaid Rs.6.974 million (2024: Rs.6.974 million).

24.11 ABL has obtained loan amounting to Rs.750 million under diminishing musharakah arrangement from Askari Bank Limited for the purpose of financing BMR. The loan carries mark-up at the rate of 3 months KIBOR plus 0.5% and is secured against first pari passu hypothecation charge on plant & machinery with 25% margin. This loan is for five years from the date of disbursement (August 26, 2022) and is repayable in 18 equal quarterly installments with a grace period of 6 months.

24.12 ABL has obtained loan amounting Rs.312.50 million under diminishing musharakah arrangement from National Bank of Pakistan for the purpose balance sheet re-profiling. The loan carries mark-up at the rate of 3 months KIBOR plus 0.3% and is secured against first pari passu hypothecation charge on plant & machinery with 25% margin. This loan is for five years from the date of disbursement (December 28,2022) and is repayable in 8 equal bi-annual instalments with a grace period of 18 months.

24.13 STC during the year, has obtained a Diminishing Musharakah financing facility of Rs. 1,280 million from Meezan Bank Limited for procurement of medical equipment. The facility is disbursed in tranches against receipt of shipments, and each tranch is repayable in 20 equal quarterly installments commencing after a grace period of one year from the respective dates of disbursement. The facility carries a profit rate of 3M KIBOR plus 0.75% per annum, and is secured against first exclusive charge created over the respective medical equipment financed, with a 5% margin. During the year, STC hasn't repaid any amount as the installments fall due after the reporting date.

24.14 AENL during the year, has arranged a long term Diminishing Musharakah Facility amounting Rs.330 million from Meezan Bank Limited for the procurement of solar panels under the Islamic Financing Facility for Renewable Energy (IFRE). The principal is to be repaid in 12 years with 2 years grace period. These facilities carries mark-up at the rate 3 month KIBOR + 0.50% per annum; the effective mark-up rate charged, during the current financial year, was 12.17% per anum and are secured by way of hypothecation charge with 10% margin over APL's specific solar panels and related equipments.

24.15 ABL during the year, has obtained finance amounting to Rs.1,000 million under diminishing musharakah arrangement from Meezan Bank Limited for the purpose of reprofiling balance sheet and payoff conventional debt. This carries mark-up at the rate of 3 months KIBOR plus 0.1% and is secured against first pari passu hypothecation charge on plant & machinery with 25% margin. This finance is for five years from the date of disbursement (December 24, 2024) and is repayable in 16 equal quarterly installments with a grace period of 1 year.

24.16 ASL has acquired debt financing amounting to USD 28,000,000 from British International Investment Plc (formerly CDC Group Plc) for construction of 100 MW solar power project plant for generation and supply of electricity. The loan carries mark up at the rate of 3 Months USD LIBOR plus 4.25%. This loan is repayable in 56 unequal quarterly instalments starting from 30 June 2022. This loan is secured against all the hypothecated assets and share capital of APL.

25 LONG TERM DEPOSITS

	Note	2025	2024
		-------- Rupees in '000 --------	
Deposits from employees	**25.1**	**82,883**	60,887
Less: current portion grouped under current liabilities		**(7,468)**	(3,021)
		75,415	57,866

25.1 Represents deposits from employees under Group's vehicle scheme. These loans have not been discounted to their present value as the financial impact thereof is not considered material.

26 DEFERRED LIABILITIES

	Note	2025	2024
		------ Rupees in '000 ------	
Provision for employees' compensated absences	26.1 & 26.2	1,304,526	1,058,120
Provision for long service award	26.2	33,036	24,173
Provision for gratuity	26.3	165,282	447,796
		1,502,844	1,530,089

26.1 The provision is made in accordance with the actuarial recommendations. The latest actuarial valuation was carried out as of June 30, 2025.

26.2 This includes provision amounting to Rs.30.43 million (2024: Rs.24.23 million) for key management personnel of the Holding Company.

26.3 Provision for gratuity

	2025	2024
	------ Rupees in '000 ------	
26.3.1 Reconciliation		
Present value of defined benefit obligation	3,197,314	2,329,023
Fair value of plan assets	(2,555,302)	(1,700,173)
Inter-group adjustments	104,764	10,040
Less: current portion grouped under current liabilities	(581,494)	(191,094)
	165,282	447,796
26.3.2 Movement in the present value of defined benefit obligation		
Balance at beginning of the year	2,329,023	1,493,956
Current service cost	136,325	238,223
Past service cost	397,349	377,413
Interest cost	389,831	236,882
Benefits paid	(151,130)	(110,386)
Re-measurement	195,653	93,394
Receivable from related parties in respect of transferees	(99,737)	(459)
Balance at end of the year	3,197,314	2,329,023
26.3.3 Movement in the fair value of plan assets		
Balance at beginning of the year	1,700,173	1,252,122
Expected return on plan assets	247,034	200,392
Contributions	483,633	153,173
Benefits paid	(149,069)	(110,386)
Re-measurement	278,137	203,339
Receivable from related parties in respect of transferees	(4,606)	1,533
Balance at end of the year	2,555,302	1,700,173

26.3.4 Movement in net liability in the statement of financial position

	2025	2024
Balance at beginning of the year	**638,890**	249,884
Expense recognised for the year	**676,471**	652,124
Contributions made during the year	**(486,101)**	(153,173)
Re-measurement	**(82,484)**	(109,945)
	746,776	638,890
Less: current portion grouped under current liabilities	**(581,494)**	(191,094)
	165,282	447,796

26.3.5 Expense recognised in the statement of profit or loss

	2025	2024
Current service cost	**136,325**	238,223
Past service cost	**397,349**	377,413
Interest cost	**389,831**	236,882
Expected return on assets	**(247,034)**	(200,392)
	676,471	652,126

26.3.6 Re-measurements recognised in other comprehensive income

	2025	2024
Loss / (gain) from change in financial assumptions	**77,491**	(67,556)
Experience gain on re-measurement	**35,678**	51,005
Gain on re-measurement of plan assets	**(195,653)**	(93,394)
Net re-measurements	**(82,484)**	(109,945)

26.3.7 The principal assumptions used in the actuarial valuations carried out as of June 30, 2025 using the 'Projected Unit Credit' method are as follows:

	Gratuity Fund	
	2025	2024
	------- Percentages ------	
Discount rate	**11.75%**	14.75%
Rate of salary increase (per annum)	**15.00%**	16.00%
Long term salary increase rate	**11.75%**	13.75%
Mortality rates	**SLIC (2001-05)-1**	
Rate of employee turnover	**Moderate**	Moderate

27 LEASE LIABILITIES

	2025	2024
	---- Rupees in '000 ----	
Lease liabilities	**1,552,114**	1,912,265
Less: Current portion grouped under current liabilities	**(253,994)**	(277,650)
	1,298,120	1,634,615

28 DEFERRED INCOME - GOVERNMENT GRANT

	2025	2024
Balance at beginning of the year	**340,810**	420,437
Amortisation of deferred income - government grant	**(85,969)**	(79,627)
Balance at end of the year	**254,841**	340,810
Less: Current portion grouped under current liabilities	**(75,443)**	(85,907)
	179,398	254,903

29 DEFERRED TAXATION

	Note	2025	2024
		---- Rupees in '000 ----	
Taxable temporary difference			
- net investment in finance lease		**8**	2,746
- right of use asset		**2**	13
- investment in associates and joint venture		**19,596**	6,641
- accelerated tax depreciation and amortisation		**2,957,990**	2,653,623
- unrealised loss on investments at fair value through profit or loss		**472,230**	152,836
- unrealised gain on investments at fair value through other comprehensive income		**2,409,667**	804,617
- others		**2,674,878**	1,367,415
		8,534,371	4,987,891
Deductible temporary difference			
- lease liabilities - net		**(121,113)**	(127,166)
- employees retirement benefits - gratuity		**(273,274)**	(127,970)
- provisions for compensated absences and bonus		**(434,908)**	(355,399)
- provision for warranty		**(404,138)**	(420,761)
- provisions for slow moving inventories and doubtful debts		**(176,471)**	(221,514)
- alternative corporate and minimum tax and unused tax losses		**(212,169)**	(272,767)
		(1,622,073)	(1,525,577)
		6,912,298	3,462,314

30 TRADE AND OTHER PAYABLES

	Note	2025	2024
Trade payables		**17,185,015**	12,938,795
Due to related parties		**983**	52,346
Import bills payable		**371,708**	607,985
Royalty payable		**5,823,562**	7,042,718
Retention money		**3,342**	3,342
Accrued liabilities	**30.1**	**9,189,823**	8,682,488
Workers' Profit Participation Fund		**914,235**	802,358
Workers' Welfare Fund		**625,707**	381,362
Withholding tax payable		**31,793**	70,615
Custom / additional custom duty payable		**1,611,723**	1,611,722
Contract liabilities - advances from customers		**22,714,454**	20,968,672
Payable to staff gratuity fund		**581,494**	191,094
Payable to staff provident fund		**5,171**	334
Provision for compensated absences / bonus		**376,645**	249,753
Premium received in advance		**338,907**	252,775
Insurance / reinsurance payable		**783,925**	1,147,457
Total liabilities from window takaful operations		**1,658,592**	262,457
Provision for outstanding claims and warranty		**2,459,339**	2,682,306
Provision for unearned premium		**1,992,148**	2,092,675
Unearned reinsurance commission		**276,475**	209,693
Sindh government infrastructure fee		**2,800,425**	1,897,762
Provision for gas infrastructure development cess		**263,308**	349,296
Others		**787,526**	521,364
		70,796,300	63,019,369

30.1 Includes Rs.16.42 million (2024: Rs.12.63 million) due to Honda Motor Company Limited, Japan - related party.

31 SHORT TERM BORROWINGS - SECURED

	2025	2024
	---- Rupees in '000 ----	
Running finance under mark-up arrangements	**1,380,430**	12,401,484
Money market facilities under mark-up arrangement	**2,150,000**	754,236
Islamic financing	**4,754,332**	2,468,290
Finance against trust receipts	**-**	28,393
	8,284,762	15,652,403

31.1 The Group has short term running finance, musharakah and money market facilities under mark-up arrangements aggregating to Rs.51,983 million (2024: Rs.31,528 million) from various commercial and Islamic banks carrying mark-up ranging between 10.23% to 23.62%. The facilities utilized against these arrangements are secured against equitable mortgage on lands and buildings, first pari passu hypothecation charge over present and future book debts, stock, spares and tools, fuel stock and pledge of shares and mutual funds units. These facilities are expiring on various dates upto 30 April 2026.

32 CONTINGENCIES & COMMITMENTS

32.1 Contingencies in respect of subsidiaries

Atlas Asset Management Limited (AAML)

32.1.1 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from June 13, 2013. As the asset management services rendered by the Management Company to the Funds are already subject to provincial sales tax on services levied by the Sindh Revenue Board (SRB), which is being charged to the funds and the Management Company collects the same as withholding agent and deposits the same with the SRB, the Management Company is of the view that further levy of FED is not justified. However, as a matter of abundant caution, provision is being made in the books of account of the mutual funds and pension funds being managed by AAML, these funds being the recipient of the asset management services, and there is no impact on the financial statements of AAML.

Various asset management companies including AAML, together with their representative Collective Investment Schemes through their trustees, have filed a petition in the High Court of Sindh (SHC), challenging the levy of FED. In this respect, SHC has issued a stay order against recovery proceedings. SHC, through its order dated June 30, 2016, stated that any notices issued, proceedings taken or pending, orders made, duty recovered or action taken under the Federal Act 2005 in respect of rendering of services are to be quashed and set aside. Thereafter Deputy Commissioner Inland Revenue appealed in the Supreme Court against SHC order which is still a pending adjudication.

Further, the Finance Act 2016, also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provisional sales tax.

32.1.2 With effect from July 01, 2011, the asset management services rendered by AAML to the mutual funds and pension funds under its management fall within the scope of taxable services under Sindh Sales Tax Act, chargeable at the rate of 15% on the asset management services rendered, which AAML collects from the mutual funds / pension funds as a collecting agent and thereafter deposits the same with the SRB. AAML being registered in the province of Sindh, is registered with the SRB as a service provider.

During year ended June 30, 2014, AAML as well as various other AMCs registered in the province of Sindh received notices from the Punjab Revenue Authority (PRA), requiring AAML / other AMCs to register with the PRA for the asset management services rendered in the Punjab through the offices of AAML in the Punjab. During the proceedings, it was explained to the PRA that AAML's offices in the Punjab only relate to sales offices, and no asset management services are rendered from such offices. All asset management services are rendered by AAML directly from its Head Office located in Karachi. Further, the full amount of provincial tax liability was being duly discharged to the SRB, hence, without prejudice to the main contention, the question, if any, related to apportionment between the two provinces and not double taxation. During the proceedings, meetings have been held with the officials of both, SRB and PRA at the collective forum of the Mutual Funds Association of Pakistan (MUFAP) together with the tax consultants, to work out any suitable basis of apportionment of the tax already being paid by AAML and other AMCs. However, such meetings remained inconclusive.

Despite the detailed explanations furnished and the meetings held with the officials of the SRB and PRA as stated above, on June 26, 2014, AAML received a show cause notice from the PRA, requiring payment of Rs.7.66 million as alleged Punjab Sales Tax on services for the period July 01, 2013 to December 31, 2013, and requiring AAML to explain why penalty proceedings should not be initiated there against. Such alleged amount is in addition to the Sindh Sales Tax on services already paid to the SRB for the period. Similar show cause notices have been received by other AMCs.

On July 08, 2014, AAML and other AMCs, have filed a petition in the SHC against both, SRB and PRA, challenging the issuance of such show cause notice by PRA and the alleged levy of Punjab Sales Tax on services therein, as well the non-resolution of issue of apportionment of the total 16% tax on asset management services, which is already being paid to the SRB. In the initial hearing, the SHC has suspended the operation of the notice. The case is still pending adjudication. No provision has been made in these financial statements for the alleged tax liability of Rs.7.66 million, as the management is confident that the ultimate outcome will be in AAML's favour.

Atlas Battery Limited (ABL)

32.1.3 ABL received notice from the Directorate of Intelligence and Investigation, FBR, Lahore in which it had been alleged that ABL purchased goods from certain suppliers who were registered with Regional Tax Offices, but were fake and issued sales tax invoices to ABL on the basis of which ABL claimed input tax adjustment amounting to Rs.29.066 million which according to them was illegal / inadmissible. The name of ABL along with 135 other companies and individuals had therefore been included as an accused person in the First Information Report (FIR) No.04/2011 dated March 26, 2011 registered by the Additional Director, Intelligence and Investigation, FBR, Lahore. ABL has, therefore, filed a Constitutional Petition in the Honourable Lahore High Court (the Court) and prayed to quash the FIR against ABL and declare the notice illegal. The Court has granted stay order and advised the concerned authorities to restrain from further proceeding with the matter. Further, the Court has quashed the criminal proceedings initiated against ABL as being unconstitutional, violative of fundamental rights and ultra vires the Sales Tax Act, 1990 (the Act). The FBR against the orders of the Court has filed an appeal in Honourable Supreme Court of Pakistan, which is pending for hearing.

32.1.4 Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers Office, Karachi, for the tax year 2013 passed an order dated September 30, 2014 under section 161 / 205 of the Income Tax Ordinance, 2001 (the Ordinance) on account of non-deduction of tax on freight & forwarding charges and discounts allowed to dealers. DCIR through this order created an aggregate demand of Rs.206.534 million including additional tax. An appeal was filed before the CIR(A) on October 22, 2014 against the above order. ABL paid the demand of Rs.0.1 million which pertains to a tax deduction on freight charges and filed a stay application on October 27, 2014 before CIR(A) against the recovery of balance of the demand. The stay against demand was granted by the CIR(A) on October 27, 2014 subject to partial payment of Rs.50 million which was paid on October 29, 2014. Pursuant to above appeal, CIR(A), on March 31, 2015, passed an order under section 129 of the Ordinance and granted relief for issue of non-deduction of tax amounting Rs.108.867 million on discounts allowed on invoices.

However, CIR(A) remanded back the issue of non-deduction of tax aggregating Rs.59.509 million on additional trade discounts by directing the DCIR to re-examine the issue based on the nature of discount. The Commissioner Inland Revenue (CIR) has filed an appeal on April 18, 2015 against the abovementioned order of CIR(A) before the Appellate Tribunal Inland Revenue (ATIR). ATIR on January 25, 2021 has upheld the order of CIR(A) and remanded back the issue for fresh verification.

32.1.5 ABL received a show cause notice dated June 27, 2016 from Assistant Commissioner Enforcement-II, Punjab Revenue Authority (PRA), Government of Punjab for proceeding against ABL for alleged violation of various sections of Punjab Sales Tax on Services Act, 2012 (the Act) read with Punjab Sales Tax on Services (Specific Provisions) Rules, 2012 (the Rules) and demanded tax on account of Punjab sales tax on franchises services aggregating Rs.55.443 million. Further, penalties aggregating Rs.2.962 million has also been charged.

ABL against the abovementioned show cause notice filed a petition on July 15, 2016 before the High Court of Sindh (the Court) on the basis that PRA has no jurisdiction to issue such notice. ABL is engaged in manufacturing of automotive batteries and owing to its technical assistance agreement with technology supplier it pays technical fees to them and in respect of such technical services, ABL is making regular payments of Sindh Sales Tax to the Sindh Revenue Board. Further, ABL's factory premises as well as all production and entire operations are in province of Sindh, therefore PRA has no jurisdiction to demand any sales tax on franchise fees on the basis of purported apportionment of the same. The Court, through its interim order dated July 15, 2016 issued notices to concerned persons / representatives and suspended the operations of abovementioned show cause notice.

The Court via its final order dated October 10, 2023, has dismissed the petition of ABL based on jurisdiction. ABL will pursue the available departmental remedies or relevant jurisdiction court, once the proceedings are finalized.

32.1.6 The Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers Unit, Karachi, for the tax year 2015 passed an order dated January 22, 2016 under section 161 / 205 of the Income Tax Ordinance, 2001 (the Ordinance) on account of non-deduction of withholding tax on various expenses and created a demand of Rs.56.449 million, including default surcharge and penalty. ABL filed a rectification application on February 11, 2016 against the aforesaid order pursuant to which the DCIR passed a rectified order dated February 22, 2016 under section 221 / 161 / 205 of the Ordinance. As a result of the rectified order, the total demand of Rs.56.449 million identified in the original order was reduced to Rs.0.398 million inclusive of default surcharge and penalty.

While passing the rectified order, the DCIR created an additional demand of Rs.81.593 million including default surcharge and penalty on account of non-deduction of tax on discounts allowed to dealers. ABL filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] on March 10, 2016 against the rectified order and challenged the aggregate demand of Rs.81.991 million. Pursuant to this appeal, CIR(A) passed an order dated June 8, 2016 under section 129 of the Ordinance and granted relief to ABL on aggregate demand of Rs.81.991 million. The Commissioner Inland Revenue (CIR) filed an appeal on August 5, 2016 against the above mentioned order of CIR(A) before the Appellate Tribunal Inland Revenue (ATIR). ATIR on July 30, 2019 had remanded back the issue of non-deduction of tax on trade discount allowed to dealers with the direction to the income tax authorities to examine the issue afresh. Accordingly, the DCIR conducted fresh monitoring of withholding income tax for the aforesaid year in lieu of the above ATIR directions and passed an order dated June 29, 2021 under section 161 / 205 of the Ordinance on the same issue of non-deduction of tax on discounts allowed to dealers and created a demand of Rs.121.735 million including default surcharge and penalty. ABL filed an appeal before CIR(A) on July 19, 2021. Pursuant to the appeal, CIR(A) passed an order on August 23, 2022 under section 129 of the Ordinance and upheld the decision of DCIR on the issue of non-deduction of tax on discounts allowed to dealers. ABL then filed an appeal on September 7, 2022 against the above mentioned order of CIR(A) before ATIR. ATIR on September 30, 2022 has deleted the demand and decided the case in favour of ABL. CIR has filed an appeal before Honourable High Court of Sindh on January 20, 2023, which is pending for hearing.

32.1.7 The Additional Commissioner Enforcement-III (Assessing Officer), Punjab Revenue Authority (PRA), Government of Punjab issued a show cause notice to ABL and alleged that ABL has failed to withhold and deposit the Punjab Sales Tax on advertisement services. ABL responded that some of the service providers do not have their registered office in the territorial jurisdiction of Punjab and in most of the cases, services were not completely consumed in Punjab only rather were electronically transmitted throughout Pakistan.

Further, ABL had withheld sales tax from all the payments made against said services and has deposited either to Federal Board of Revenue (FBR) or Sindh Revenue Board (SRB), therefore, demand raised by PRA would tantamount to double jeopardy for ABL. However, the Assessing Officer did not consider the arguments of ABL and passed an order dated May 22, 2017 under section 14 & 19 of Punjab Sales Tax on Services Act 2012 read with Punjab Sales Tax on Services (Withholding) Rules 2012 & 2015 and created an impugned demand of Rs.4.327 million including penalty.

ABL filed an appeal before Commissioner (Appeal), PRA, Lahore on June 23, 2017 against the aforementioned demand who had also upheld the order of the Assessing Officer on October 3, 2017. ABL then filed an appeal before Appellate Tribunal, PRA, Lahore on November 23, 2017. The Appellate Tribunal, PRA, Lahore has also upheld the order of the Commissioner (Appeal), PRA, Lahore on November 23, 2020. However, contrary to the factual position, the Appellate Tribunal, PRA, Lahore made an inadvertent error that ABL had not provided any proof of payments of withholding tax on services made to FBR and / or SRB; whereas in actual the proofs of payments were duly submitted and acknowledged by Commissioner (Appeals), PRA, Lahore as also mentioned in his order dated October 3, 2017.

ABL has filed a rectification application before the Appellate Tribunal, PRA, Lahore on January 15, 2021 for said correction in its order which is pending for hearing. ABL has also filed a petition before Honourable Lahore High Court on January 20, 2021 for grant of stay from coercive actions and to declare the order of Appellate Tribunal, PRA, Lahore illegal and unlawful, which is pending for hearing.

The PRA on December 19, 2023 has issued a recovery notice under section 70 of the Punjab Sales Tax on Services Act, 2012 for the impugned demand of Rs.4.327 million including penalty. ABL has again filed a petition before the Court on January 02, 2024 for grant of stay from coercive actions and to suspend the operation of the notice, which is pending for hearing.

32.1.8 Additional Commissioner Inland Revenue (ACIR), Large Taxpayers Unit, Karachi, for the tax year 2016 passed an order dated November 30, 2017 under section 161 / 205 of the Income Tax Ordinance, 2001 (the Ordinance) on account of non-deduction of tax on (i) trade discount allowed to dealers, (ii) rent paid to Atlas Foundation, (iii) cartage & octroi expenses, (iv) repair and maintenance expenses and (v) entertainment expenses. ACIR through the order created an aggregate demand of Rs.200.172 million including default surcharge and penalty. ABL filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on December 20, 2017 against (i) and (ii), whereas tax levied for (iii), (iv) and (v) were not contested in appeal. ABL paid the demand of Rs.1.5 million in light of directions given by [CIR(A)] on December 22, 2017 while granting stay from recovery proceedings which duly covers the balance tax demand of Rs.1.221 million in respect of issues not contested in appeals. Pursuant to the appeal, CIR(A), on January 22, 2018, passed an order under section 129 of the Ordinance and granted relief in respect of both issues contested i.e. (i) trade discount allowed to dealers and (ii) rent paid to Atlas Foundation. The department had filed an appeal on April 23, 2018 against the abovementioned order of CIR(A) before the Appellate Tribunal Inland Revenue (ATIR). ATIR on July 30, 2019 had remanded back the issue of non-deduction of tax on trade discount allowed to dealers with the direction to the income tax authorities to examine the issue afresh while no decision was given in respect of levy of tax payment of rent.

Accordingly, the DCIR conducted fresh monitoring of withholding income tax for the aforesaid year in lieu of the above ATIR directions and passed an order dated June 29, 2021 under section 161 / 205 of the Ordinance on the same issue of non-deduction of tax on discounts allowed to dealers and payment of rent, and created a demand of Rs.266.060 million including default surcharge and penalty. ABL filed an appeal before CIR(A) on July 19, 2021. Pursuant to the appeal, CIR(A) passed an order on August 23, 2022 under section 129 of the Ordinance and upheld the decision of DCIR on the issue of non-deduction of tax on discounts allowed to dealers. ABL then filed an appeal on September 7, 2022 against the above mentioned order of CIR(A) before ATIR. ATIR on September 30, 2022 has deleted the demand and decided the case in favour of ABL. Commissioner Inland Revenue (CIR) has filed an appeal before Honourable High Court of Sindh on January 20, 2023, which is pending for hearing.

32.1.9 Assistant / Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers Unit, Karachi, for the tax year 2017 passed an order dated October 24, 2018 under section 161 / 205 of the Income Tax Ordinance, 2001 (the Ordinance) on account of non-deduction of tax on (i) trade discount allowed to dealers, (ii) sales promotion, (iii) travelling, (iv) repair and maintenance expenses, (v) water charges, (vi) cartages and (vii) local purchase. DCIR through the order created an aggregate demand of Rs.266.079 million including default surcharge and penalty.

ABL filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on November 13, 2018 against (i) and (ii), where as tax levied for (iii), (iv), (v), (vi) and (vii) were not contested in appeal. ABL paid the demand of Rs.1.441 million on November 19, 2018 in respect of issues not contested in appeals. Pursuant to the appeal, CIR(A), on December 20, 2018, passed an order under section 129 of the Ordinance and granted relief in respect of issue contested at (ii) sales promotion and upheld the decision of DCIR in respect of issue contested at (i) trade discount allowed to dealers. ABL had filed an appeal on December 31, 2018 against the abovementioned order of CIR(A) in respect of issue at (i) trade discount allowed to dealers before the Appellate Tribunal Inland Revenue (ATIR). Moreover, ABL had obtained stay from the High Court of Sindh against the demand confirmed by CIR(A). ATIR on July 30, 2019 had remanded back the issue of non-deduction of tax on trade discount allowed to dealers with the direction to the income tax authorities to examine the issue afresh. Accordingly, the DCIR conducted fresh monitoring of withholding income tax for the aforesaid year in lieu of the above ATIR directions and passed an order dated June 29, 2021 under section 161 / 205 of the Ordinance on the same issue of non-deduction of tax on discounts allowed to dealers and created a demand of Rs.333.955 million including default surcharge and penalty. ABL filed an appeal before CIR(A) on July 19, 2021. Pursuant to the appeal, CIR(A) passed the order on August 23, 2022 under section 129 of the Ordinance and upheld the decision of DCIR on the issue of non-deduction of tax on discounts allowed to dealers. ABL then filed an appeal on September 7, 2022 against the above mentioned order of CIR(A) before ATIR. ATIR on September 30, 2022 has deleted the demand and decided the case in favour of ABL. Commissioner Inland Revenue (CIR) has filed an appeal before Honourable High Court of Sindh on January 20, 2023, which is pending for hearing.

32.1.10 The Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers Unit, Karachi conducted sales tax investigative audit for the period from July 2013 to June 2018 and passed an order dated November 14, 2019 with respect to (i) input tax claims against purchases from certain suppliers whose status was subsequently found as blacklisted / suspended on FBR web portal, (ii) input tax claims against purchases which were alleged to be inadmissible as per the Sales Tax Act, 1990 (the Act) & (iii) non-payment of extra tax on sales. DCIR, through abovementioned order raised an aggregate demand of Rs.49.041 million (including default surcharge and penalty of Rs.18.297 million).

ABL paid Rs.2.557 (including default surcharge and penalty of Rs.0.708 million) being amount not contested and filed an appeal on December 11, 2019 before Commissioner Inland Revenue (Appeals) [CIR(A)] under section 45(B) of the Act against the above order for remaining amount. Pursuant to the appeal, the CIR(A), through his order dated December 30, 2019, granted partial relief to ABL in respect of the above mentioned points by disallowing demand to the tune of Rs.11.154 million and remanded back the allegations involving sales tax to the tune of Rs.17.741 million (both without default surcharge and penalty). Further, CIR(A) also order the DCIR to re-work the amount of default surcharge and penalty after giving effect of appeal order. However, the Commissioner Inland Revenue (CIR) has filed an appeal on February 20, 2020 against the abovementioned order of CIR(A) before the Appellate Tribunal Inland Revenue, which is pending for hearing.

32.1.11 Additional Commissioner Inland Revenue (ACIR), Audit-II, Range-D, Large Taxpayers' Office, Karachi, for the tax year 2018 passed an order dated January 28, 2021 under section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance) which (i) additions pertaining to non-deduction of withholding tax on trade discount, (ii) disallowance of warranty expense and (iii) disallowance of certain tax credits. The ACIR through the order created an aggregate demand of Rs.658.995 million. ABL filed a rectification application for the apparent errors in the order and also filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] on February 19, 2021.Pursuant to the appeal, CIR(A) on April 14, 2022, passed an order under section 129 of the Ordinance and granted partial relief to ABL by deleting the demand in respect of various expenditures, remanded back the issues on disallowances of tax credits and certain expenditures and upheld the demand related to additions pertaining to non-deduction of withholding tax on additional discounts. ABL has filed an appeal before Appellate Tribunal Inland Revenue (ATIR) in respect of issues confirmed by CIR(A), which is pending for hearing.

32.1.12 Deputy Commissioner Inland Revenue (DCIR), Unit -4, Audit-1, Large Taxpayers' Office, Karachi conducted sales tax audit for the period from July 2018 to June 2019 and passed an order dated June 29, 2021 under section 11(2) of the Sales Tax Act, 1990 (the Act) and created demand of Rs.1.649 billion including default surcharge and penalty. The significant issue alleged in this order is claiming of input tax adjustment on fake and flying sales tax invoices.

ABL filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on July 27, 2021. Pursuant to the appeal, CIR(A) on April 14, 2022, passed an order under section 45B of the Act and granted partial relief to ABL by deleting the demand on various issues, remanded back the allegations including input tax adjustment on fake and flying sales tax invoices and reduced the aforementioned demand to the extent of Rs.5.645 million pertaining to inadmissible input tax adjustments including default surcharge and penalty. ABL has filed an appeal before Appellate Tribunal Inland Revenue (ATIR) on June 07, 2022 in respect of issues confirmed by CIR(A). ATIR in its order dated January 1, 2023 remanded back the pending issues pertaining to inadmissible input tax adjustments to income tax authorities with the directions to re-examine the issue afresh.

Pursuant to ATIR order, DCIR had initiated the appeal effect proceedings on the issues remanded back by ATIR and passed the order dated May 20, 2024 confirming the demand of Rs.5.645 million including default surcharge and penalty. ABL has filed an appeal before CIR(A) on June 13, 2024, which is pending for hearing.

32.1.13 Deputy Commissioner Inland Revenue (DCIR), Unit -4, Audit-1, Large Taxpayers' Office, Karachi conducted sales tax audit for the period from July 2019 to June 2020 and passed an order dated June 30, 2021 under section 11(2) of the Sales Tax Act, 1990 (the Act) and created demand of Rs.1.669 billion including default surcharge and penalty. The significant issue alleged in this order is claiming of input tax adjustment on fake and flying sales tax invoices. ABL filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on July 27, 2021. Pursuant to the appeal, CIR(A) on April 14, 2022, passed an order under section 45B of the Act and granted partial relief to ABL by deleting the demand on various issues, remanded back the allegations including input tax adjustment on fake and flying sales tax invoices and reduced the aforementioned demand to the extent of Rs.4.382 million pertaining to inadmissible input tax adjustments including default surcharge and penalty. ABL has filed an appeal before Appellate Tribunal Inland Revenue (ATIR) on June 07, 2022 in respect of issues confirmed by CIR(A). ATIR in its order dated January 1, 2023 remanded back the pending issues pertaining to inadmissible input tax adjustments to income tax authorities with the directions to re-examine the issue afresh.

Pursuant to ATIR order, DCIR had initiated the appeal effect proceedings on the issues remanded back by ATIR and passed the order dated May 20, 2024 confirming the demand of Rs.4.382 million including default surcharge and penalty. ABL has filed an appeal before CIR(A) on June 13, 2024, which is pending for hearing.

32.1.14 Assistant / Deputy Commissioner Inland Revenue (DCIR), Unit-4, Audit-1, Large Taxpayers' Office, Karachi conducted income tax audits for the tax years 2016, 2018, 2019 & 2020 and accordingly, passed orders dated July 29, 2021 under section 122(1) of the Income Tax Ordinance, 2001 (the Ordinance) and created demand of Rs.2.597 billion, Rs.3.746 billion, Rs.2.963 billion and Rs.2.225 billion, respectively for the said tax years. The significant issues alleged in these orders are disallowance of purchases on account of alleged fake and flying sales tax invoices, difference in bank credit entries with audited accounts, add backs of additional discounts and disallowance of certain expenditures. ABL filed appeals before Commissioner Inland Revenue (Appeals) [CIR(A)] on August 23, 2021. Pursuant to the appeals, CIR(A) o April 14, 2022, passed an order under section 129 of the Ordinance and granted partial relief to ABL by remanded back various issues including disallowance of purchases on account of alleged fake and flying sales tax invoices, difference in bank credit entries with audited accounts and disallowance of certain expenditures for fresh verification and upheld the demands in respect of other issues which significantly involves the add backs on additional discounts . ABL has filed appeals before the Appellate Tribunal Inland Revenue (ATIR) on June 10, 2022 in respect of the issues confirmed by the CIR(A), which is pending for hearing.

Pursuant to CIR(A) order, DCIR had initiated the appeal effect proceedings on the issues remanded back by CIR(A) and passed the order dated June 12, 2024 for the TY 2016 by reducing the demand to Rs.1.142 billion. ABL has filed an appeal on July 06, 2024 against the aforesaid order of DCIR in respect of issues at (i) disallowance of purchases on account of alleged fake and flying sales tax invoices, and (ii) difference in bank credit entries before the ATIR, which is pending for hearing.

Further, DCIR had also initiated the appeal effect proceedings on the issues remanded back by CIR(A) and passed the orders dated July 1, 2024 for TY 2018, 2019 and 2020 and reduced the demands to Rs.20.673 million, Rs.76.543 million and Rs.4.528 million, respectively. ABL has filed appeals on July 24, 2024 for TY 2018, and on July 26, 2024 for TY 2019 against the aforesaid mentioned orders of DCIR in respect of issues at (i) short credit of taxes (ii) various expenses before the Appellate Tribunal Inland Revenue (ATIR) which are pending for hearing. Furthermore, for TY 2020, ABL has filed an appeal on July 24, 2024 against the aforesaid order of DCIR in respect of issues at (i) short credit of taxes (ii) various expenses before the CIR(A), which is pending for hearing. Moreover, ABL has obtained stay from the Honourable High Court of Sindh against the demand confirmed by DCIR for TY 2016, 2018 and 2019. ABL has also obtained stay from the CIR(A) by paying 10% of the demand for the TY 2020.

32.1.15 The Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers Unit, Karachi, for Tax Year 2019, passed an order dated June 11, 2025, under Sections 161 and 205 of the Income Tax Ordinance, 2001 (the Ordinance), in respect of non-deduction of withholding tax on (i) additional discounts and (ii) advertisement and sales promotion expenses. The order raised a demand of Rs.565 million, inclusive of default surcharge and penalty. An appeal against the said order was filed before the Commissioner Inland Revenue (Appeals) [CIR(A)] on July 2, 2025, which is currently pending adjudication. On July 11, 2025, ABL has also obtained a stay order from the Honourable High Court of Sindh against the said demand.

Atlas Honda Limited (AHL)

32.1.16 Various cases have been filed against AHL by some former employees for reinstatement of service and are pending in different courts of Pakistan. The management is confident that outcome of these cases will be in favour of the AHL and hence no provision is made in these financial statements.

Atlas Insurance Limited (AIL)

32.1.17 For the tax year 2017, the Deputy Commissioner Inland Revenue (DCIR) created a tax demand of Rs. 654.47 million, which mainly pertained to disallowances due to need of underlying evidences and disallowance of certain expenses due to non-deduction of withholding tax. Being aggrieved, ABL filed an appeal before the CIR (A) against the aforesaid order, who has disposed of the appeal and remanded back the entire case to the DCIR for reconsideration. AIL has filed an appeal before ATIR against the order of the CIR (A). No provision has been recognized in these financial statements since the management believes that there are meritorious grounds that the case will be decided in favor of AIL.

32.1.18 For the tax year 2018, the DCIR created default surcharge of Rs. 4,010 thousand, which mainly pertained to default surcharge under section 147/205 of the Income Tax Ordinance, 2000. Being aggrieved, AIL filed an appeal before the CIR (A) against the aforesaid order, which is pending adjudication. No provision has been recognized in these financial statements since the management believes that there are meritorious grounds that the case will be decided in favor of AIL.

32.1.19 For the tax period from January 2014 to December 2014, the DCIR created a FED demand of Rs. 260,098 thousand including default surcharge, which mainly pertained to FED paid to provinces rather than FBR. Being aggrieved, ABL filed an appeal before the ATIR against the aforesaid order, which is pending adjudication. No provision has been recognized in these financial statements since the management believes that there are meritorious grounds that the case will be decided in favor of AIL.

Atlas Metals (Private) Limited (AML)

32.1.20 AML is defending a suit in Honourable High Court of Sindh for recovery of Rs.73.49 million under Fatal Accident Act, 1855. The case is pending for hearing. No provision have been made in these financial statements.

Atlas Engineering (Private) Limited (AEL)

32.1.21 Various cases have been filed against AEL by some former employees for reinstatement of service and are pending in different courts of Pakistan. The management is confident that outcome of these cases will be in favour of AEL and hence no provision is made in these financial statements.

Atlas DID (Private) Limited (ADIDPL)

32.1.22 Deputy Commissioner Inland Revenue (DCIR), Large Taxpayers' Office, Karachi passed an assessment order under Section 11(2) of the Sales Tax Act, 1990, creating an aggregate demand of Rs.26,020,696, based on various issues relating to the tax period April 1, 2020 to March 31, 2021. ADIDPL filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) on October 23, 2024; however, the ATIR upheld the assessment through its order dated February 3, 2025. Subsequently, ADIDPL filed an appeal before the Honourable High Court of Sindh (SHC) on February 20, 2025, against the order and seeking a stay against any coercive recovery measures, which was granted through the SHC's interim order dated February 21, 2025. The said interim order in favour of ADIDPL is operating with the matter currently pending adjudication.

		2025	2024
		---- Rupees in '000 ----	
32.2	Outstanding bank guarantees	**13,493,393**	10,582,879
32.3	**Commitments**		
	Commitments in respect of letters of credits	**12,791,363**	6,952,148
	Commitments other than through letters of credits	**100,866**	217,420
	Commitments in respect of Ijarah arrangements:		
	- not later than one year	**669,449**	516,989
	- later than one year and not later than five years	**1,934,638**	1,428,446
	- more than five years	**151,463**	-

33 REVENUE

	2025	2024
Sales including lease income	**324,578,564**	286,961,860
Hire-purchase sales	**3,394,878**	2,678,421
Service income / insurance income	**6,277,913**	2,691,968
Commission Income	**236,732**	478,212
	334,488,087	292,810,461
Less: Sales tax	**(55,961,506)**	(49,026,440)
Less: Discounts / returns / sales load	**(8,674,566)**	(7,849,948)
	269,852,015	235,934,073

34 FEE / COMMISSION FROM ASSET MANAGEMENT

	2025	2024
	---- Rupees in '000 ----	
Open-ended		
Atlas Income Fund	**150,642**	84,426
Atlas Islamic Income Fund	**14,621**	14,365
Atlas Islamic Money Market Fund	**30,089**	17,625
Atlas Islamic Stock Fund	**289,334**	127,888
Atlas Money Market Fund	**280,234**	229,330
Atlas Pension Fund	**35,525**	16,113
Atlas Sovereign Fund	**156,782**	66,161
Atlas Pension Islamic Fund	**40,027**	15,911
Atlas Islamic Dedicated Stock Fund	**26,404**	18,912
Atlas Islamic Fund of Funds	**291**	537
Atlas Liquid Fund	**54,123**	55,989
Atlas Stock Market Fund	**820,604**	342,329
Atlas Islamic Cash Fund	**2,039**	-
Atlas KPK Islamic Pension Fund	**10**	4
Private equity fee - net	**5,873**	5,429
	1,906,598	995,019
Less: Sales tax	**(247,921)**	(113,847)
	1,658,677	881,172

34.1 In accordance with the provisions of the Non-Banking Finance Companies & Notified Entities Regulations, 2008, the Management Company of the funds is entitled a management fee that has been verified by the trustee and is paid in arrears on monthly basis. The maximum rate of management fee chargeable to Funds is required to be disclosed in the offering documents within allowed expense ratio limit i.e. upto 4.5% for equity, balanced, asset allocation and protected schemes, 2% for money market scheme, 2.5% for income, aggressive income, capital protected, index and commodity schemes, 3% for commodity schemes and 2.5% for fund of fund schemes.

35 OTHER OPERATING INCOME

	Note	2025	2024
		---- Rupees in '000 ----	
Income on loans, advances and bank balances		**1,808,304**	1,624,315
Scrap sales		**146,226**	108,271
Earned carrying charges on hire-purchase sales		**25,733**	24,431
Net gain on sale of investments properties	**22.1**	**1,917,553**	-
Amortization of deferred income - government grant		**5,649**	10,008
Reversal of provision for compensated absences		**-**	5,079
Profit from window takaful operations		**128,848**	119,158
Gain on sale of treasury bills and PIBs		**5,538,667**	4,573,583
Gain on de-recognition of lease liabilities		**66,898**	-
Others		**139,342**	127,066
		9,777,220	6,591,911

36 COST OF SALES AND SERVICES

	Note	2025	2024
		---- Rupees in '000 ----	
Raw and ancillary materials consumed		**158,959,903**	140,833,523
Salaries, wages and benefits	36.1	**12,755,599**	10,273,147
Spare parts and other maintenance		**646,839**	1,030,358
Travelling and conveyance		**337,742**	255,889
Store consumption		**3,573,506**	2,915,215
Fuel, water and power		**5,614,483**	5,847,749
Rent rates and taxes including ijarah rental		**540,714**	662,463
Insurance		**70,945**	63,580
Training expense		**26,698**	14,125
Repairs and maintenance		**1,614,660**	2,247,464
Depreciation on:			
- operating fixed assets	7.1	**3,240,338**	3,687,955
- right of use assets	7.4	**116,082**	158,094
Amortisation and software charges	8	**31,138**	55,785
Canteen		**552,353**	372,577
Royalties and technical fee	36.2	**10,570,822**	7,399,188
Printing and stationery		**72,201**	90,440
Postage and telephone		**23,889**	23,446
Fees and Subscription		**30,814**	26,385
Provision for stock, stores, spare parts & loose tools obsolescence		**29,940**	142,295
Marking fee		**184,159**	147,934
Free replacement		**1,653,797**	1,703,083
Vehicle running		**205,701**	208,521
Installation charges / subcontracting costs		**408,710**	473,822
General expenses		**313,717**	222,936
		201,574,750	178,855,974
Opening - finished goods		**6,693,324**	5,399,003
- work-in-progress		**2,416,874**	2,154,462
Purchases during the year		**28,524,399**	26,623,171
Transfers to fixed assets		**(480,373)**	(53,858)
Closing - finished goods		**(5,777,752)**	(6,693,324)
- work-in-progress		**(2,428,706)**	(2,416,874)
		28,947,766	25,012,580
		230,522,516	203,868,554

36.1 Salaries, wages and benefits include Rs.997.3 million (2024: Rs.581.76 million) in respect of employees retirement benefits.

36.2 Royalty charged in these financial statement pertains to:

Company	Address
Honda Foundry Ltd.	1620, Matoba Kawago, Saitama, Japan
Shingdengen Electric Ltd.	New-Ohtemachi Bldg., 2-1 Ohtemachi 2 Chome, - Chiyoda-Ku, Tokyo, Japan
GS Yuasa International Limited	1, Inobanba-cho, Nishinosho, Kisshoin, Minami-ku, Kyoto 601-8520 Japan
Astemo Limited	Shin-Otemachi Building, 2-1, Otemachi 2-chome, Tokyo, 100-0004, Japan.
F.C.C Co. Limited	7000-36, Nakagawa, Hosoe-cho Kita-ku, - Hamammatsu-shi, Shizouka-ken, Japan
Motherson Atsumetic Automotive System Company Limited	4-6-1 Takaokanishi Naka-ku, Hamamatsu- shi - Shizuoka Prefecture, 433-8118 Japan
Daido Kogyo Co., Ltd.	197 Kumasaka -cho Kaga city, Isikawa Pref - 922-8686, Japan
Honda Motor Company Limited	1-1, Minami-Aoyama 2-chome, Minato-ku - Tokyo107-8556,Japan
Toyo Denso Company Limited	10-4, 2-Chome, Shinbashi Minato-ku, - Tokyo, Japan
Yamada Manufacturing - Company Limited	1296-2, Koubayashi, Isesaki, - Gunama, Japan
Denso Corporation	1-1, Showa-Cho, Kariya-shi, Aichi-ken 448-8661, Japan
Chongqing Gongcheng Investment Co., Limited	2 Chahua Road, Na'an District, Chongqing, China

37 DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES	Note	2025	2024
		---- Rupees in '000 ----	
Salaries, wages and benefits	37.1	**5,817,169**	6,186,888
Back office accounting services charges	37.2	**72,794**	50,240
Rent, rates and taxes including ijarah rentals		**185,493**	104,598
Travelling, conveyance and entertainment		**917,224**	818,195
Freight and forwarding		**2,003,907**	1,512,260
Printing and stationery		**70,807**	60,521
Gas, water and electricity		**223,440**	182,812
Vehicle running		**383,643**	368,281
Legal and professional fee		**190,863**	181,298
Auditors' remuneration	37.3	**42,511**	41,716
Insurance		**31,711**	21,504
Fee and subscription		**366,103**	277,056
Repairs and maintenance		**23,645**	19,351
Depreciation on:			
- operating fixed assets	7.1	**636,394**	538,621
- right of use assets		**232,105**	225,852
Amortisation on intangible assets and license fee		**11,436**	10,899
Postage, telephone and internet		**127,796**	93,093
Newspapers, magazines and subscriptions		**24,190**	25,402
Staff training		**86,436**	47,557
Advertisements / sales promotion		**1,746,800**	1,317,158
Donation to Atlas Foundation - a related party		**716,288**	595,714
Directors' meeting fees and remuneration		**114,369**	93,008
Others		**648,419**	655,999
Less: expenses reimbursed from funds under management		**(157,487)**	(274,948)
		14,516,056	13,153,075

37.1 Salaries and benefits include Rs.364.9 million (2024: Rs.586.25 million) in respect of employees' retirement benefits.

37.2 The Group on March 11, 2015, entered into 'Back Office Accounting Service Agreement' with IT Minds Limited (the Service provider). Through this service level agreement, AAML, in line with the SECP Circular No. 24/2013 dated December 6, 2013, has delegated back office accounting functions of all open end mutual funds and pension funds managed by the Group to the Service Provider after due assessment of its capacity which includes availability of relevant IT infrastructure and systems along with human resources to undertake the back office function. The delegated functions include accounting functions, unit management services, maintenance of financial records and all other general back office services.

37.3 Auditors' remuneration

	ShineWing Hameed Chaudhri & Co.	BDO Ebrahim & Co.	2025 Total	2024 Total
	Rupees in 000			
Annual audit fee of Holding Company and subsidiary companies	**20,067**	**7,862**	**27,929**	23,815
Fee for half yearly review	**781**	**-**	**781**	1,025
Audit fee for consolidated financial statements	**2,051**	**-**	**2,051**	1,894
Audit fee for provident and gratuity funds	**2,160**	**-**	**2,160**	2,083
Out of pocket expenses	**4,030**	**220**	**4,250**	2,732
Others	**5,160**	**180**	**5,340**	10,167
	34,249	**8,262**	**42,511**	41,716

38 OTHER EXPENSES

	Note	2025	2024
		---- Rupees in '000 ----	
Net loss on disposal on disposal of fixed assets and inventories		**82,318**	233,739
Workers' profit participation fund		**775,610**	560,906
Workers' welfare fund		**825,131**	355,449
Exchange loss / (gain) - net		**124,153**	(347,008)
Provision for expected credit loss		**13,239**	21,038
Trade debts written off due to termination of agreement with CPPA - G	1.5	**5,399,831**	-
Fixed assets written off		**73,630**	1,708
		7,293,912	825,832

39 FINANCE COSTS

	Note	2025	2024
Interest / mark-up:			
- long term loans		**1,568,975**	2,754,087
- short term borrowings	39.1	**1,502,116**	2,067,301
- lease liabilities		**278,326**	123,370
- workers' profit participation fund		**8,736**	4,807
Guarantee and commission charges		**9,867**	6,634
Banks and other charges		**142,246**	135,499
		3,510,266	5,091,698

40 LEVIES AND INCOME TAXATION

	2025	2024
	---- Rupees in '000 ----	

40.1 This represents final taxes paid under sections 150 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

40.2 This represents minimum tax differential paid under section 153 Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

40.3 Deferred tax

	2025	2024
	---- Rupees in '000 ----	
Origination and reversal of temporary differences	**438,026**	325,842

40.4 Reconciliation of current tax charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:

	2025	2024
	---- Rupees in '000 ----	
Current tax liability for the year as per applicable tax laws	**16,399,984**	11,184,960
Portion of current tax liability as per tax laws, representing income tax under IAS 12	**(14,597,113)**	(10,152,498)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	**(1,802,871)**	(1,032,462)
	-	-

41 EARNINGS PER SHARE - BASIC AND DILUTED

	2025	2024
Profit for the year after taxation attributable to equity holders of the Holding Company	**13,303,591**	13,154,390
Weighted average number of ordinary shares	**220,112**	220,112
	---- Rupees ----	
Earnings per share - basic and diluted	**60.44**	59.76

42 REMUNERATION OF CHIEF EXECUTIVE OFFICER, EXECUTIVE DIRECTORS AND EXECUTIVES

	Chief Executive (Holding Company)		Executive Directors		Executives	
	2025	2024	2025	2024	2025	2024
	---- Rupees in '000 ----					
Managerial remuneration	**27,664**	23,247	**64,200**	52,800	**2,580,128**	2,111,757
Bonus	**13,832**	10,074	**32,100**	22,880	**1,118,812**	847,876
Medical Expenses and other benef	**667**	352	**901**	-	**121,997**	135,475
Retirement benefits	**1,790**	1,507	**4,154**	3,416	**180,945**	141,597
	43,954	35,180	**101,355**	79,096	**4,001,883**	3,236,705
Number of persons	**1**	1	**1**	1	**542**	498

43 CASH GENERATED FROM OPERATIONS

	2025	2024
	---- Rupees in '000 ----	
Profit before taxation	**36,753,995**	29,793,669
Adjustments for:		
Depreciation	**4,224,919**	4,670,132
Amortisation of intangible asset	**42,574**	51,993
Provision for compensated absences	**246,406**	177,339
Provision for long service award	**8,863**	1,540
Provision for gratuity	**676,471**	210,246
Provision for stock obsolescence	**29,940**	142,295
Gain on de-recognition of lease liabilities	**(66,898)**	-
Loss / (gain) on sale of operating fixed assets & inventories	**82,318**	(233,739)
Fixed assets written off	**73,630**	-
Financial charges	**3,510,266**	5,091,698
Share of profit from associated companies	**(10,171,815)**	(8,060,371)
Dividend income	**(1,137,018)**	(1,265,301)
	(2,480,344)	785,832
	34,273,651	30,579,501
(Increase) / decrease in stores, spare parts and loose tools	**(239,229)**	440,180
Decrease / (increase) in stock-in-trade	**5,861,821**	(3,596,400)
Decrease in trade debts	**13,771,035**	1,985,018
Increase in receivable from funds under management	**(81,976)**	(49,025)
(Increase) / decrease in loans and advances	**(88,967)**	487,332
(Increase) / decrease in deposits, prepayments and other receivables	**(5,798,464)**	3,471,862
(Increase) / decrease in sales tax receivable - net	**(97,186)**	213,933
Increase in accrued interest	**(466,549)**	(403,154)
Increase in short term investment	**(14,247,411)**	(2,205,140)
Increase / (decrease) in trade and other payables	**7,386,531**	(4,794,194)
	5,999,605	(4,449,588)
	40,273,256	26,129,913

44 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of group companies, staff retirement funds, key management personnel and their close relatives and major shareholders of the Group.

44.1 Details of Related Parties

Following are the related parties with whom the Group had entered into transactions during the year or have arrangement / agreement in place:

Name of related parties	Basis of relationship	Shares held
Honda Atlas Cars Pakistan Limited	Associated company	**30.64%**
Honda Atlas Power Products (Private) Limited	Associated company	**20.00%**
Denso Corporation	Associated company	-
Honda Motor Company Limited	Associated company	-
Atlas Foundation	Common directorship	-
Atlas Vocational Training Institute	Common directorship	-
Integration Xperts (Private) Limited	Common directorship	-
Cherat Packaging Limited	Common directorship	**9.20%**
Atlas Income Fund	Associated mutual fund	**62.30%**
Atlas Stock Market Fund	Associated mutual fund	**20.22%**
Atlas Sovereign Fund	Associated mutual fund	**39.89%**
Atlas Islamic Income Fund	Associated mutual fund	**1.41%**
Atlas Islamic Stock Fund	Associated mutual fund	**35.94%**
Atlas Money Market Fund	Associated mutual fund	**47.67%**
Atlas Islamic Money Market Fund	Associated mutual fund	**4.15%**
Atlas Aggressive Allocation Islamic Plan	Associated mutual fund	**76.62%**
Atlas Conservative Allocation Islamic Plan	Associated mutual fund	**76.79%**
Atlas Moderate Allocation Islamic Plan	Associated mutual fund	**73.00%**
Atlas Pension Fund	Associated mutual fund	**12.64%**
Atlas Pension Islamic Fund	Associated mutual fund	**10.69%**
Atlas KPK Islamic Pension Fund	Associated mutual fund	**82.41%**
Atlas Private Equity Fund	Associated mutual fund	**100.00%**
Atlas Liquid Fund	Associated mutual fund	**62.47%**
Iftikhar Shirazi Family Trust	Substantial Shareholder	**25.00%**

The details of transactions with related parties during the year other than those which have been disclosed elsewhere in these consolidated financial statements are as follows:

Nature of relationship / transaction	2025	2024
Associated Companies	---- Rupees in '000 ----	
Purchase of operating fixed assets	**375,439**	339,452
Purchase of goods and services	**1,563,033**	2,312,747
Investments made	**46,449,872**	33,592,758
Investments redeemed	**49,212,467**	27,565,463
Dividend income	**2,354,274**	2,033,732
Advance against further issue of shares	**100,000**	-
Property transferred against issuance of shares	**2,735,735**	-
Sale of goods and rendering of service	**364,160**	110,260
Management fee	**1,658,677**	881,172
Advisory fee	**2,926**	2,084
Rent paid	**44,858**	40,779
Royalty and technical assistance fee paid	**11,147,886**	7,002,343
Donations paid	**466,935**	389,585
Dividend paid	**3,403,128**	466,925
Retirement benefit funds		
Contribution to retirement benefit funds	**737,525**	325,406
Payments made on behalf of employees	**13,362**	13,362
Key management personnel		
Sale of fixed assets under Group policy	**42,684**	16,378
Salaries and other employment benefits	**1,587,440**	1,294,559

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

45.1 The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks. The Group's management ensures that Group's activities are governed by appropriate policies and procedures and that the financial risks are identified, measured and managed in accordance with group policies and group risk appetite. The Board of Directors review and agree policies for managing each of these risks which are summarized below.

45.2 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and foreign exchange rates.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or 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 Group's short term investments and bank deposits in saving accounts. At the balance sheet date, the interest rate profile of the Group's interest-bearing financial instruments is as follows:

	Carrying amount	Increase / (decrease) in basis points	Effect on profit before tax	Effect in Other Comprehensive Income
June 30, 2025	------------------- Rupees in 000			-------------------
Financial assets				
Cash and bank balances	**34,990,103**	**100**	**349,901**	-
		(100)	**(349,901)**	-
Short term investments	**490,888**	**100**	**4,909**	-
		(100)	**(4,909)**	-
Long term loans - secured	**174,379**	**100**	**1,744**	-
		(100)	**(1,744)**	-
Financial liabilities				
Long term loans	**12,843,788**	**100**	**128,438**	-
		(100)	**(128,438)**	-
Short term borrowings - secured	**8,284,762**	**100**	**82,848**	-
		(100)	**(82,848)**	-
June 30, 2024				
Financial assets				
Cash and bank balances	41,713,429	100	417,134	-
		(100)	(417,134)	-
Short term investments	89,952	100	900	
		(100)	(900)	-
Long term loans - secured	175,602	100	1,756	-
		(100)	(1,756)	-
Financial liabilities				
Long term loans	16,104,742	100	161,047	-
		(100)	(161,047)	-
Short term borrowings - secured	15,652,403	100	156,524	-
		(100)	(156,524)	-

(ii) Foreign exchange risk

Foreign currency risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at the reporting date, if Rupee had strengthened/ weakened by 5% against U.S Dollar, Japanese Yen and Euro with all other variables held constant, profit before taxation for the year would have (decreased) / increased by Rs.110.89 million respectively, mainly as a result of net foreign exchange (loss) / gain on translation of financial asset and liabilities.

45.3 Liquidity risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the Group could be required to pay its liabilities earlier than expected.

The table below summarises the maturity profile of the Group's financial liabilities. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date.

	Less than 1 year	1 to 5 years	More than 5 years	Total
	Rupees in '000			
June 30, 2025				
Term loans	**1,355,307**	**11,488,481**	**-**	**12,843,788**
Deposits	**7,468**	**75,415**	**-**	**82,883**
Trade and other payables	**70,796,300**	**-**	**-**	**70,796,300**
Short term borrowings	**8,284,762**	**-**	**-**	**8,284,762**
Lease liabilities	**253,994**	**1,298,120**	**-**	**1,552,114**
Accrued mark-up	**268,605**	**-**	**-**	**268,605**
	80,966,436	**12,862,016**	**-**	**93,828,452**
June 30, 2024				
Term loans	3,062,063	13,042,679	-	16,104,742
Deposits	7,468	57,866	-	65,334
Trade and other payables	63,019,369	-	-	63,019,369
Short term borrowings	15,652,403	-	-	15,652,403
Lease liabilities	277,650	1,634,615	-	1,912,265
Accrued mark-up	982,012	-	-	982,012
	83,000,965	14,735,160	-	97,736,125

45.4 Credit risk

Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or counter party to fulfil their obligations. The Group's exposure to credit risk is as follows:

	2025	2024
	Rupees in '000	
Long term loans	**174,379**	175,602
Deposits and other receivables	**227,784**	330,725
Trade debts	**8,581,965**	22,353,000
Receivable from funds under management	**181,652**	99,676
Short term loans and advances	**538,378**	449,411
Short term investments	**12,600,152**	5,359,294
Bank balances	**36,926,136**	43,197,586
	59,230,446	71,965,294

The analysis below summarizes the credit quality of the Group's investment in mutual funds as at June 30, 2025 and June 30, 2024:

	2025	2024
Investments by rating category	%	
AM1, AM2+, AM2++	**29.85%**	29.85%
AA, AA-, AA+	**70.15%**	70.15%
	100%	100%

45.5 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 between market participants at the measurement date.

45.5.1 Fair value hierarchy

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using 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 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

	Level 1	Level 2	Level 3	Total
	Rupees in '000			
June 30, 2025				
Investment at fair value through OCI - Listed shares - others	**22,209,069**	-	-	**22,209,069**
Investment at fair value through OCI - Listed shares - related parties	**527,990**	-	-	**527,990**
Investment in mutual funds at fair value through profit and loss - others	-	**2,660,301**	-	**2,660,301**
Investment in mutual funds at fair value through profit and loss - related parties	-	**48,099,830**	-	**48,099,830**
Investment in pension funds at fair value through OCI	-	**983,663**	-	**983,663**
Investment- Pakistan investment bonds fair value through profit and loss	-	**490,888**	-	**490,888**
	22,737,059	**52,234,682**	-	**74,971,741**
June 30, 2024				
Investment at fair value through OCI - Listed shares - others	13,938,463	-	-	13,938,463
Investment at fair value through OCI - Listed shares - related parties	533,367	-	-	533,367
Investment in mutual funds at fair value through profit and loss - others	-	1,089,080	-	1,089,080
Investment in mutual funds at fair value through profit and loss - related parties	-	28,620,101	-	28,620,101
Investment in pension funds at fair value through OCI	-	688,236	-	688,236
Investment- Pakistan investment bonds fair value through profit and loss	-	89,952	-	89,952
	14,471,830	30,487,369	-	44,959,199

During the year ended June 30, 2025, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

45.5.2 Valuation technique used in determination of fair values within level 2. Fair values of investment in units of mutual funds are determined based on redemption prices disclosed at mutual fund Association of Pakistan (MUFAP) as at the close of business days.

45.6 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefit for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure and makes adjustment to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares.

The Group monitors capital using the gearing ratio, which is debt divided by total equity plus debt. Debt includes term loans and short term borrowings:

	2025	2024
	------ **Rupees in '000** ------	
Term loans	**12,843,788**	16,104,742
Short term borrowings	**8,284,762**	15,652,403
Less: Bank balances	**(8,668,660)**	(9,395,493)
Net Debt	**12,459,890**	22,361,652
Equity	**133,218,487**	114,473,720
Equity plus debt	**145,678,377**	136,835,372
Gearing ratio	**9%**	16%

46 Number of employees

	2025	2024
Employees as on year end	**4,582**	4,544
Average number of employees	**4,607**	4,525

47 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. This did not affect profit, net assets or equity.

48 NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the Group in their meeting held on October 7, 2025 have approved the transfer of Rs. 10,000 million from unappropriated profits to general reserve.

49 GENERAL

All figures in these consolidated financial statements have been rounded off to the nearest thousand Rupees.

50 DATE OF AUTHORISATION FOR ISSUE

The consolidated financial statements were authorised for issue by the Board of Directors of the Holding Company on October 7, 2025.

Chairman	Chief Executive Officer	Director