

آگے بڑھو

AGAY BARHO

PROGRESS
that lifts
GENERATIONS




AGRITECH

Contents

Annual Report 2025

In presenting its Annual Report 2025, Agritech has adopted the 'International Integrated Reporting (IR) Framework to provide a comprehensive portrayal of the Company's business affairs, elucidating all financial and non-financial information in a manner designed to augment user understanding of the Company's concerted efforts to enhance its performance.

The adoption of the IR Framework necessitates a robust commitment from the Company's management, who bear ultimate responsibility for communicating the Company's message to all stakeholders. Additionally, the Board of Directors, elected by shareholders, plays an integral role in upholding an integrated reporting mechanism and fostering long-term value creation while concurrently augmenting transparency for shareholders.

Although the adoption of the International Integrated Reporting Framework hinges upon the unique circumstances of each entity and is deemed to be in its nascent stages, Agritech remains steadfast in its commitment to refining the information provided, thereby enhancing its accessibility and comprehensibility, while considering the perspectives of stakeholders perusing this report. The Company has incorporated the following content elements for the benefit of report users:

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Organizational Overview and External Environment

Includes details on the Agritech's history, vision, mission, principal activities and associated companies. Provides an in-depth understanding of Agritech's business model, ethics and business practices, code of conduct, core values and position within the value chain. Also covers an assessment of competitive landscape, market positioning and the significant factors affecting the external environment.

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Strategy and Resource Allocation

Covers Agritech's short, medium, and long-term strategic objectives and related strategies. Includes resource allocation plans to implement the strategies, company capabilities that provide a sustainable competitive advantage and the resulting value creation. Also details the company's strategy on market, product, and service development, key performance indicators (KPIs) for measuring strategic success, and the Board's statement on significant plans such as corporate restructuring, business expansion, and capital expenditure.

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Risks and Opportunities

Covers key internal and external risks and opportunities affecting the availability, quality, and affordability of capitals. Includes the Board's statement on risk tolerance, risk management policies, and assessment of principal risks impacting business performance, solvency, and liquidity. Outlines risk management framework, risk methodology, appetite, and reporting, along with specific steps to mitigate risks or create value from opportunities. Also discloses supply chain risks due to environmental, social, or governance incidents and the Company's mitigation strategies.

D

63-100

Governance

Outlines Agritech's governance framework, including the Board of Directors' roles, composition, operations and effectiveness. Covers Board policies on significant matters, governance structure. Includes information on Board Committees, and compliance with Corporate Governance Regulations. Includes disclosures on IT governance, cybersecurity policies and the Company's adherence to ethical and regulatory guidelines. Also provides information on transaction with Related Parties.

E

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Directors' Report

Provides a comprehensive review of Agritech's financial and operational performance for the year. It includes the Board's analysis of key achievements, financial highlights and business challenges, along with insights into marketing activities, corporate governance, regulatory compliance, and strategic developments. The report also outlines significant plans, decisions, and the Board's perspective on future growth and sustainability.

Future Outlook

Presents an analysis of Agritech's future business direction, projected market trends, and strategic initiatives. Includes forward-looking insights into planned investments, expansion strategies, anticipated industry shifts and the Company's approach to managing future risks and opportunities. Covers expected economic, regulatory, and technological developments that may impact long-term business sustainability.

F
159-168

Stakeholders Relationship and Engagement

Details Agritech's policies and practices for engaging with key stakeholders, including investors, employees, customers, and regulators. Includes corporate transparency initiatives, investor relations strategies, customer satisfaction programs, supplier partnerships, and sustainability-related stakeholder collaborations. Covers measures taken to strengthen trust and long-term relationships.

G
169-178

Audited Financial Statements

Presents the Company's audited financial statements comprising the statement of financial position as at December 31, 2024, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and notes to the financial statements drawn up in accordance with requirements of accounting and reporting standards applicable in Pakistan and the requirements of Companies Act, 2017, along with the Independent Auditors' Report on the financial statements.

H
179-240

Annual General Meeting

Includes the notice of upcoming Annual General Meeting including the date, venue, and agenda of the meeting. Details information on book closure dates, appointment of proxies, proposed resolutions and related statutory compliance. Proxy form is also annexed at the end of this section.

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241-251

Sustainability and Corporate Social Responsibility

Agritech's sustainability efforts, social responsibility initiatives, and commitment to ESG principles. Covers environmental impact mitigation strategies, energy efficiency programs, community engagement, employee well-being, and corporate sustainability practices. Provides insights into the Company's contributions to sustainable agriculture and long-term social and environmental impact.

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ABOUT AGRITECH

HISTORY

Agritech (Formerly Pak-American Fertilizers Limited) was the first Nitrogenous fertilizer plant built in Pakistan. It was commissioned in 1958 with production capacity of 50000 MTPA of Ammonium Sulphate based on indigenous coal and gypsum as raw materials. The capacity was enhanced to 90000 MTPA in 1968. In 1973 the plant was converted from coal gasification to Natural Gas process. The old Ammonium Sulphate Plant was replaced with new, State of the Art MW Kellogg's Process Ammonia and Toyo's ACES Urea Plants. The new Plant was commissioned in September 1998 and came into commercial production in November 1999.

The Company was privatized by the Government in 2006.

The main business of the Company is the manufacturing and marketing of fertilizers. The Company owns and operates urea manufacturing plant at Mianwali.

The Company also manufactures SSP [Single Super Phosphate] at its plant at Haripur Hazara, which is the largest Single Super Phosphate [SSP] manufacturing plant in the country.

PRODUCTS

Having achieved the company's strategic goal to become a diversified fertilizer manufacturer producing both nitrogenous and phosphatic fertilizers, the Company's products are sold under one of the most celebrated and trusted brand name "Tara" in the fertilizer market.

Urea Fertilizer

Pakistani soil deficient in Nitrogen. Urea Provides 46 percent nitrogen and is the most widely used fertilizer in the Country. Urea is the most trusted fertilizers with guaranteed 46% Nitrogen.

Agritech's urea plant is located about 50 kilometers towards North of Mianwali city. Its location is strategically important from marketing point of view. Major portion of production is sold in 150~200 kilometres' radius thus giving clear advantage over the competitors. Also it is the closest plant to fertilizer consuming areas of Khyber Pakhtunkhwa Province. The plant is designed to produce 810 metric tons per day of Ammonia and 1420 metric tons per day of Urea.



Phosphate Fertilizer

Single Superphosphate [SSP] is currently one of the most widely used fertilizers as an alternative source for phosphorus and sulphur throughout the world.

In Pakistan, SSP is considered as the cheapest source of Phosphate content. Being Acidic in nature it is meant to be the best phosphate Fertilizer for Pakistan's alkaline soils.

The SSP manufacturing unit of superphosphate is located in HARIPUR. It is designed to produce 300 metric tons per day of Granular Single Superphosphate.



Having achieved the company's strategic goal to become a diversified fertilizer manufacturer producing both nitrogenous and phosphatic fertilizers, the Company's products are sold under one of the most celebrated and trusted brand name "Tara" in the fertilizer market.



CORPORATE INFORMATION

Board of Directors

Lt. Gen. Anwar Ali Hyder, HI(M) (Retd) *(Chairman)*
Mr. Muhammad Faisal Muzammil *(Chief Executive)*
Syed Bakhtiyar Kazmi
Mr. Jahangir Piracha
Mr. Sayeed Tariq Saigol
Mr. Waleed Tariq Saigol
Syed Mohsin Raza Naqvi
Ms. Sima Kamil
Syed Zibber Mohiuddin
Mr. Hasan Ahmed

Audit Committee

Syed Zibber Mohiuddin *(Chairman)*
Syed Bakhtiyar Kazmi
Syed Mohsin Raza Naqvi
Mr. Hasan Ahmed
Brig Tamour Daud Khan, SI (M), (Retd) *(Secretary)*

HR & Remuneration Committee

Ms. Sima Kamil *(Chairman)*
Mr. Jahangir Piracha
Syed Mohsin Raza Naqvi
Brig Tamour Daud Khan, SI (M), (Retd) *(Secretary)*

Sustainability Committee

Mr. Jahangir Piracha *(Chairman)*
Syed Mohsin Raza Naqvi
Ms. Sima Kamil
Brig Tamour Daud Khan, SI (M), (Retd) *(Secretary)*

Chief Finance Officer

Mr. Moeez ur Rehman Slehria

Company Secretary

Brig Tamour Daud Khan, SI (M), (Retd)

Head of Legal

Ms. Asma Irfan

Head of Internal Audit

Mr. Sohaib Roomy Salih

Legal Advisor

Mr. Wasif Majeed
Lexium Attorneys At Law
61-C, Main Gulberg, Lahore
Tel: +92 42 35870961-63
E-mail: wasif.majeed@lexiumlaw.com

Management Team

Mr. Muhammad Faisal Muzammil
Chief Executive Officer
Mr. Moeez ur Rehman Slehria
Chief Financial Officer
Brig Tamour Daud Khan, SI (M), (Retd)
Company Secretary
Ms. Asma Irfan
Head of Legal
Mr. Rehan Munir
Head of Manufacturing - Urea Plant
Mr. Muhammad Yahya
GM Manufacturing - SSP Plant
Mr. Muhammad Dilpazeer
Head of HR and Sustainability
Mr. Muhammad Sajjad Anwar
Head of Information Technology
Mr. Muhammad Bashir
Senior Manager Admin. & Commercial

Shares Registrar

Corplink (Private) Limited
Wings Arcade, 1 – K Commercial, Model Town, Lahore.
Tel: +92 (42) 35916714 – 19
E-mail: shares@corplink.com.pk

Auditors

Grant Thornton Anjum Rahman
Chartered Accountants
135 Ferozepur Road, Lahore.
Tel: +92 42 37423621 -23

Bankers

Shariah-compliant

Al baraka Bank (Pakistan) Limited
BankIslami Pakistan Limited
Bank Makramah Limited (Formerly Summit Bank Limited)
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited

Conventional

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
CitiBank N.A.
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
National Bank of Pakistan
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab
United Bank Limited

GEOGRAPHICAL PRESENCE

Registered Office

Askari Corporate Tower, 4th Floor 75-76, Block D 1, Main Boulevard, Gulberg III, Lahore.

Ph: +92 (0) 42 36401000-3

Fax: +92 (0) 42 37897691

Email: corporate@paf1.com.pk

Plant Locations

Urea Plant

Iskanderabad, District Mianwali.

Ph: +92 (0) 459 392346-49

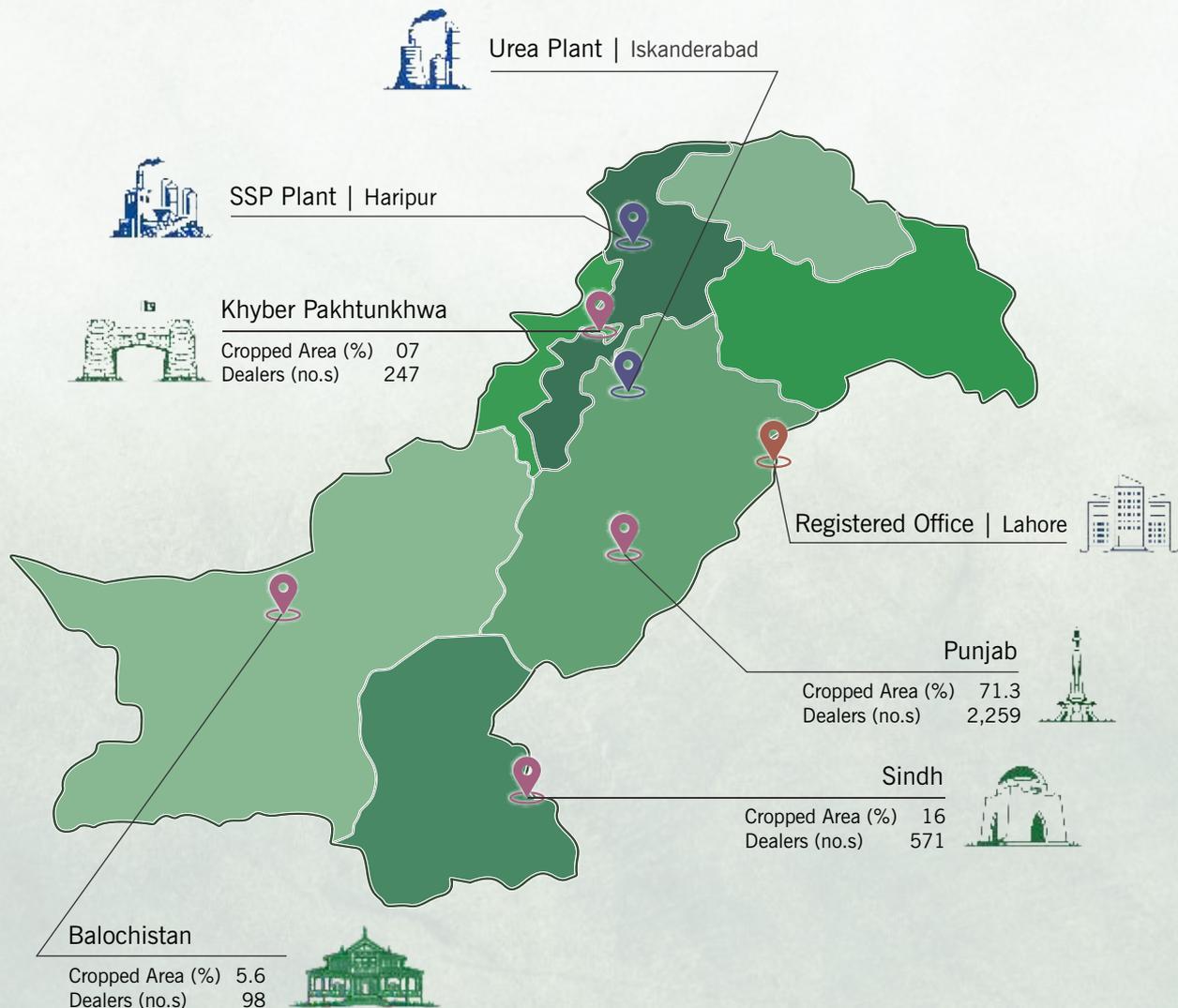
SSP Plant

Hattar Road, Haripur.

Ph: +92 (0) 995 353544 -353641

Dealers' Network

The Company has an extensive dealer network, spread across all four provinces of Pakistan, which ensures the efficient supply and availability of fertilizers to farmers nationwide through FFCL sales & marketing. By leveraging strong partnerships with dealers, the Company maintains a reliable distribution system, ensuring that its fertilizers reach all agricultural markets in a timely and consistent manner. This widespread presence allows Agritech to meet the growing demand for quality fertilizers, supporting farmers in achieving better crop yields and agricultural productivity.



Vision

Transform into a sustainable fertilizer company boosting agricultural performance through local, integrated manufacturing of all key nutrients.

Mission

To develop into an innovative player among the Farming Community through Quality Products and Services contributing towards National Food Security.



Agritech's Vision and Mission: A Future-Ready Approach

A Vision for Sustainability, Growth, and Agricultural Excellence

Agritech envisions transforming into a sustainable fertilizer company, emphasizing efficient resource utilization, responsible production, and long-term environmental viability. By focusing on boosting agricultural performance, the Company aims to enhance crop yields and productivity, ensuring farmers have access to high-quality, locally manufactured key nutrients for sustainable growth.

A Mission Driven by Innovation, Quality, and National Impact

Agritech's mission reflects a consumer-first approach, evolving from a fertilizer manufacturer to an innovative partner of the farming community. Through superior products, agronomic support, and sustainability-focused solutions, the Company strengthens its commitment to national food security, ensuring a stable agricultural future and economic prosperity.

Aligning with CORE Values for a Sustainable Future

Agritech's Vision and Mission align with its CORE philosophy—Committed, Optimist, Resilient, Eco-Friendly—establishing a unified corporate culture. This transformation ensures Agritech remains a leader in Pakistan's agricultural sector, committed to innovation, sustainability, and long-term value creation.

With this new guiding framework, Agritech Limited is poised to redefine its legacy, inspire progress, and lead the transformation of Pakistan's agricultural sector for years to come.



ETHICS AND BUSINESS PRACTICES

We understand the profound impact that our actions can have on our stakeholders, communities, and the environment. Therefore, we are committed to upholding the highest standards of integrity, transparency, and fairness in all aspects of our operations. From manufacturing high-quality products to interacting with customers and employees, ethical considerations guide every decision we make. In the following content, we will delve into our approach to ethics and business practices, exploring how these principles shape our organizational culture and drive our success.

DEDICATED SERVICE TO THE NATION

Our commitment to serving the nation is unwavering, demonstrated through the production of high-quality fertilizer products. This dedication extends beyond mere production; it encompasses a profound sense of responsibility to uphold ethical standards throughout our operations. Every action we take, from manufacturing to distribution, reflects our core values and principles. As directors and employees, we recognize the significance of our role in representing the ethical responsibilities of our company. This commitment drives us to continually strive for excellence in all aspects of our work.

PASSIONATE COMMITMENT TO EXCELLENCE

Within our organization, there exists a deep-rooted passion for our work. As directors and employees, we are driven by a shared commitment to excellence. This commitment is not merely a professional obligation but a personal ethos that guides our actions both within and outside the workplace. Collaboration is fundamental to our success, as we recognize that our strength lies in our collective efforts towards a common goal. Each of us holds ourselves accountable for our actions, adhering to principles of honesty, integrity, and fairness in all endeavors.

PRIORITIZING SAFETY AND RELIABILITY

The safety and reliability of our operations are paramount. We understand the importance of safeguarding human life and the resources entrusted to us. Therefore, we maintain an unwavering commitment to creating a workplace environment that prioritizes safety above all. This commitment extends beyond mere compliance with regulations; it is a fundamental aspect of our organizational culture. We are dedicated to ensuring that every individual within our organization feels secure and valued, knowing that their well-being is our top priority.

DELIVERING ON PROMISES TO CUSTOMERS

Our success is intertwined with the success of our customers. Therefore, we are dedicated to fulfilling our promises to them. This dedication is evident in our relentless pursuit of excellence in all aspects of our work. Whether internal or external, customer satisfaction is our primary focus. We understand that our reputation hinges on the quality of our products and services, which is why we go above and beyond to exceed customer expectations. By prioritizing customer satisfaction, we ensure the long-term success and sustainability of our business.

VALUING EMPLOYEE WELL-BEING

Our employees are our most valuable asset. As such, we prioritize their well-being above all else. Each individual within our organization is valued for their unique contributions and treated with the utmost respect and dignity. We understand that a positive work environment is essential for fostering employee morale and productivity. Therefore, we strive to create a workplace culture that promotes inclusivity, fairness, and mutual respect. By prioritizing employee well-being, we ensure that our organization remains strong and resilient in the face of challenges.

EMBRACING PROGRESS AND GROWTH

Progress and growth are essential components of our organizational ethos. We understand that in order to thrive in a competitive market, we must continually innovate and adapt to changing circumstances. Therefore, we are committed to fostering a culture of continuous improvement within our organization. This involves not only the expansion of our company but also the personal and professional growth of our employees. By providing opportunities for learning and development, we empower our employees to reach their full potential and contribute to the success of our organization.

MAINTAINING ORGANIZATIONAL DISCIPLINE

Discipline is the foundation of our organization. We understand the importance of adhering to rules and regulations in order to maintain order and consistency within our operations. Therefore, we are committed to strict compliance with all company policies and procedures. This ensures that every member of our organization understands their responsibilities and is held accountable for their actions. By maintaining organizational discipline, we create a culture of accountability and professionalism that sets us apart from our competitors.

PROMOTING ETHICAL CONDUCT AND COLLABORATION

Ethical conduct and collaboration are fundamental to our success. We understand that by acting with integrity and transparency, we can build trust and credibility with our stakeholders. Therefore, we are committed to promoting ethical behavior at all levels of our organization. This involves not only adhering to legal and regulatory requirements but also upholding principles of fairness, honesty, and respect in all interactions and hence creating an environment where innovation flourishes, and teamwork thrives.

CODE OF CONDUCT

The Code of Conduct of Agritech outlines the Company's commitment to conducting business responsibly, with integrity, and respect for all stakeholders. It emphasizes the importance of ethical and behavioral standards that exceed legal requirements. Employees are encouraged to seek guidance from managers when unsure about applying the code and to report any breaches promptly. Agritech aims to uphold a culture of responsibility, integrity, and respect, fostering excellence at all levels of operation.

RESPECT FOR THE INDIVIDUAL

Agritech's commitment to respect for individuals entails treating all employees based on their abilities, irrespective of factors such as race, religion, age, disability, gender, sexual orientation, or marital status. Harassment of any kind is strictly prohibited within the company, and Agritech dissociates from any activities that challenge its commitment to diversity and equal opportunities.

CONFLICT OF INTEREST

Employees are obligated to act in the best interests of the company and avoid situations where personal interests conflict with those of Agritech. This includes refraining from activities such as personal gain at the expense of the company, participating in competing activities, or holding ownership interests in Agritech's customers, suppliers, or competitors without proper authorization. Any potential conflicts must be promptly disclosed to managers.

CONFIDENTIALITY

Agritech emphasizes the responsible handling of confidential information received during work activities, stressing that such information should only be used for job-related purposes. Employees are required to prevent inadvertent disclosure of confidential information, and any breaches or suspected breaches must be reported immediately to managers. Compliance with confidentiality agreements with third parties is also required.

BRIBERY

Agritech strictly prohibits the payment of bribes, kickbacks, or other payments to gain business advantages, whether made directly or through intermediaries. Such actions are deemed inconsistent with the company's integrity standards and can lead to severe consequences. Employees are expected to adhere to ethical standards in all business dealings and report any instances of bribery promptly.

GIFTS AND ENTERTAINMENTS

While acknowledging the customary nature of business gifts and entertainment, Agritech advises caution in accepting or offering such gestures. Reasonable business-related entertainment is acceptable, but excessive gifts or entertainment that could compromise business judgment or create undue expectations are discouraged. Cash gifts are generally prohibited, except in certain ceremonial or festive occasions with proper approval. Any gifts with a value exceeding a certain threshold must be reported, and strict guidelines apply to interactions with politicians or government officials.

COMMUNITY RELATIONS

Agritech endeavors to operate as a responsible corporate citizen, considering the impact of its operations on communities. Employees are encouraged to engage in and contribute to local community affairs. Agritech refrains from making contributions to political parties or candidates, focusing instead on responsible business practices.

COMPETITION LAW

Agritech supports free enterprise and competitive market systems while fully complying with competition laws in all jurisdictions where it operates. Employees are responsible for familiarizing themselves with relevant competition laws and ensuring compliance in their business activities. The company emphasizes

the severity of penalties for non-compliance and encourages consultation with managers or legal experts when in doubt.

SAFETY, HEALTH AND ENVIRONMENT

Agritech maintains a steadfast commitment to safety, health, and responsible environmental practices. Compliance with Occupational Safety and Health Administration (OSHA) standards is mandatory and the company implements specific rules, policies and programs to ensure safety and environmental responsibility across its operations. Compliance with these standards is a condition of employment at Agritech, emphasizing the importance of maintaining a safe and sustainable work environment.

REGULATORY COMPLIANCE AND CORPORATE GOVERNANCE

Agritech is committed to full cooperation with governmental and regulatory bodies and maintains high standards of corporate governance. Compliance with listing rules and other applicable regulations is paramount, and the company is committed to providing accurate and transparent information to investors and stakeholders. Agritech emphasizes the importance of ethical conduct and accountability in all aspects of its operations.

FINANCIAL AND OPERATIONAL INTEGRITY

Agritech requires strict adherence to accepted accounting rules and procedures, with all transactions being properly recorded and accurately documented. Employees are prohibited from engaging in fraudulent activities and must report any suspected fraudulent behavior promptly. The company emphasizes the importance of financial and operational integrity in maintaining trust with stakeholders and ensuring long-term sustainability.

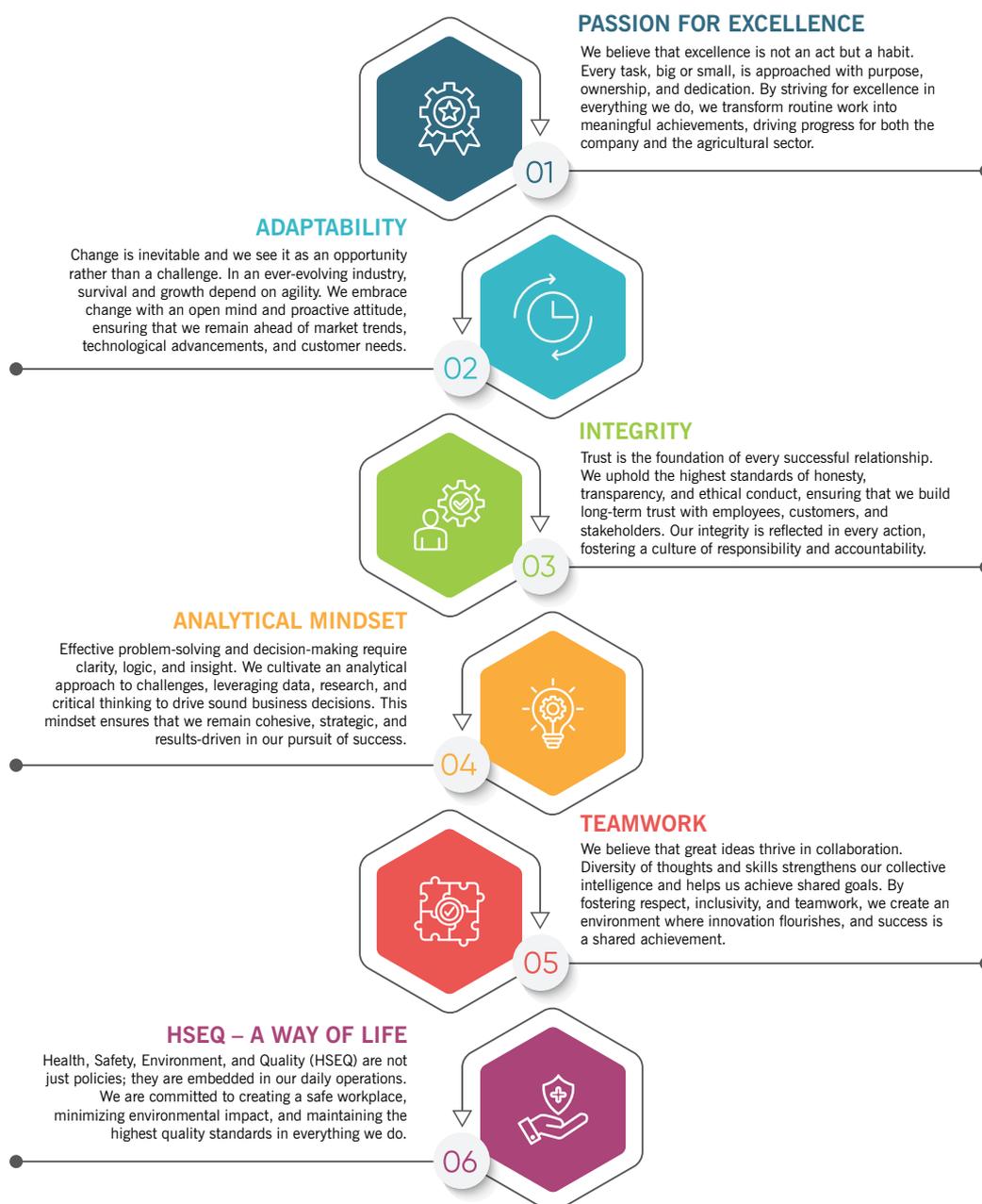
CORE VALUES

REDEFINING OUR CORE VALUES: A STRATEGIC STEP FORWARD

As Agritech Limited continues its transformation journey, its Core Values remain firmly embedded within its evolving business strategy, cultural identity and long term vision. These values are designed to reflect present day realities, future aspirations and the mindset required to navigate an increasingly dynamic and competitive environment. They serve as a steady foundation that supports the Company's strategic direction while reinforcing clarity of purpose across the organization.

The continued focus on Core Values is aimed at strengthening a unified organizational culture where every employee operates with a shared sense of responsibility, integrity and commitment. Through sustained engagement, alignment with strategic priorities and continuous reinforcement across functions, these values have been integrated more deeply into Agritech's operations. They provide a consistent framework that guides decision making, shapes behaviors and supports disciplined execution across all levels of the Company.

At Agritech, Core Values represent more than guiding principles. They define how the Company interacts with employees, partners, customers and stakeholders while fostering a culture of collaboration, accountability and trust. Each value embodies a commitment to continuous improvement, innovation and operational excellence, forming the cornerstone of a resilient, adaptable and purpose driven organization focused on delivering sustainable long term value.



OUR JOURNEY THROUGH TIME

1968

Production capacity of the plant was enhanced from 50000 MTPA to 90000 MTPA.

1958

Plant commissioned with production capacity of 50000 MTPA of Ammonium Sulphate based on indigenous coal and gypsum as raw materials.

1973

Plant was converted from Coal Gasification to Natural Gas process.

1998

Plant was switched to Urea manufacturing with brand new Urea and Amonia Plants

2006

The Company was privatized by the Government of Pakistan and acquired by a private company.

2009

Hazara Phosphate (Private) Limited was privatized by the Government of Pakistan and acquired by the Company.

2010

The Company's name was changed to Agritech Limited and obtained listing on Pakistan Stock Exchange

2012

Hazara Phosphates was merged with and into Agritech Limited

2022

Lahore High Court sanctioned the Scheme of Arrangement for restructuring of the Company's debt finances and interest/mark-up thereon.

2024

Fauji Fertilizer Company, in collaboration with Fauji Foundation acquired 41.02%, and, Maple Leaf Cement Factory in collaboration with Maple Leaf Capital Limited acquired 43.51% of ordinary shareholding in the Company in 2024 and subsequently.

2025

Successful installation of a new Grinding Mill to enhance efficiency and product quality. Completion of Implementation of approved Scheme of Arrangement.



CALENDER OF EVENTS





Election of Directors



Chairman's First Visit to Agritech Head Office



Long Service Awards



Independence Day Celebrations



Green Drive



Green Drive

Year 2025 through the



New Board Meeting Post Directors' Election



Independence Day Celebrations



Chairman's First Visit to Agritech Head Office



Long Service Awards

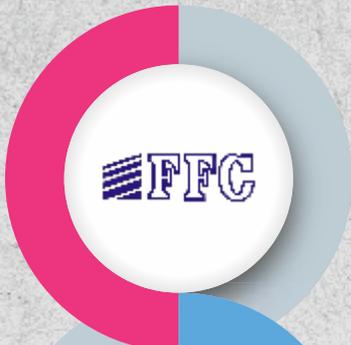


New Board Meeting Post Directors' Election



Election of Directors

ASSOCIATED COMPANIES



Fauji Fertilizer Company Limited [FFCL] is a public limited company incorporated in Pakistan and is listed on Pakistan Stock Exchange Limited. The principal activity of FFCL is manufacturing, import and subsequently marketing of fertilizer products. FFCL holds 37.36% ordinary shareholding in Agritech Limited.

Financial Performance FY 2025

Revenue: Rs. 432,410 million | Net Profit: Rs. 73,564 million



Fauji Foundation established in 1954 is a Pakistani conglomerate active in fertilizer, cement, food, power generation, gas exploration, LPG marketing and distribution, financial services, security services. The foundation was set up in order to provide employment opportunities to Pakistani ex-military personnel and to generate funds for the welfare of widows, and families of martyrs. It also undertakes welfare projects in education, medical, training, and rehabilitation for military personnel. Fauji Foundation holds 7.02% ordinary shareholding in Agritech Limited.



Maple Leaf Cement Factory Limited [MLCFL] is a public limited company incorporated in Pakistan and is listed on Pakistan Stock Exchange Limited. The principal activity of the Company is production and sale of cement. MLCFL holds 33.66% ordinary shareholding in Agritech Limited

Financial Performance FY 2025

Revenue: Rs. 68,942 million | Net Profit: Rs. 17,036 million



Maple Leaf Capital Limited [MLCL] is a public limited company incorporated in Pakistan. The principal object of MLCL is to buy, sell, hold or otherwise acquire or invest its capital in any sort of financial instruments. MLCL holds 6.45% ordinary shareholding in Agritech Limited

Financial Performance FY 2025

Revenue: Rs. 13,547 million | Net Profit: Rs. 8,637 million



Olive Technical Services (Private) Limited [OTSL] is a private limited company incorporated in Pakistan. The principal object of OTSL is to provide comprehensive solutions across Technical Services, Engineering, Automation, and Digital Transformation. OTSL is an associated company by virtue of common directorship.

Financial Performance FY 2025

Revenue: Rs. 799 million | Net Profit: Rs. 281 million

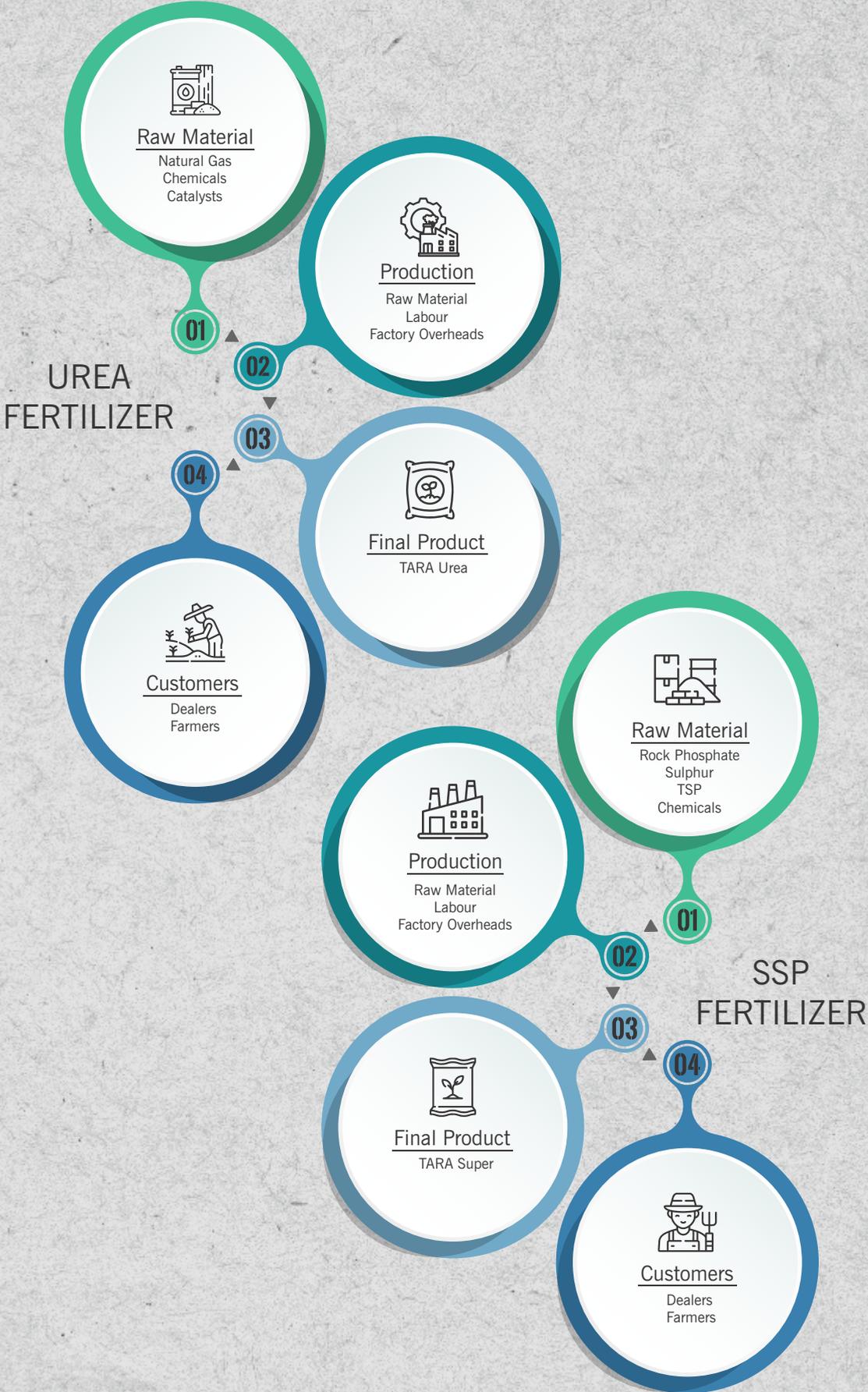


Askari Bank Limited [AKBL] is a public limited company incorporated in Pakistan. AKBL is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. AKBL holds 6.91% ordinary shareholding in Agritech Limited

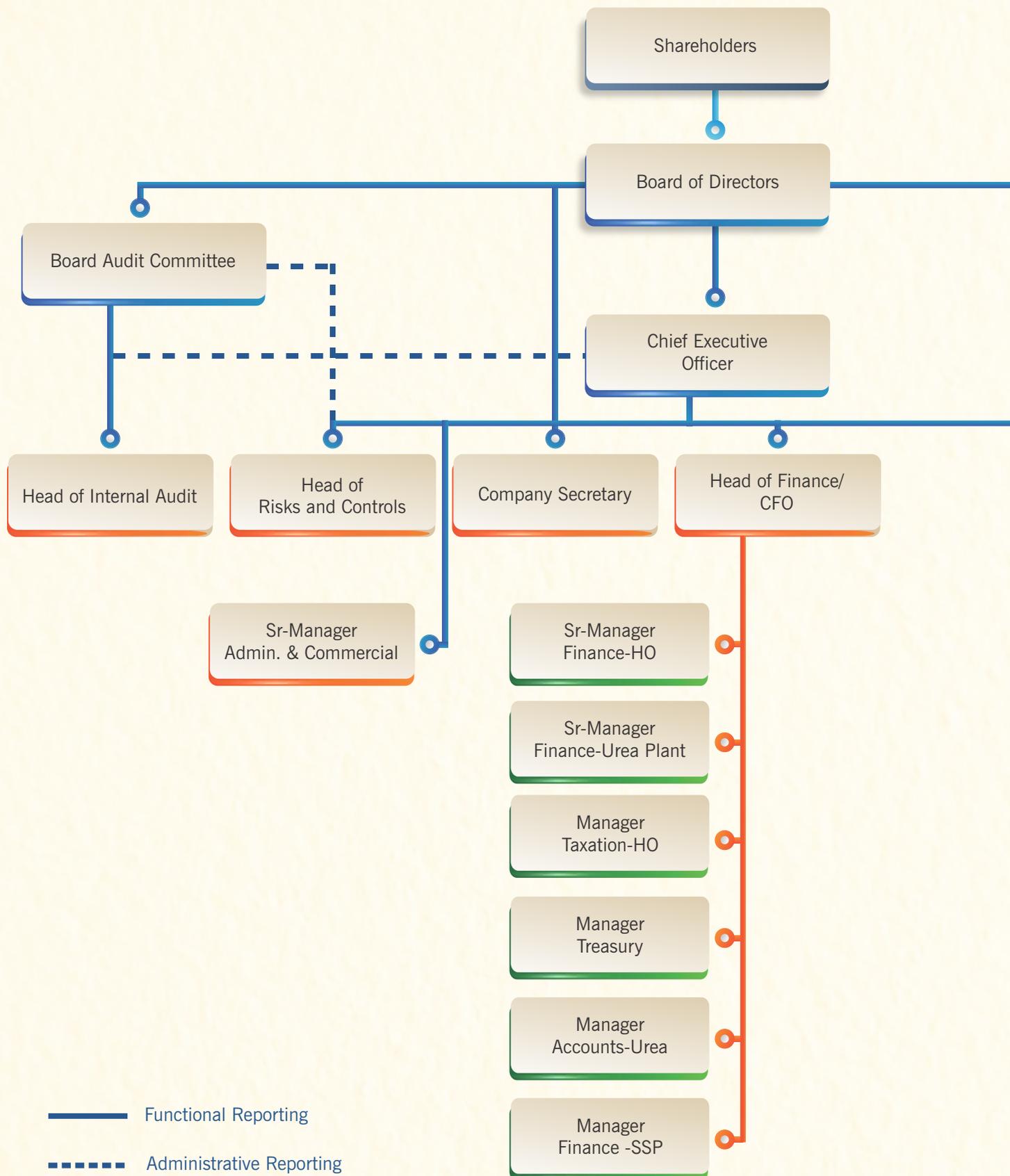
Financial Performance FY 2025

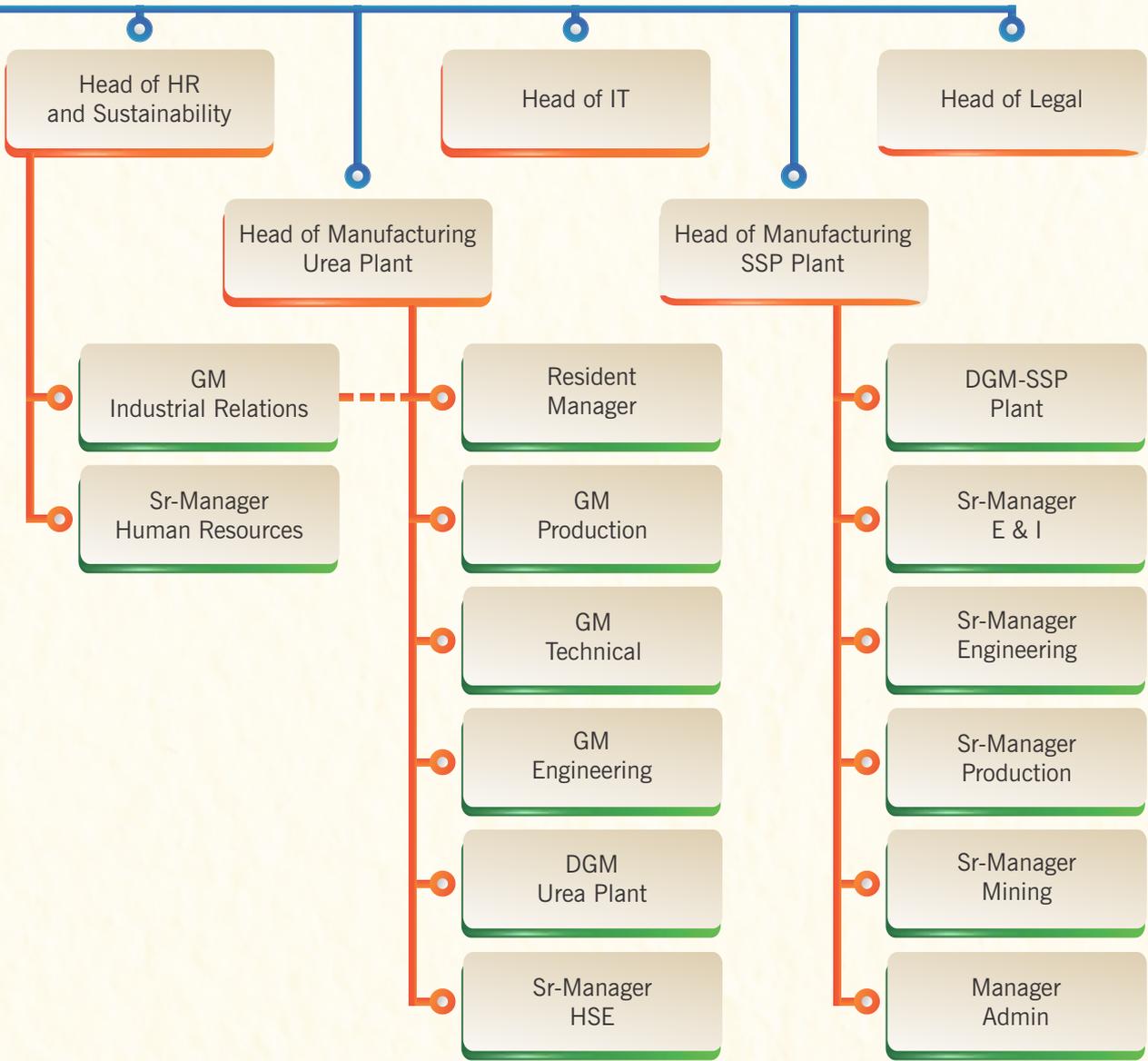
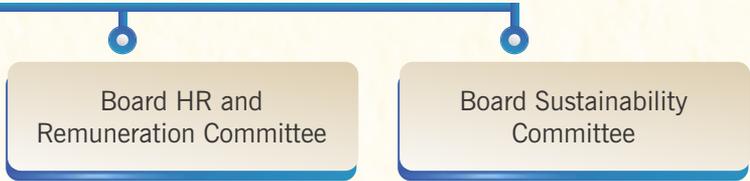
Interest Income: Rs. 300,752 million | Net Profit: Rs. 22,803 million

POSITION WITHIN THE VALUE CHAIN



ORGANIZATIONAL CHART





HUMAN CAPITAL

Our Corporate culture is nurtured through setting world class performance standards and then focusing, empowering, encouraging and challenging all our employees to develop their capabilities to deliver this mind set transcends all levels of the organization.

This forms the core of the underlying HR policies at Agritech which are designed to deliver outstanding business performance by supporting and developing the Company's most important asset, its people.

Our culture empowers people to contribute to our business objectives and to simultaneously achieve their own personal and career goals. Every day our employees are challenged and motivated to seek the state of the art knowledge and skills required to stay ahead in today's changing business environment.

Teams and individuals are constantly encouraged to develop their professional capabilities, to question the status quo with courage of conviction, and reinvent themselves and their systems of work to confront the dynamics of a fast changing world.

Bureaucracy is constantly pruned to enable people to work with each other without being encumbered and to keep the focus on outcomes and delivery rather than just effort.

We have a strong commitment to meritocracy, and complying with our human resource policies, the Company does not employ any child labor and is an equal opportunity employer.

SUCCESSION PLANNING

In terms of succession planning, the Board emphasizes the importance of leadership development and talent pipeline management. Structured programs, mentorship opportunities, and identification of high-potential employees are key components of ensuring a steady supply of future leaders within the organization.

Contingency planning is also a crucial aspect of succession planning, with the policy outlining procedures for identifying key positions and developing strategies to mitigate risks associated with potential leadership gaps or unexpected departures.

The Board takes an active role in overseeing succession planning efforts, regularly reviewing plans to ensure alignment with strategic objectives and long-term goals.

Through proactive oversight and strategic guidance, the Board aims to position the organization for sustained growth and resilience, ensuring seamless transitions in leadership and continuity in operations.

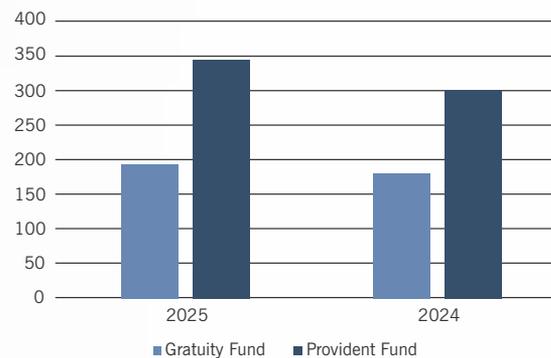
"We endeavour to be the best employer in the Fertilizer Industry with high growth opportunity in an expanding company, locally and Internationally. Employment at Agritech has an opportunity to move into Fertilizer sector enabling you to acquire experience in largest Industrial Sectors of Pakistan".

RETIREMENT BENEFITS

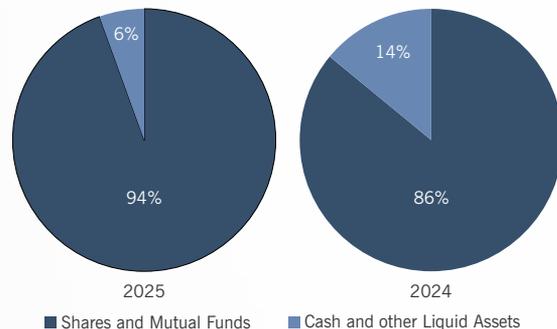
The Company operates an approved defined contributory provident fund for all employees. Equal contributions are made by the Company and employees at 8.33% and 10% of basic salary of executives and workers respectively.

The Company also operates approved funded gratuity scheme for its workers who have completed the minimum qualifying period of service as defined under the respective scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation.

Fund/Plan Assets
[Rs. in millions]



Mix of Investments



Number of Employees

Total Strength: 873 Employees
Average Strength: 884 Employees



Factory
844 Employees



Head Office
29 Employees

OUR BUSINESS MODEL

Our business model serves as the central axis of all our endeavors. It delineates the risks and opportunities present in our external surroundings, the resources we utilize, the operations we conduct, the partnerships we rely upon, and the results and impacts we aspire to generate. Ultimately, our aim is to foster sustainable value creation for our stakeholders across short, medium, and long-term horizons.

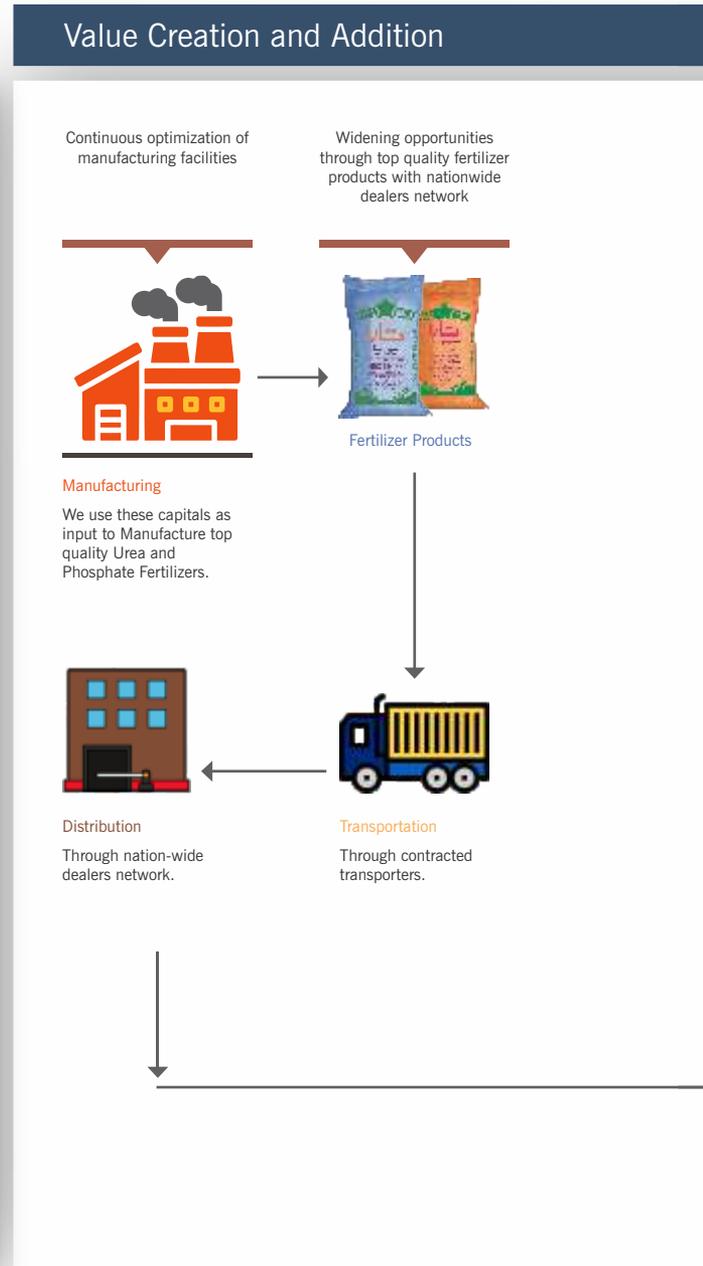
Strategic Objectives

- Optimize costs, improve energy efficiency & enhance synergies among functions for operational efficiency.
- Sustain growth in fertilizer business.
- Provision of top-quality fertilizers to farmers.
- Demonstrate commitment to sustainable social, environmental and governance.
- Be one of the preferred employers in the country.

Strong Governance Oversight

The Board of Directors is the primary governing body of the Company and operates in stewardship capacity on behalf of the shareholders, responsible for setting strategic direction, overseeing corporate performance, and safeguarding shareholder interests. The Board exercises its authority diligently and responsibly, adhering to thorough deliberation as mandated by the Company's Articles of Association, Companies Act 2017, Listed Companies (Code of Corporate Governance) Regulations, 2019 and other relevant laws.

The Board operates as the steward of the Company's long-term interests, making high-level strategic decisions while delegating operational management to the executive team. This balanced approach ensures effective governance, strategic alignment, and accountability throughout the Company.



| | | | | | | |
|-------------------|---|-------------------|---|-----------------|---|----------------------------|
| ▲ | — | ▲ | = | ▼ | — | ▼ |
| Net Revenue | | Cost of Sales | | Gross Profit | | Operating & Financial Cost |
| 14.61% to 35.88bn | | 19.16% to 29.84bn | | 3.56% to 6.04bn | | 13% to 8.2bn |

Working with customers to enhance product utilization and farm productivity



Community Engagement

We work with our employees and local community. We strive to build trust in our company to enhance business and become trusted partner for stakeholders.



Product Use

We serve our customers through a country-wide efficient after sales agri services.



Maintaining the trust of our Stakeholders

- Increasing Shareholders' wealth.
- Equity base strengthening through profits.
- Sustainable business foundations through delivering market competitive products.
- Expanded contribution to national exchequers on account of taxes and duties.
- Use of Energy Efficient production process.

Outcomes

We create and share value with our stakeholders, which ultimately creates value for us.

Shareholders

- Increased shareholders' wealth by Rs. 24,628 million in terms of market capitalization.

Employees

- Paid Rs. 1,849 million as salaries, wages and benefits.
- Provided 3,800 hours of extensive in-house, out sourced and online training to enhance human resource capacity and workforce skills.
- A thriving culture for nourishing valuable human capital.

Customers

- Company always manages a quality return to customers by delivering top quality fertilizer products.

Community

- Undertaking CSR initiatives to uplift the lives of community and contributing to basic public good.

Regulators

- Compliance with all the regulatory requirements
- Rs. 2,698 million to Government exchequer.

Environment

- Protecting the environment through Energy Efficient processes.



Other gains
153.23% to 5.27bn



Profit before taxes
387.11% to 3.11bn



Final/minimum and income taxes
590% to 214mn



Profit after taxes
360% to 2.89bn

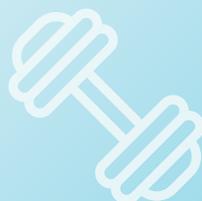
SIGNIFICANT FACTORS AFFECTING THE EXTERNAL ENVIRONMENT

AgriTech is subject to the influence of the external environment in which it operates, alongside various situational variables shaping day-to-day circumstances. Consequently, it becomes imperative for the Company to maintain vigilance and continually assess the environment in which it functions, adapting to fluctuations proactively. Below are several significant factors that impact the external environment of the Company:

| | | |
|--|--|--|
| <p style="text-align: center;"></p> <p>Political</p> <p>Description</p> <p>Political environment determines the extent to which a government may influence the economy or a certain industry.</p> <p>Changes from Prior Year</p> <p>Government focus on indigenous production of urea fertilizer to save foreign exchange.</p> <p>AGL's Response</p> <p>Effective coordination with Government entities from the platform of Fertilizer Manufacturers Pakistan Advisory Council.</p> | <p style="text-align: center;"></p> <p>Economical</p> <p>Description</p> <p>Economical factors are determinants of an economy's performance that directly impacts a business and have resonating long term effects.</p> <p>Changes from Prior Year</p> <p>Rising input costs of raw material and full axle load impact on distribution costs.</p> <p>AGL's Response</p> <p>Energy efficiency projects, managing costs, achieving synergies and restructuring of loans.</p> | <p style="text-align: center;"></p> <p>Social</p> <p>Description</p> <p>These factors scrutinize the social environment of the market and gauge the demographic characteristics, norms, customs and values of the population within which the organization operates.</p> <p>Changes from Prior Year</p> <p>Increased awareness in farmer community to increase crops yields.</p> <p>AGL's Response</p> <p>Farmers' awareness programs for increasing crops yield with the use of fertilizers.</p> |
| <p style="text-align: center;"></p> <p>Technological</p> <p>Description</p> <p>Technological environment pertains to innovations in technology that may affect the operations of the industry and the market favorably or unfavorably. This refers to automation, research and development and the amount of technological awareness that a market possesses.</p> <p>Changes from Prior Year</p> <p>Technological advancements and increased IT security risks, particularly those pertaining to cybersecurity.</p> <p>AGL's Response</p> <p>Developed mobile application for product authentication, improved IT controls, new ERP modules implementation.</p> | <p style="text-align: center;"></p> <p>Environmental</p> <p>Description</p> <p>Environmental factors include all those that influence or are determined by the surrounding environment.</p> <p>Changes from Prior Year</p> <p>Global warming and climate change.</p> <p>AGL's Response</p> <p>Targeted improvement in plant efficiency are set that shall be translated into less CO2 emission.</p> <p>Fresh water for plantation is prohibited, recycle water is being used for irrigation and plantation.</p> | <p style="text-align: center;"></p> <p>Legal</p> <p>Description</p> <p>Legal environment includes laws, rules and regulations that organizations are required to abide by.</p> <p>Changes from Prior Year</p> <p>Enhanced reporting and compliance requirements.</p> <p>AGL's Response</p> <p>Keeping abreast with changing legal and regulatory environment by engaging internal and external experts and ensuring strict compliance.</p> |

SWOT ANALYSIS

01



STRENGTHS

- Strong Sponsors support particularly from FFCL on technical and sales & marketing front.
- Market leadership in SSP and strong TARA brand goodwill
- Skilled and experienced technical and support teams
- Demonstrated resilience of the management team against multiple challenges
- Strong governance and sustainability focus - easier to integrate sponsor-led risks controls, HSE systems and compliance practices at scale.
- Lean structure

02



WEAKNESSES

- Limited flexibility to switch fuels/feed stock
- Limited product line
- Aging assets in specific/maintenance backlog risks
- High leverage

03



OPPORTUNITIES

- Energy efficiency projects with FFCL's technical support
- Expansion of SSP business - scale up through stronger distribution channel
- New products (Ammonium Sulphate, higher content SSP etc.)
- High cost of imported urea vis-a-vis FX parity
- Increasing market demand and limited local production facilities in the country
- Government's priority toward food security

04



THREATS

- Depleting gas reserves in the country
- Inconsistent government policy with respect to taxes/levies
- Volatility in international prices of fertilizers
- Working capital stress across the chain
- Subsidies regime uncertainties

COMPETITIVE LANDSCAPE AND MARKET POSITIONING

Agritech boasts an extensive dealer network through FFCL's sales & marketing catering to farmers nationwide, facilitating timely product delivery and operational efficiency. This network, comprising fertilizer dealers, optimizes logistical and capital resources while ensuring prompt service to farmers.

The myriad challenges confronting farmers present opportunities for Agritech to become a trusted business ally, offering valuable support and guidance through its Agri Advisory Services. The competitive landscape and market positioning are detailed as follows:

INDUSTRY COMPETITION

Pakistan's fertilizer retail sector features competitors of various sizes and ownership structures. Indigenous fertilizer manufacturing companies are primary competitors in the Urea market, while both large corporations and smaller independent importers dominate other fertilizer segments. High fixed costs among manufacturers incentivize aggressive market share pursuits, with each percentage gained enabling better cost distribution and enhanced net margins. Agritech captured a 6% market share in Urea and 98% in GSSP (18% phosphatic content category) fertilizers during the year.

POTENTIAL NEW ENTRANTS

Entry barriers in the fertilizer market, including capital intensity, raw material scarcity, and market saturation, deter new competitors. Significant financial investments in infrastructure, machinery, research, and marketing are prerequisites for entry, while distribution channel access is constrained by existing incumbents' strong ties. Moreover, established players enjoy cost advantages challenging for newcomers to replicate.

THREAT OF SUBSTITUTES

Addressing the escalating demand for food per acre is imperative, necessitating optimal provision of primary and secondary nutrients at the right time. While nutrients are not interchangeable, technological advancements profoundly influence crop yield. Agritech's substantial investment in research and development aims to develop more efficient products, maximizing yield per acre.

SUPPLIER POWER

Agritech's sustainable growth hinges on partnerships with reputable suppliers for raw materials, particularly GoP for supply of natural gas, inputs, equipment, and machinery, as well as financing. Uninterrupted gas supply and strategic procurement align with the company's budgetary objectives, ensuring operational continuity.

CUSTOMER POWER

Agritech prioritizes customer relationship management, offering more than just credit facilities and trade discounts. Through Agri Services, the company drives agricultural innovation and underscores the importance of knowledge dissemination for farmers' economic sustainability. Customer loyalty, brand preference, and efficient supply chain management are vital to Agritech's success and performance.

OTHER INFORMATION

EFFECT OF SEASONALITY ON BUSINESS

There are two major Cropping seasons in Pakistan : (a) Kharif (Summer - Apr-Sep) and (b) Rabi (Winter - Oct-Mar). Urea sales peak in June-July-Aug timeframe and Nov-Dec-Jan-Feb timeframe. SSP sales are mostly skewed towards winter (Oct-Dec) at the time of Wheat Sowing. All of these factors are accounted into, while planning for Production, Inventory Management/Sales.

LEGISLATIVE AND REGULATORY ENVIRONMENT

Legal considerations encompass existing and forthcoming legislation that may influence various aspects of the industry, including employment, competition, and health and safety. Companies are obligated to adhere to all pertinent legal mandates relevant to their operational sector. Agritech diligently complies with applicable laws such as the Companies Act, 2017, Income Tax Ordinance, 2001, SECP Act, and Code of Corporate Governance, as well as regulations concerning labor and environmental standards. The company has established robust checks and balances to ensure adherence to statutory requirements, employing the services of consultants and fostering in-house expertise to achieve this objective.

LEGITIMATE NEEDS AND INTERESTS OF KEY STAKEHOLDERS

At Agritech, we prioritize the legitimate needs and interests of our key stakeholders, which encompass customers, employees, shareholders, suppliers, regulators, and the broader community in which we operate. Management is attuned to the needs and interests of shareholders, taking proactive steps to cultivate trust, loyalty, and a positive reputation. Our business strategy and operations are influenced by industry trends, with our leadership teams ensuring that market conditions, consumer behavior, technology advancements, and regulatory mandates are effectively addressed and integrated into our business processes.

POLITICAL ENVIRONMENT

Political dynamics refer to the influence of government policies and actions on the economy, specific industries, and organizations, particularly for entities like Agritech, whose operations rely on a consistent supply of natural gas and are subject to government intervention in pricing. Agritech's management closely monitors potential challenges and allocates resources accordingly to address imminent issues. Moreover, the company remains vigilant about emerging developments that could impact operations in the future, allowing for effective planning and the formulation of strategic alternatives.

SIGNIFICANT EVENTS DURING THE PERIOD

The year 2025 has been marked by many significant events including election of directors in AGM held in April 2025. A key milestone was achieved regarding completion of implementation of Scheme of Arrangement by induction of PPTFC's. The Company's commitment to excellence was recognized with the prestigious Best Corporate Report Awards, highlighting its strong corporate practices and performance. Furthermore, conversion of convertible preference shares into ordinary shares and unmodified auditor's report was also the hallmarks for the year 2025.

SIGNIFICANT CHANGES FROM PRIOR YEARS

There are no significant changes from prior years regarding information disclosed in this section.



B

39-46

STRATEGY
AND RESOURCE
ALLOCATION

OBJECTIVES, STRATEGIES AND RESOURCES

STRATEGIC DECISIONS PROCESS

Our strategic decision-making process involves a systematic approach to identifying, evaluating, and selecting the best course of action to achieve Company's goals. It typically begins with business and environmental analysis, where internal and external factors are assessed to understand the current state of the organization and anticipate future opportunities and threats. Based on this analysis, strategic objectives are formulated, outlining the desired outcomes and direction for the Company. Next, alternative strategies are generated and evaluated based on criteria such as feasibility, alignment with objectives, and potential risks and benefits. Once a strategy is selected, it is translated into action through detailed planning, resource allocation, and implementation. Throughout the process, continuous monitoring and evaluation are essential to track progress, adapt to changing circumstances, and ensure that strategic objectives are being met effectively. Our strategic decision-making incorporates collaboration, creativity, and critical thinking, as well as effective communication and leadership to align stakeholders and drive organizational success.

OBJECTIVES AND STRATEGIES

Our strategy is multifaceted, encompassing various key elements aimed at driving long-term value creation and responsible business practices. We prioritize sustained growth in our fertilizer business, leveraging innovation and market expansion to ensure continued success while minimizing environmental impact. We focus on optimizing costs and fostering synergies among functions to enhance operational efficiencies, enabling us to deliver high-quality products and services in a cost-effective manner. Additionally, we are committed to providing top-quality fertilizer to farmers, supporting agricultural productivity and sustainability while meeting the needs of our customers. Furthermore, we demonstrate our dedication to sustainable practices through proactive efforts in social, environmental, and governance domains, striving to make a positive impact on society and the planet. Lastly, we aspire to be recognized as one of the preferred employers in the country, offering a supportive and inclusive workplace where employees can thrive and contribute to our shared success. Through these integrated strategies, we aim to create value for all stakeholders while advancing our sustainability goals and reinforcing our position as a responsible corporate citizen.

Optimize costs, improve energy efficiency & enhance synergies among functions for operational efficiency

 Nature  Priority
 Medium Term and Long Term High

| | |
|---|--|
| <p>Strategy</p> <p>To enhance operational efficiency, our strategic approach involves optimizing costs and fostering synergies among different functions within the organization. This entails identifying areas where costs can be minimized without sacrificing quality or productivity. With rising energy input costs, constant improvement in energy efficiency at urea plant is a critical strategic direction. Streamlining processes, consolidating resources, and leveraging technology are effective ways to achieve cost optimization. Additionally, fostering collaboration and communication among departments fosters synergies, allowing for better coordination and alignment of goals. By implementing these strategies, businesses can achieve higher levels of productivity, reduced expenses, and improved overall performance, ultimately driving sustainable growth and success.</p> | <p>Resources Allocated Human Capital, Financial Capital, Manufactured Capital</p> <hr/> <p>KPIs Monitored Net Profit Margin and Production Efficiency</p> <hr/> <p>Status On-going Process</p> <hr/> <p>Future relevance of KPIs The KPIs will remain relevant in future</p> |
|---|--|

Demonstrate commitment to sustainable social, environmental and governance framework

 Nature  Priority
 Medium Term and Long Term High

| | |
|---|---|
| <p>Strategy</p> <p>We demonstrate our commitment to sustainable social, environmental, and governance practices through a multifaceted approach. Firstly, we prioritize environmental stewardship by implementing eco-friendly production processes, reducing waste, and promoting conservation efforts. Secondly, we actively engage with local communities through initiatives such as education programs, job creation, and infrastructure development, contributing to social well-being and economic empowerment. Thirdly, we uphold the highest standards of corporate governance, ensuring transparency, accountability, and ethical business practices in all our operations. By integrating these principles into our business strategy and decision-making processes, we aim to create long-term value for all stakeholders while fostering a more sustainable and equitable future.</p> | <p>Resources Allocated Human Capital, Financial Capital, Social and Relationship Capital and Natural Capital</p> <hr/> <p>KPIs Monitored Energy Efficiency, No.s of CSR and Sustainability Initiatives and Health and Safety Incidents</p> <hr/> <p>Status On-going Process</p> <hr/> <p>Future relevance of KPIs The KPIs will remain relevant in future</p> |
|---|---|

Provision of top-quality fertilizers to farmers

/// Nature

★★★ Priority

Medium Term and Long Term

High

Strategy

Ensuring the provision of top-quality fertilizer to farmers involves a strategic approach focused on several key elements. We have implemented rigorous quality control measures throughout the production process to maintain consistency and reliability in the fertilizer's composition. We invest in research and development to innovate new formulations tailored to specific crop needs and soil conditions in order to enhance effectiveness and yields. Further, establishing strong distribution networks and partnerships with trusted suppliers ensuring timely delivery and accessibility for farmers in remote areas. Finally, providing ongoing agronomic support and education to farmers helps optimize fertilizer usage, leading to improved crop yields and agricultural sustainability.

Resources Allocated

Human Capital, Financial Capital, Social and Relationship Capital, Manufactured Capital

KPIs Monitored

Customer Satisfaction Index, Sales and Net Profit Margin

Status

On-going Process

Future relevance of KPIs

The KPIs will remain relevant in future

Sustain growth in fertilizer business

/// Nature

★★★ Priority

Short, Medium & Long Term

High

Strategy

Our strategy for sustaining growth in the fertilizer business involves continuous innovation in product offerings, expansion into new markets, and prioritizing customer satisfaction through top quality products and agri-services. Operational efficiency is key, achieved through streamlining production processes and optimizing the supply chain. Embracing sustainable practices not only meets consumer demand but also ensures environmental responsibility. Regulatory compliance is crucial, as is investing in branding and marketing efforts to build trust and differentiate products. By fostering research and development initiatives, fertilizer businesses can adapt to market demands and maintain a competitive edge, driving sustainable growth in the industry.

Resources Allocated

Human Capital, Financial Capital, Manufactured Capital, Intellectual Capital and Natural Capital

KPIs Monitored

Production, Sales, Net Profit Margin and Market Share

Status

On-going Process

Future relevance of KPIs

The KPIs will remain relevant in future

Be one of the preferred employer in the Country

/// Nature

★★★ Priority

Medium Term and Long Term

High

Strategy

We at Agritech put in concerted efforts to prioritize employee satisfaction, growth, and well-being. We aim to achieve this by offering competitive compensation packages, opportunities for career advancement, and a supportive work environment that fosters collaboration and innovation. Additionally, we prioritize employee development through training programs, mentorship initiatives, and continuous feedback mechanisms. By prioritizing the needs and aspirations of our employees, we strive to create a workplace culture where talent is valued, diversity is celebrated, and individuals can thrive both personally and professionally.

Resources Allocated

Human Capital, Social and Relationship Capital

KPIs Monitored

Employee Turnover and Employee Engagement

Status

On-going Process

Future relevance of KPIs

The KPIs will remain relevant in future

Improve stakeholder confidence through transparent disclosures and reporting

/// Nature

★★★ Priority

Medium Term and Long Term

High

Strategy

We demonstrate our commitment to improving stakeholder confidence through transparent and integrated disclosures. Firstly, we ensure timely and accurate financial reporting in compliance with applicable legal and regulatory requirements, supported by strong internal controls and review mechanisms. Secondly, we provide clear sustainability disclosures covering environmental, social and governance matters, enabling stakeholders to assess our broader impact and long term resilience. Thirdly, we integrate financial and non financial information within a cohesive reporting framework, highlighting the connectivity between strategy, performance and value creation.

Resources Allocated

Human Capital, Financial Capital, Intellectual Capital

KPIs Monitored

Disclosures Completeness and Quality Audit Observations

Status

On-going Process

Future relevance of KPIs

The KPIs will remain relevant in future

OBJECTIVES, STRATEGIES AND RESOURCES

RESOURCE ALLOCATION PLANS

In pursuit of the Company's strategic goals, resource allocation plans are devised and resources are assigned to strategic initiatives. These plans encompass the necessary financial and human resources essential for executing the strategy. This ensures that business planning aligns seamlessly with strategic objectives within the Company.

KEY CAPABILITIES AND RESOURCES TO PROVIDE SUSTAINABLE COMPETITIVE ADVANTAGE

The Company's competitive advantage stems from a myriad of key resources and capabilities. These include our dynamic and innovative human and intellectual capital, supported by cutting-edge plant and machinery equipped with the latest technology. Market leadership in SSP fertilizer production further solidifies our position, complemented by a robust legacy and goodwill that underscores our reliability and trustworthiness. Our skilled technical and support teams, coupled with the resilience demonstrated by our management in the face of various challenges, further fortify our competitive edge.

Moreover, our established brand name and extensive dealer network enable us to effectively reach and serve our customers, fostering loyalty and market presence. Underpinning these strengths is a robust governance structure that prioritizes sustainability, risk management, and transparency. Our commitment to meritocracy and equal opportunities ensures that talent is recognized and leveraged to its fullest potential, contributing to our sustained success in the market. Together, these factors combine to provide a sustainable competitive advantage, positioning the company for continued growth and prosperity in the ever-evolving business landscape.

SIGNIFICANT CHANGES IN OBJECTIVES AND STRATEGIES

In response to the ever-evolving business landscape, strategic objectives and their implementation strategies are meticulously developed and executed. While the core strategic objectives and strategies remain unchanged, the Strategic Plan is continuously updated to incorporate new strategic initiatives aligned with these objectives.

EFFECTS OF EXTERNAL FACTORS

ESG Reporting and Challenges

Agritech takes a proactive approach to address emerging trends in technology, sustainability, and environmental, social, and governance (ESG) issues. In formulating its overarching business strategies, the company also considers factors such as demographic shifts, healthcare, poverty reduction, and educational needs, recognizing the evolving external business landscape. These external factors significantly influence the organization's future strategic direction. Each year, Agritech refines its well-developed strategy, converting it into a cohesive action plan. Management continually monitors potential

challenges and allocates resources accordingly to prioritize actions. Moreover, the company remains vigilant about forthcoming developments, ensuring effective planning and the formulation of alternative strategies. For further insights into Agritech's ESG journey, please refer to Section J.

Technological Changes

Agritech adeptly navigates the impacts of technological advancements on its company strategy and resource allocation, ensuring agility and resilience in an ever-evolving landscape. As technological innovations continually reshape industries, Agritech remains vigilant, proactively assessing the implications of these changes on its operations. By staying abreast of emerging technologies, the company identifies opportunities to enhance efficiency, improve product offerings, and streamline processes. Moreover, Agritech recognizes the importance of strategic resource allocation in harnessing the benefits of these advancements. Through careful planning and allocation of financial and human resources, the company optimizes its ability to leverage new technologies effectively. This proactive approach enables Agritech to maintain a competitive edge, adapt swiftly to market shifts, and position itself for sustained growth in the dynamic technological environment.

Innovation Initiatives

Agritech promotes a culture of innovation internally by encouraging creativity, experimentation, and knowledge sharing among its employees. The company provides platforms for employees to propose and develop new ideas, fostering a culture of continuous improvement and entrepreneurship.

Resource Shortages

Agritech employs several strategies to address the effects of resource shortages, including foreign currency shortages and liquidity crises, on its company strategy and resource allocation. The Company ensures resilience in its supply chain by maintaining a sufficient inventory of critical supplies to help mitigate the risk of disruptions caused by import restrictions imposed by the government due to foreign currency shortages. Additionally, Agritech explores alternate sources for procurement to diversify its supplier base and reduce dependency on a single source. In response to liquidity crises, Agritech has completed implementation of a comprehensive restructuring scheme sanctioned by the Lahore High Court to address overdue debt finances. Through this scheme, the Company has successfully restructured majority of its overdue debts and accrued mark-up, thereby reducing financial strain and improving liquidity.

Overall, Agritech's proactive measures to address resource shortages demonstrate its commitment to maintaining operational continuity, mitigating risks, and optimizing resource allocation even in challenging circumstances. Through strategic planning and decisive actions, Agritech navigates through resource constraints while sustaining its operations and pursuing its long-term strategic objectives.

LINKAGE BETWEEN STRATEGIC OBJECTIVES AND VISION AND MISSION

The Company's strategic objectives translate its Vision and Mission into actionable priorities. Each objective contributes to transforming Agritech into a sustainable fertilizer company while strengthening its role as an innovative partner to the farming community and contributing toward national food security.

1. Optimize Costs, Improve Energy Efficiency and Enhance Synergies Among Functions for Operational Efficiency

This objective directly supports the Vision of sustainable transformation through efficient resource utilization and responsible production practices. By optimizing costs and improving energy efficiency, the Company reduces operational waste, strengthens competitiveness and ensures long term environmental viability. Enhancing synergies among functions promotes integrated manufacturing, enabling seamless coordination across operations and improving productivity. These efforts ensure that high quality nutrients are produced efficiently and sustainably, reinforcing the Company's commitment to boosting agricultural performance.

2. Demonstrate Commitment to Sustainable Social, Environmental and Governance Framework

A strong sustainability framework underpins both the Vision and the Mission. By integrating environmental stewardship, social responsibility and sound governance practices into core operations, the Company ensures long term resilience and responsible growth. Sustainable practices enhance trust among stakeholders and safeguard natural resources essential for agricultural productivity. This objective reflects Agritech's dedication to responsible production, community engagement and ethical conduct, all of which contribute to strengthening national food security and long term agricultural development.

3. Provision of Top Quality Fertilizers to Farmers

Delivering high quality fertilizers directly advances the Mission of serving the farming community through superior products and services. Quality assurance, product reliability and agronomic support enable farmers to achieve improved crop yields and productivity. By focusing on consistent product standards and innovation in nutrient solutions, the Company supports sustainable agricultural growth and reinforces its Vision of boosting agricultural performance through locally manufactured key nutrients.

4. Sustain Growth in Fertilizer Business

Sustained growth ensures financial stability, operational scalability and continued investment in innovation and capacity enhancement. This objective supports the Vision by enabling expansion of

integrated manufacturing capabilities and strengthening market presence. Growth also enhances the Company's ability to serve a wider farming community, thereby advancing its Mission of contributing toward national food security and economic prosperity.

5. Be One of the Preferred Employers in the Country

Human capital is central to innovation, operational excellence and sustainable performance. By striving to be a preferred employer, the Company attracts and retains skilled professionals who drive quality improvement, technical expertise and service excellence. A motivated and capable workforce enables Agritech to deliver superior products and advisory support to farmers, strengthening its position as an innovative partner within the agricultural sector.

6. Improve Stakeholder Confidence Through Transparent Disclosures and Reporting

Transparency and accountability are fundamental to sustainable growth. By enhancing integrated financial and sustainability reporting, the Company strengthens stakeholder trust and demonstrates responsible governance. Clear disclosures provide a comprehensive view of performance, risks and long term value creation. This objective reinforces credibility, supports informed decision making and aligns with the Vision of sustainable transformation and the Mission of responsible contribution toward national food security.

Collectively, these strategic objectives provide a cohesive framework that operationalizes the Company's Vision and Mission, ensuring that sustainable growth, innovation and agricultural advancement remain at the core of Agritech's long term strategy.

BOARD RESPONSIBILITY STATEMENT ON INTERNAL CONTROLS INCLUDING IT CONTROLS

The Board of Directors acknowledges its overall responsibility for maintaining a sound and effective system of internal controls within the Company. These controls are designed to safeguard assets, ensure the reliability and integrity of financial and operational information, support compliance with applicable laws and regulations, and facilitate the achievement of strategic objectives.

The Board, through the Audit Committee and in coordination with management, oversees the adequacy and effectiveness of the internal control framework. This framework encompasses financial controls, operational controls, compliance controls and risk management processes. Management is responsible for implementing and maintaining these controls, while the Board provides oversight, periodic review and strategic guidance to ensure continuous improvement and alignment with the Company's risk appetite.

OBJECTIVES, STRATEGIES AND RESOURCES

The internal control system includes clearly defined policies and procedures, segregation of duties, authorization limits, documented processes and monitoring mechanisms. Regular internal reviews and audits are conducted to evaluate the effectiveness of controls, identify gaps and implement corrective actions where necessary. The Board receives periodic reports on control effectiveness, significant deficiencies and remediation measures.

In relation to information technology, the Board recognizes that IT controls form an integral part of the overall internal control environment. IT controls are designed to ensure the confidentiality, integrity and availability of data and systems. These include access management protocols, system authorization procedures, change management controls, data backup processes, cyber security safeguards and business continuity arrangements.

Oversight of IT controls is exercised through the Audit Committee, supported by the IT Steering Committee of the management. The Board ensures that IT related risks are appropriately identified, assessed and mitigated, and that systems supporting financial reporting and operational processes remain secure and reliable. Periodic testing of IT controls is undertaken, including reviews by internal and external auditors where applicable, and findings are monitored until satisfactory resolution.

The Board is satisfied that, based on information and assurances provided by management and the results of internal and external reviews, the Company's internal control system, including IT controls, was operating effectively during the year under review and is adequate for the nature and scale of the Company's operations.

The Board remains committed to strengthening the control environment through ongoing evaluation, technological enhancement and reinforcement of a culture of accountability and compliance across the organization.

DEBT AND LIQUIDITY MANAGEMENT

The Company has faced challenges arising from long-outstanding financial liabilities, having been unable to meet certain debt obligations and comply with specific financial covenants. The details of these overdue financial liabilities are presented in note 44.2.2 of the annexed financial statements. However, for the reasons explained below, the associated risk has been largely mitigated.

Completion of Implementation of Scheme of Arrangements ('SOA')

As disclosed in Notes 8 and 11 to the accompanying financial statements, the Company has achieved key milestones under the Scheme of Arrangement ('SOA'), including the issuance and induction of redeemable non-convertible preference shares and the final phase involving the induction of Privately Placed Term Finance Certificates ('PPTFCs') into the respective accounts in the Central Depository System ('CDS'). With major portion of the preference shares and PPTFCs' acquisition by the sponsors, the implementation of the scheme has been instrumental in facilitating the withdrawal of recovery

suits filed by lenders and in creating a pathway to attract debt capital.

Conversion of Redeemable Convertible Preference Shares

As explained in Notes 5 and 10 to the accompanying financial statements, the Company converted a substantial portion of its outstanding convertible preference shares into ordinary shares during the first half of 2025. This conversion eliminated the related principal and accrued dividend obligations, thereby strengthening the Company's equity base.

Settlement with Short Term Lenders

The Company continued to negotiate and finalize bilateral settlements with its short-term lenders. These arrangements have led to the immediate withdrawal of recovery suits initiated by the lenders, with the agreed principal amounts rescheduled for repayment over a period of three to seven years, thereby easing short-term liquidity pressures. In addition, as disclosed in Note 15, FFCL has assumed a significant portion of the short-term borrowings, further reducing the Company's immediate repayment burden and strengthening its overall financial position.

BOARD'S STATEMENT ON SIGNIFICANT PLANS AND DECISIONS

The Board states that the Company's key plans and decisions are focused on financial restructuring and operational resilience. The Company has achieved major milestones under the Scheme of Arrangement (SOA), including issuance/induction of redeemable non-convertible preference shares and induction of PPTFCs in CDS, which facilitated withdrawal of lender recovery suits and created a pathway to attract debt capital. A substantial portion of redeemable convertible preference shares was converted into ordinary shares in 1H 2025, eliminating related principal and accrued dividend obligations and strengthening equity. The Company also progressed bilateral settlements with short-term lenders, rescheduling principal repayments over three to seven years and easing liquidity pressure; additionally, FFCL assumed a significant portion of short-term borrowings, reducing immediate repayment burden.

On capital expenditure, the Board has approved CAPEX for Sustainable Reliability, prioritizing safety-critical infrastructure, asset integrity, and reliability upgrades, including modernization of critical systems, HSE-aligned enhancements, selective debottlenecking, and reliability-driven maintenance to improve availability and output predictability. The Board confirms there is no plan to discontinue core operations; the strategic direction remains stabilization and sustainable growth through restructuring and targeted high-impact CAPEX.

COMPANY'S STRATEGY ON MARKET AND PRODUCT DEVELOPMENT

During 2025, the Company's strategy remained anchored in ensuring dependable product availability, strengthening go-to-market execution, and building a platform for sustainable growth across both Urea and SSP.

The Company focused on widening market access, improving service levels, and strengthening farmer connectivity through enhanced channel execution. A key milestone was the marketing and sales arrangement whereby FFCL undertook the marketing and sale of AGL's products, enabling AGL to leverage FFCL's strong market standing and structured go-to-market capabilities. Leveraging FFCL's extensive nationwide dealer and distribution network, the Company improved product availability and responsiveness, including deeper penetration into remote and underserved areas.

FFCL's technical and commercial collaboration supported improvements not only in market execution, but also in operating discipline and overall performance standards—creating a stronger platform for future product and portfolio evolution.





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RISK AND OPPORTUNITIES

Risk Management Framework

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Risks and Opportunities Report

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RISK MANAGEMENT FRAMEWORK

RISK AND CONTROL POLICY

The AGL board has authorized a risk and control policy to develop and enhance internal controls, protect employees and company assets, support the accomplishment of organizational goals, and ensure the Company's financial sustainability.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

The risk management framework established by the AGL Board identify and evaluate the Company's level of risk tolerance and provide a way to reduce the detrimental effects of such risks on the Company's operations. The framework offers guidance covering important risk areas and explains the process of identifying and managing risks.

The framework enables the organization to proactively manage its risks and reduce their impact to an acceptable level within its risk tolerance.

Key elements of risk management process are described below:



RISK GOVERNANCE STRUCTURE

The Company's risk management strategy is under the Board's purview. Furthermore, the Board's Audit Committee has an oversight function to ascertain that internal controls, including financial and operational controls, are in place and that risk management procedures are sufficient.

Management of the company is responsible for implementing the Board's strategy and for developing policies and procedures to identify, manage and mitigate risks across the Company operations.

Below are the key governance structure elements:

- i) Board of directors
- ii) Board Audit Committee
- iii) Internal Risk Management Committee
- iv) Risk Function of the company
- v) Risk Champions / Coordinators
- vi) Internal Audit Function

RISK CATEGORIES

Agritech has put in place a reliable system for quickly identifying, evaluating, and mitigating the risks and uncertainties to which it is exposed in the regular course of business.

Strategic Risk

Strategic risks arise from organization's strategic decisions, objectives and initiatives. This risk is internal in nature and can compromise the achievement of high-level goals and organizational strategies. Agritech's Board continuously oversees the strategies and takes a proactive role in managing these risks.

Financial Risk

Financial risks are the risks that could lead to financial loss and compromise the credibility of the financial reporting e.g., liquidity risk, credit risk, exchange risk. These risks are explained in detail in financial statements as well. Note 44 to the financial statements may be referred for details.

Operational Risk

Operational risks are the risks that compromise day to day operational effectiveness and efficiency of the functions and hinder the appropriate utilization of available resources. These risks are managed by ensuring robust internal controls, investing in technology and cybersecurity measures and contingency plans to avoid unforeseen events.

Reputational Risk

Reputational risks are those risks that may impact the reputation of the Company resulting in adverse impact over organization's public profile and goodwill with the stakeholders. This can arise from negative public perception, often resulting from actions, events, or circumstances that impact how the organization is perceived by its stakeholders.

Compliance Risk

Compliance risks can arise from non-compliance of applicable laws, rules and regulations and can have an impact on the organization in form of fines, penalties, litigations etc.

RISK REGISTER

Our company is committed to sound corporate governance and risk management, which is why we maintain a comprehensive risk registry across all departments. This register serves as a dynamic repository where the hazards associated with each department are described in detail. Risk champions collaborate with the risk and control function to identify, evaluate, and report to top management the risks that the department faces.

CONTROL ENVIRONMENT

Risk function, in collaboration with respective departments, devises the appropriate control measures to mitigate the identified risks and bring them to an acceptable low level. Board Audit Committee, however, has an oversight role in evaluating the effectiveness of risk response in alignment with company's risk appetite and tolerance level. Management further ensures that the company's activities are carried out in compliance with robust internal controls and a safe control environment is established.

RISK APPETITE AND TOLERANCE

It is the oversight responsibility of the board to ensure that the effective risk management and internal control systems are in place. The Board's Audit Committee facilitates the Board in discharging this responsibility. The Board Audit Committee ensures that company's activities are carried out in compliance with robust

internal controls and control environment is established. This is further driven by identification of risks and alignment of risks appetite and tolerance levels to Strategic, Operational, Financial, Regulatory & Compliance Risks.

RISK MITIGATION STRATEGIES AND POTENTIAL OPPORTUNITIES

AGL has developed Risk & Control function aiming to identify and mitigate the major risks facing the company. Board Audit Committee has oversight responsibility for risk management and has appointed Risk & Control team to conduct risk assessment for entity-wide objectives and their achievement.

A risk management framework has been designed to identify, analyze and respond to the risks while looking for opportunities as well.

Board sub-committees have their respective roles to contribute in organization risk management.

Board Audit Committee monitors the risk management process periodically with primary focus on high-risk area i.e., financial risks, regulatory risks and strategic risks. Any significant risks which require immediate remedial action are brought to their attention.

In addition to that, an Internal Risk Management Committee has been formed to oversee and manage risks within the organization in alignment with organizational goals. The RMC has specific responsibilities given below:

RISK MANAGEMENT FRAMEWORK

- i) Determining the organization's risk appetite along with crafting strategies that align with risk tolerance
- ii) Providing an independent layer of oversight regarding the organization's risk management practices
- iii) Reviewing internal control policies in respect of control procedures of risks
- iv) Reporting on risk management activities to the relevant authorities
- v) Monitoring of emerging risks and conduct annual reviews of the effectiveness of Enterprise Risk Management system to ensure that it meets organization needs
- vi) Monitoring and evaluation effectiveness of existing controls and procedures in mitigating compliance risks and ensure all departments adhere to applicable laws and regulations
- vii) Fostering a culture of risk awareness across the organization about risk management practices

IT Steering Committee provides direction for overarching IT policies, strategies, stewardship and IT funding along with guidance on evolution of IT solutions through collaboration with key stakeholders and prioritization of technology plan strategic initiatives.

HR & Remuneration Committee focuses on alleviating risks pertaining to human capital of the organization. Market competitive compensation packages and effective succession planning for the growth of employees as well as sustainable human capital for AGL is their top priority.

The company keeps on exploring the best investment opportunities in the market especially pertaining to retirement funds and occasional surplus reserves. A thorough due diligence is performed before presenting such recommendations to the board including risks and rewards related to them.

RISK CHAMPIONS / COORDINATORS

Risk management champions / coordinators have been nominated and mandated to support their respective head of departments for maintaining a consistent approach to risk management within their department by identifying and reporting of risks within their area of responsibility. They are responsible for overseeing risk registers, monitor and follow-up on risk mitigation activities and reporting regarding their department.

KEY SOURCES OF UNCERTAINTIES

Details of the key sources of uncertainties faced by the Company are as follows:

Gas Availability and Pricing

Urea production is highly dependent on uninterrupted gas supply at viable prices. Any curtailment, changes in allocation, or increase in feedstock tariffs would impact the variable cost structure, and profitability.

Regulatory and Policy Changes

The fertilizer sector is sensitive to government policies on gas pricing, subsidies/relief measures, taxes, and price controls. Sudden changes can affect demand, realizations, and the Company's competitive positioning.

Agriculture Demand and Climate Variability

Fertilizer offtake depends on crop economics, sowing patterns, water availability, and farmer purchasing power. Floods, droughts, or adverse weather can disrupt farm activity, logistics, and seasonal demand.

Market Competition and Inventory Overhang

Periods of high industry inventories can lead to aggressive pricing/discounting and pressure on margins. Demand recovery may also be delayed by distribution bottlenecks in certain regions.

Liquidity, Financing and Interest Rate Risk

The business requires significant working capital, and profitability is sensitive to borrowing costs. Higher interest rates or tighter credit conditions can strain cash flows and increase finance costs.

Operational Reliability and HSE

Plant outages, technical failures, or turnaround delays can reduce production and increase unit costs. The Company also remains exposed to health, safety, and environmental compliance risks inherent to chemical operations.

Supply Chain and Logistics Disruption

Movement constraints (e.g., floods/road disruptions) can delay deliveries and weaken sales execution during peak seasons. Logistics constraints may also increase distribution costs and reduce availability in key markets.

Raw Material and FX Exposure

Products' margins can be affected by volatility in input prices and exchange rates, especially for imported or USD-linked raw materials. Any sharp currency movement can raise costs and impact competitiveness.

RISK OF SUPPLY CHAIN DISRUPTION DUE TO AN ENVIRONMENTAL, SOCIAL OR GOVERNANCE INCIDENT

The Board has conducted a thorough assessment of the potential risks associated with supply chain disruption stemming from environmental, social, or governance incidents. In response, the company has devised a comprehensive strategy aimed at both monitoring and mitigating these risks proactively.

Recognizing the multifaceted nature of supply chain vulnerabilities, the company acknowledges the diverse range of factors that could precipitate disruption. These include, but are not limited to, natural calamities, governmental regulations, fluctuations in gas supply, and import restrictions. Any disruption in the supply chain could result in increased downtime.

To effectively monitor and mitigate these risks, the company has outlined several key strategies:

Enhancement of Vendor Database and Supply Mechanism

The Company will prioritize the management and improvement of its vendor database, ensuring the inclusion of reliable and sustainable suppliers. Additionally, mechanisms for timely and efficient parts supply will be optimized, with a focus on engaging operation and maintenance services experts as required.

Augmentation of Critical Spare Parts Inventory

Recognizing the importance of maintaining uninterrupted operations, the Company will increase its inventory levels of critical spare parts. This proactive measure aims to minimize downtime by ensuring the availability of essential components at all times.

Development of Local Vendor Relationships

In an effort to diversify and strengthen its supplier base, the Company will actively foster relationships with local vendors. By nurturing partnerships with local suppliers, the company aims to reduce reliance on foreign sources and enhance its resilience to supply chain disruptions.

Effective Forex Management

Given the potential impact of currency fluctuations on procurement costs, the Company will implement robust forex management practices. By closely monitoring exchange rate movements and employing hedging strategies where appropriate, the Company aims to mitigate the financial risks associated with international transactions.

In summary, the Company's strategy for monitoring and mitigating the risk of supply chain disruption due to environmental, social, or governance incidents is comprehensive and proactive. By prioritizing vendor management, inventory optimization, and strategic partnerships, the Company aims to safeguard its operations against potential disruptions and ensure the continued reliability of its supply chain.

RISK ASSESSMENT

The Board of Directors have carried out a robust assessment of the principal risks facing the Company, including those that would threaten the business model, future performance, solvency or liquidity.

The results of risk assessment carried out by the Board, risks identified, capitals affected along with the associated objectives, opportunities and mitigation strategies have been present in the Risks and Opportunities Report presented in the pages to follow.

RISKS AND OPPORTUNITIES REPORT

Natural gas supply disruption/depletion causing discontinuity in manufacturing operations

Strategic Risk
 Operational Risk
 Financial Risk

Source

EXTERNAL

Rating

HIGH

Likelihood

HIGH

Magnitude

HIGH

Associated Objectives

Sustain growth in fertilizer business.
Optimize costs, improve energy efficiency and enhance synergies among functions for operational efficiency.

Opportunities

Implementation of energy efficient, cleaner and low-carbon production technologies and waste heat recovery.

Mitigating Strategies

Close liaison with government to seek long-term arrangements in light of latest developments and gas pricing.
Investing in alternate sources of power to ensure sustained gas volume.

Horizon

Immediate to Long Term

Affected Capital

Financial
 Manufactured
 Natural

KPIs Monitored

Natural Gas Supply, Downtime

Existence of fake products in market

Strategic Risk
 Financial Risk

Source

EXTERNAL

Rating

MODERATE

Likelihood

MODERATE

Magnitude

MODERATE

Associated Objectives

Sustain growth in fertilizer business
Provision of top-quality fertilizer to farmers.

Opportunities

Better engagement with farmers and dealers.
Enrichment of brand and agri services.

Mitigating Strategies

Various security features have been introduced to ensure the authenticity of the product in the market. Farmers are educated frequently about these security features.

Horizon

Immediate to Long Term

Affected Capital

Financial
 Manufactured
 Social & Relationship

KPIs Monitored

Sales Volume, Farmers Engagement

Global price fluctuation of fertilizer especially DAP impacting the local market prices

 Financial Risk

Source



EXTERNAL

Rating



MODERATE

Likelihood



HIGH

Magnitude



MODERATE

Associated Objectives

Sustain growth in fertilizer business.

Opportunities

Cost controls and optimization of output to maintain margins.

Mitigating Strategies

Collaborating with the government to take an active role in evaluating the supply gap within the country, ensuring that only necessary products with shortages are imported.

Optimize costs of production to gain margins in pricing decisions.

Horizon



Short to Medium Term

Affected Capital



Financial



Manufactured

KPIs Monitored

Manufacturing Cost and Margin per Bag

Decline in margins due to government intervention in product prices

 Financial Risk

Source



EXTERNAL

Rating



MODERATE

Likelihood



MODERATE

Magnitude



MODERATE

Associated Objectives

Sustain growth in fertilizer business.

Optimize costs, improve energy efficiency and enhance synergies among functions for operational efficiency.

Opportunities

Cost controls and optimization of output to maintain margins.

Mitigating Strategies

Close liaison with government to ensure that the product is available to consumer at affordable prices.

Horizon



Short Term

Affected Capital



Financial



Manufactured

KPIs Monitored

Manufacturing Cost and Margin per Bag

RISKS AND OPPORTUNITIES REPORT

Lower forex reserves of government leading to import restrictions, delays in payments to foreign suppliers and disruption in supply chain

 Strategic Risk
  Operational Risk
  Financial Risk

| | | | |
|--|--|---|---|
| Source  EXTERNAL | Rating  MODERATE | Likelihood  MODERATE | Magnitude  MODERATE |
|--|--|---|---|

Associated Objectives

Sustain growth in fertilizer business.
Optimize costs, improve energy efficiency and enhance synergies among functions for operational efficiency.

Opportunities

Explore imports substitution from competitive market and identify alternate local suppliers for critical items.

Mitigating Strategies

A sufficient inventory of critical supplies is maintained throughout to ensure continuous operations while alternate sources for procurement are also being explored.

| | | |
|---|--|---|
| Horizon  Short Term | Affected Capital  Financial | KPIs Monitored FX Exposure and Gains / Losses |
|---|--|---|

Reduced sales due to unfavourable farm economics, disruption of product supply chain owing to environmental, social or governance incidents.

 Operational Risk

| | | | |
|--|--|---|---|
| Source  EXTERNAL | Rating  MODERATE | Likelihood  MODERATE | Magnitude  HIGH |
|--|--|---|---|

Associated Objectives

Sustain growth in fertilizer business.
Optimize costs, improve energy efficiency and enhance synergies among functions for operational efficiency.

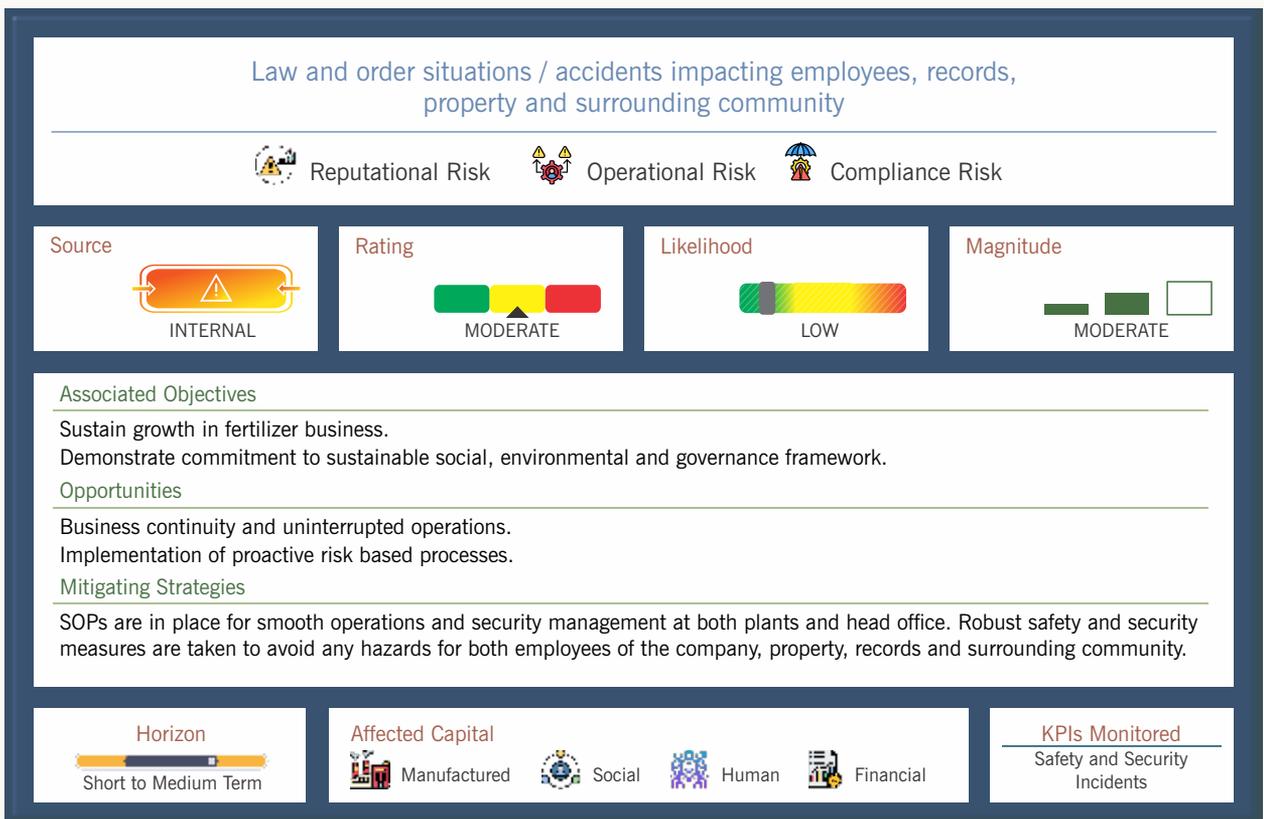
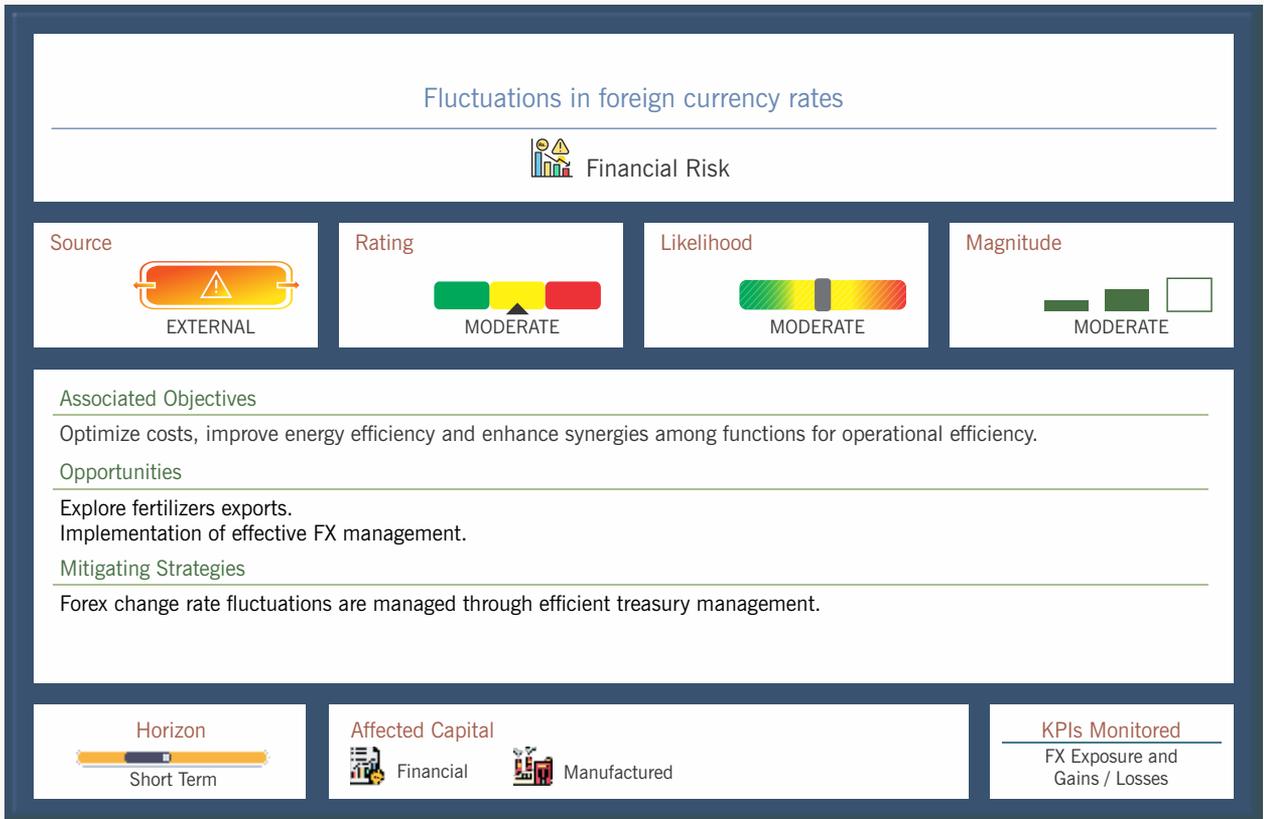
Opportunities

Diversification of supply chain network and product range.

Mitigating Strategies

Robust inventory management, an extensive dealer network, a diverse pool of supply/service providers, provision of products on a credit basis and the dissemination of knowledge/assistance to farmer.

| | | |
|---|---|---|
| Horizon  Short to Medium Term | Affected Capital  Financial  Manufactured | KPIs Monitored Inventory Levels, Production and Sales |
|---|---|---|



RISKS AND OPPORTUNITIES REPORT

Information Technology and Cybersecurity

 **Operational Risk**

| | | | |
|---|--|---|---|
| Source  EXTERNAL/INTERNAL | Rating  HIGH | Likelihood  MODERATE | Magnitude  HIGH |
|---|--|---|---|

Associated Objectives

Optimize costs, improve energy efficiency and enhance synergies among functions for operational efficiency.

Opportunities

Business continuity and uninterrupted operations.
Implementation of proactive risk based processes.

Mitigating Strategies

Modern IT controls and firewalls have been implemented. Additionally, regular system updates, IT audits, vulnerability assessments, and training sessions are conducted to monitor and mitigate risks effectively.

| | | |
|---|--|--|
| Horizon  Immediate to Long Term | Affected Capital  Financial  Intellectual  Manufactured | KPIs Monitored Security Breaches, System Downtime |
|---|--|--|

Interest rate risk, credit risk and liquidity risk affecting business and financial performance

 **Financial Risk**

| | | | |
|---|--|---|---|
| Source  EXTERNAL/INTERNAL | Rating  MODERATE | Likelihood  MODERATE | Magnitude  MODERATE |
|---|--|---|---|

Associated Objectives

Sustain growth in fertilizer business.
Optimize costs, improve energy efficiency and enhance synergies among functions for operational efficiency.

Opportunities

Seek out investment opportunities to leverage higher return rates.
Effective customer relationship management and strong financial risk management practices.

Mitigating Strategies

A robust financial risk management system is in place as per Board's approved policies to secure the Company against any adverse credit, interest rate risk and liquidity risk.

| | | |
|---|--|---|
| Horizon  Short to Medium Term | Affected Capital  Financial | KPIs Monitored Liquidity / Capital Structure Ratios, Receivables Days |
|---|--|---|

Non-compliance with Laws and Regulations

Compliance Risk

Source



EXTERNAL/INTERNAL

Rating



MODERATE

Likelihood



LOW

Magnitude



MODERATE

Associated Objectives

Demonstrate commitment to sustainable social, environmental and governance framework.

Opportunities

Instilling a culture of compliance across the entire Company

Mitigating Strategies

Our entire business framework is designed to assess and manage regulatory risks relevant to our operations. Latest updates in regulatory frameworks are reviewed regularly to prevent any breaches of laws or regulations.

Horizon



Short to Medium Term

Affected Capital



Financial



Social & Relationship

KPIs Monitored

Instances of Non-Compliances

High turnover of trained employees may render the disrupt operations

Operational Risk

Source



EXTERNAL/INTERNAL

Rating



HIGH

Likelihood



HIGH

Magnitude



HIGH

Associated Objectives

Sustain growth in fertilizer business.

Be one of the preferred employers in the country.

Opportunities

Retention and growth of talent

Mitigating Strategies

A succession plan is in place assisted by cross-functional training programs. Company has revised its compensation packages in line with market trends to attract and retain best talent.

Horizon



Immediate To Short term

Affected Capital



Human

KPIs Monitored

Employee Attrition and Engagement

RISKS AND OPPORTUNITIES REPORT

Loss of customer confidence in "Tara" brand

 Operational Risk
 Reputational Risk

Source



EXTERNAL/INTERNAL

Rating



MODERATE

Likelihood



LOW

Magnitude



MODERATE

Associated Objectives

Sustain growth in fertilizer business.
Provision of top-quality fertilizer to farmers.

Opportunities

Focused brand management aimed at enhancing the Company's business profile.

Mitigating Strategies

Over the years, the Company has upheld its brand value by consistently providing high-quality fertilizers and agricultural services. We prioritize proactive engagement with all stakeholders through effective stakeholder engagement programs.

Horizon



Immediate to Long Term

Affected Capital

 Social & Relationship
 Intellectual
 Financial

KPIs Monitored

Sales,
Customer Feedback

Losses due to inadequate insurance cover for Property, Plant and Equipment

 Financial Risk
 Operational Risk

Source



INTERNAL

Rating



HIGH

Likelihood



MODERATE

Magnitude



HIGH

Associated Objectives

Sustain growth in fertilizer business.

Opportunities

Business continuity and uninterrupted operations.
Implementation of proactive risk based processes.

Mitigating Strategies

Appropriate insurance valuation and coverage has been obtained to suffice the challenge.

Horizon



Immediate To Short term

Affected Capital

 Financial
 Manufactured

KPIs Monitored

Adequate Insurance
Coverage

Liabilities and losses arising out of tax contingencies and litigations

 Financial Risk

Source



EXTERNAL/INTERNAL

Rating



HIGH

Likelihood



MODERATE

Magnitude



MODERATE

Associated Objectives

Demonstrate commitment to sustainable social, environmental and governance framework.

Opportunities

Improved and more effective tax planning and execution

Mitigating Strategies

A tax risk management policy has been developed to outline the company's approach to tax planning, compliance and dispute resolution.

Horizon



Immediate to Long Term

Affected Capital



Financial

KPIs Monitored

Contingencies

Long supply of fertilizer in market may result in high inventory holding costs

 Financial Risk

Source



EXTERNAL

Rating



HIGH

Likelihood



HIGH

Magnitude



HIGH

Associated Objectives

Sustain growth in fertilizer business.

Optimize costs, improve energy efficiency and enhance synergies among functions for operational efficiency.

Opportunities

Availability of fertilizer in situation of rising demand in season.

Mitigating Strategies

Focus on better farm economics, awareness sessions for farmers, supply chain resilience along with robust inventory management measures are taken to manage this risk effectively.

Horizon



Immediate To Short term

Affected Capital



Manufactured

Financial

KPIs Monitored

Inventory Turnover

RISKS AND OPPORTUNITIES REPORT

Resource depletion, economic pressure and technological adaptation

 Operational Risk

| | | | |
|--|---|--|--|
| <p>Source</p>  <p>EXTERNAL/INTERNAL</p> | <p>Rating</p>  <p>MODERATE</p> | <p>Likelihood</p>  <p>MODERATE</p> | <p>Magnitude</p>  <p>MODERATE</p> |
|--|---|--|--|

Associated Objectives

Sustain growth in fertilizer business.

Opportunities

Embracing new technologies and investments in research and development.

Mitigating Strategies

Use of alternate resources and technologies

| | | |
|--|---|---|
| <p>Horizon</p>  <p>Immediate to Long Term</p> | <p>Affected Capital</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> Intellectual</div> <div style="text-align: center;"> Financial</div> <div style="text-align: center;"> Manufactured</div> </div> | <p>KPIs Monitored</p> <p>New Alternate Resources and Technologies Adopted</p> |
|--|---|---|

Greenhouse gas emissions, biodiversity loss, geopolitical tension and changing regulations

 Reputational Risk  Compliance Risk

| | | | |
|--|---|--|--|
| <p>Source</p>  <p>EXTERNAL/INTERNAL</p> | <p>Rating</p>  <p>MODERATE</p> | <p>Likelihood</p>  <p>MODERATE</p> | <p>Magnitude</p>  <p>MODERATE</p> |
|--|---|--|--|

Associated Objectives

Demonstrate commitment to sustainable social, environmental and governance framework.

Opportunities

Resource efficiency through improved water recycling, waste minimization and by product recovery.
Operate in a sustainable manner while contributing towards its corporate social responsibility.

Mitigating Strategies

Our commitment to sustainability encompasses environmental stewardship, social responsibility, and strong governance practices (ESG – Environment, Social & Governance).

| | | |
|--|--|---|
| <p>Horizon</p>  <p>Immediate to Long Term</p> | <p>Affected Capital</p> <div style="text-align: center;"> Social & Relationship</div> | <p>KPIs Monitored</p> <p>Relevant SDGs Materialized</p> |
|--|--|---|

Occupational Health and Safety

 Reputational Risk
 Operational Risk
 Compliance Risk

Source



EXTERNAL/INTERNAL

Rating



MODERATE

Likelihood



MODERATE

Magnitude



MODERATE

Associated Objectives

Demonstrate commitment to sustainable social, environmental and governance framework.

Opportunities

Business continuity and uninterrupted operations.
Improved health and safety concerns of employees, contractors, visitors and general public.

Mitigating Strategies

Comprehensive occupational health and safety policy in place. Robust safety and security measures are taken to avoid any hazards for both employees of the company, property, records and surrounding community.

Horizon



Immediate to Long Term

Affected Capital

 Social & Relationship
 Human

KPIs Monitored

Occupational Health and Safety Incidents

Inadequate Sustainability Reporting

 Strategic Risk
 Reputational Risk
 Compliance Risk
 Financial Risk

Source



INTERNAL

Rating



MODERATE

Likelihood



MODERATE

Magnitude



MODERATE

Associated Objectives

Improve stakeholder confidence through transparent disclosures and reporting.

Opportunities

Enhanced investor confidence through transparent disclosures aligned with applicable standards.

Mitigating Strategies

Ensure timely, accurate and integrated financial and sustainability disclosures to enhance transparency, accountability and stakeholder trust.

Horizon



Immediate to Long Term

Affected Capital

 Social & Relationship
 Financial

KPIs Monitored

Disclosures
Audit Observations



D

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GOVERNANCE

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BOARD COMPOSITION

To promote transparency, foster good corporate governance, and to ensure the Company's smooth operation, a regulatory framework has been established regarding the qualification, experience, and composition of the Board of Directors. The Board comprises 9 directors who effectively represent shareholder interests. Notably, all 9 directors are non-executive: this includes 3 independent directors, including 1 female director in the female category representing gender diversity, and 6 nominee directors in a diverse mix of other categories.



For a comprehensive overview of each Board member, please refer to detailed profiles presented on pages 67 to 72.

LEADERSHIP STRUCTURE OF THOSE CHARGED WITH GOVERNANCE

The Company's Board of Directors features a carefully designed leadership structure aimed at ensuring effective governance alongside operational oversight. At its core, the Board is composed of a diverse group of individuals, each contributing unique expertise and perspectives that enrich decision-making processes. The Chairman and CEO are pivotal figures in this framework.

Key Roles

Chairman: Presides over meetings ensuring compliance with good corporate governance standards while facilitating dialogue.

CEO: Highest ranking executive responsible for overseeing daily operations, implementing strategic directives from the board and driving organizational performance.

Committee Structure

Under the umbrella of executive leadership, specialized committees such as Audit Committee and Human Resources & Remuneration Committee operate autonomously comprising non-executive and independent directors responsible for conducting reviews, making recommendations and providing oversight within their respective mandate and domain.

Governance Principles

Operating on accountability and transparency principles, the Board decisions prioritize shareholder and stakeholder interests. Regular quarterly meetings, typically held quarterly or as necessary, facilitate strategic discussions, performance evaluations and policy deliberations,

fostering open communication channels with the management and stakeholders through feedback solicitation, thus enhancing informed decision-making processes.

Our board's collaborative approach integrates diverse perspectives, serving as a beacon for the Company's strategic decision making and maintaining excellence in corporate governance. Effective oversight, transparent communication and robust mechanisms steer us toward sustained success value creation.

DIVERSITY IN THE BOARD

The Company's Board of Directors comprises a well-balanced and diverse group of highly qualified professionals, each bringing a wealth of expertise across finance, risk management, and operations. This diverse composition ensures a broad range of perspectives in decision-making, strengthening the Board's ability to drive strategic initiatives effectively.

Recognizing the importance of diversity, the Company actively fosters an inclusive environment that enhances discussions and encourages innovation. As part of this commitment, female representation is a key priority, with the Board currently including one female member. Her presence reflects the Company's dedication to gender diversity and equitable leadership, reinforcing the value of varied viewpoints in governance and strategic planning.

The Board's leadership structure is defined by a collaborative approach, where diverse insights come together to shape the Company's strategic direction and attain excellence in corporate governance. Through effective oversight, transparent communication, and strong governance mechanisms, the Board

plays a pivotal role in ensuring long-term success and value creation for the Company.

INDEPENDENT DIRECTORS

The Company's Board comprises of three (3) independent directors namely Mr. Hasan Ahmed, Syed Zibber Mohiuddin and Ms. Sima Kamil who are not involved in the Company's management nor are connected with any business or any other relationship that could interfere materially with or appear to affect their judgment. The Company has ensured that the independent directors meet the qualification criteria of independence in compliance with the provisions of Listed Companies (Code of Corporate Governance) Regulations, 2019 and Companies Act 2017. All independent directors have submitted along with their consent to act as director, declaration to the Company that they meet the criteria of independent director as specified under the Companies Act, 2017.

The leadership structure of the Board of Directors is characterized by a **COLLABORATIVE** approach, wherein diverse perspectives converge to guide the Company's strategic direction and uphold its commitment to corporate governance **EXCELLENCE**.

Through effective oversight, transparent communication, and robust governance mechanisms, the Board plays a vital role in steering the Company towards sustained success and **VALUE CREATION**.

ATTENDANCE AT BOARD MEETINGS

| Name of Director (Elected on 28-Apr-25) | 05-May-25 | 27-Jun-25 | 05-Aug-25 | 23-Oct-25 | 24-Dec-25 | Legend | |
|---|-----------|-----------|-----------|-----------|-----------|------------------------|-------------------|
| | | | | | | Attendance Eligibility | Meetings Attended |
| Lt. Gen Anwar Ali Hyder, HI (M) (Retd) | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Syed Bakhtiyar Kazmi | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Mr. Jahangir Piracha | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Mr. Sayeed Tariq Saigol | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Mr. Waleed Tariq Saigol | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Syed Mohsin Raza Naqvi | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Ms. Sima Kamil | ✓ | ✓ | ✗ | ✓ | ✓ | 5 | 4 |
| Mr. Hasan Ahmed | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Syed Zibber Mohiuddin | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |

| Name of Director (Retired on 28-Apr-25) | 24-Jan-25 | 06-Mar-25 | 17-Mar-25 | 10-Apr-25 | 23-Apr-25 | Legend | |
|---|-----------|-----------|-----------|-----------|-----------|------------------------|-------------------|
| | | | | | | Attendance Eligibility | Meetings Attended |
| Mr. Shahid Iqbal Choudhri | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Mr. Osman Malik | ✓ | ✓ | ✗ | ✓ | ✓ | 5 | 4 |
| Mr. Hasan Ahmed | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Syed Mohsin Raza Naqvi | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Ms. Minahil Mohsin Naqvi | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Mr. Haroon Farooq | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |
| Syed Mustafa Haider Hamdani | ✓ | ✓ | ✓ | ✓ | ✓ | 5 | 5 |

The Board of Directors of the Company was reconstituted with effect from 28 April 2025 pursuant to the fresh election of directors held under section 162 of the Companies Act, 2017.

BOARD OF DIRECTORS' PROFILE



Lt. Gen Anwar Ali Hyder, HI (M) (Retd)

Chairman

Non-Executive

Joined on 28 April 2025

Lieutenant General Anwar Ali Hyder, HI (M) (Retd) brings nearly four decades of distinguished military service and extensive expertise in planning, organization, and administration to his role as a Chairman Board of Directors Agritech Limited.

Throughout his distinguished career, he held various prestigious command, staff, and instructional positions, culminating in his role as Principal Staff Officer to the Chief of Army Staff as Adjutant General of the Pakistan Army. In this key position, he demonstrated exceptional leadership and spearheaded numerous significant welfare initiatives and large-scale commercial projects at the Army and national level. Notably, this included strategizing the development and growth of Fauji Foundation Companies and serving as the Chairman of the Army Welfare Trust.

His experience within the Pakistan Army encompasses significant contributions to the planning and development of Defence Housing Authorities (DHAs) nationwide and the supervision of major housing projects such as Askari Housing Colonies. He also has experience in the academic arena, having served as President of the National Defence University and as a member of the Board of Governors of NUST, NUMS, and NUTECH.

Transitioning seamlessly to civilian leadership, Lieutenant General Hyder served as Chairman of the Naya Pakistan Housing and Development Authority (NAPHDA) and as Caretaker Minister for Defence and Defence Production. He was also a member of the Apex Committee of the Special Investment Facilitation Council (SIFC), where he made multifaceted contributions to national economic growth initiatives and in the process remained engaged with several public and private sector entities and multinational organizations.

His strategic prowess and commitment to excellence is complimented by his professional and academic credentials, including a Masters in Strategic Studies from the United States Army War College, Carlisle, Pennsylvania and an MSC in War Studies from the National Defence University, Islamabad.

His dedication and meritorious service in the Pakistan Army was recognized through conferment of Chief of Army Staff Commendation Card and the prestigious Hilal-e-Imtiaz (Military) by the President of Pakistan.

Lieutenant General Hyder's current roles include Managing Director of Fauji Foundation and directorships in:

1. Fauji Fertilizer Company Limited
2. Askari Bank Limited
3. Fauji Cement Company Limited
4. Mari Energies Limited
5. Mari Mining Company (Private) Limited
6. Fauji Foods Limited
7. FFBL Power Company Limited
8. Fauji Fresh n Freeze Limited
9. Fauji Meat Limited
10. FonGrow (Private) Limited
11. Pakistan Maroc Phosphore SA
12. Mari Technologies Limited
13. Mari Mining (Private) Limited
14. Daharki Power Holding Limited
15. Foundation Power Company Daharki Limited
16. Fauji Kabirwala Power Company Limited
17. Foundation Solar Energy (Private) Limited
18. Fauji Oil Terminal and Distribution Company Limited
19. Fauji Trans Terminal Limited
20. Fauji Akbar Portia Marine Terminal Limited
21. MedAsk (Private) Limited
22. FonGreens (Private) Limited
23. Fongreen Silicon Technologies Limited



Mr. Muhammad Faisal Muzammil

Chief Executive Officer

Deemed Director

Joined on 14 March 2017

Appointed as Chief Executive Officer (CEO) of Agritech Limited in 2017, Mr. Muhammad Faisal Muzammil brings a wealth of experience and expertise to his role. His journey with Agritech Limited began in 2006, when he joined as Sales and Marketing Manager. Over the years, he has seamlessly transitioned into various leadership roles, consistently demonstrating his ability to navigate complex challenges and drive growth.

Following the successful completion of his earlier tenures as CEO, he is successfully transitioned into his third tenure as CEO starting from 2023. With a strong foundation and profound understanding of the fertilizer sector, he possesses comprehensive knowledge and experience across all critical functions including operations, sales, marketing, financial restructuring, strategy and planning, gas management, government relations and has been instrumental in managing the affairs of Agritech Limited. His leadership role at Agritech underscores his strategic acumen and his unwavering dedication to advancing Agritech Limited's mission and objectives.

Prior to his tenure at Agritech Limited, Mr. Muzammil accumulated valuable diversified corporate experience while working at Engro, DHL and LTV Capital Mordaba. He holds an MBA degree from Quaid-e-Azam University, Islamabad.



Syed Bakhtiyar Kazmi

Director

Non-Executive

Joined on 28 April 2025

Mr. Kazmi is a fellow chartered accountant with over 35 years of experience in a diverse range of sectoral and functional strata within national and regional economies. The key areas of his specialization are fiscal policy and macroeconomic research, greenfield and brownfield projects, strategic collaborations, mergers and acquisitions, outliers in accounting and finance, strategic level audit and assurance, tax reforms and strategic level advisory.

Mr. Kazmi served KPMG for 35 years; interacted with the leadership in almost every industry, understanding their vision, their insights, business and strategies. His rigorous exposure to a diverse range of sectors and projects, enabled him to conceive and culminate strategic value additions for his clients. He successfully implemented a comprehensive service delivery framework that ensures quality assured service provision to KPMG's clients. As an auditor and an advisor, Mr. Kazmi successfully delivered best-in-class and integrity driven services and branched into macroeconomic research with a focus on contributing towards fiscal and regulatory policies of Pakistan. He has served on a number of diverse forums / boards in the private sector, public sector & civil society organizations. As a thinker, he actively spreads his thoughts and ideas through his participation on national economics, business & taxation matters and issues. He is a Member of Audit Committee of the Agritech Limited.

He also holds the directorship on the boards of various companies including the following listed companies:

1. Fauji Fertilizer Company Limited
2. Fauji Foods Limited
3. Fauji Cement Company Limited
4. Askari Bank Limited
5. Mari Energies Limited
6. The Hub Power Company Limited

BOARD OF DIRECTORS' PROFILE



Mr. Jahangir Piracha

Director

Non-Executive

Joined on 28 April 2025

With over three decades of experience, Mr. Jahangir Piracha has built a career dedicated to leading and transforming some of Pakistan's most influential companies in chemicals, energy and agribusiness. Currently serving as the Managing Director and Chief Executive Officer of FFCL. Mr. Jahangir is focused on driving growth and innovation while supporting Pakistan's agricultural development and food security.

Mr. Jahangir's journey includes CEO roles at Engro Polymer & Chemicals Ltd., Engro Vopak and Elengy Terminal Limited., and Engro Powergen Qadirpur Limited., where he gained a deep understanding of commercial, manufacturing, human resources, finance and supply chain management. These diverse roles shaped his approach to leadership, emphasizing the importance of viewing challenges from multiple perspectives and balancing immediate needs with a long-term vision.

A Chemical Engineering graduate from the University of Engineering and Technology, Lahore, Mr. Jahangir also completed the Advanced Management Program from INSEAD, Fontainebleau, France. His formal education laid a strong foundation, but his leadership style has been shaped by decades of hands-on experience and a dedication to creating positive, lasting change. Known for his commitment to diversity, equity and inclusion, as well as his advocacy for digital transformation. Mr. Jahangir continues to lead with purpose, building organizations that are resilient, agile and prepared for the future. He also holds directorship on the boards of the following companies:

1. Askari Bank Limited
2. FFC Energy Limited
3. Fauji Fresh n Freeze Limited
4. FFBL Power Company Limited
5. Thar Energy Limited
6. Fauji Foods Limited
7. Fauji Meat Limited



Mr. Sayeed Tariq Saigol

Director

Non-Executive

Joined on 28 April 2025

Mr. Sayeed Tariq Saigol is a prominent business leader nominated by Maple Leaf Cement Factory Limited. He currently serves as the Chief Executive Officer of Maple Leaf Cement Factory Limited. His leadership across these organizations reflects a deep understanding of the cement, power, textiles, healthcare, fertilizers, and financial market sectors.

Mr. Saigol holds a degree in International Business and Finance from McGill University. This academic background has provided him with a strong foundation in managing business dynamics, financial management, and strategic decision-making skills. Beyond his current executive roles, Mr. Saigol has amassed several years of valuable experience in the textile industry. His career spans multiple sectors; prior to his tenure at Maple Leaf Cement Factory, he played a pivotal role in the establishment and management of an apparel dyeing company. This entrepreneurial initiative demonstrates his ability to launch and lead business ventures effectively.

In addition to his operational and management responsibilities, Mr. Saigol is committed to advancing education through his role as a member of the Board of Governors at the Lahore University of Management Sciences (LUMS). This engagement highlights his dedication to shaping future leaders and fostering academic excellence.

Mr. Saigol also holds directorships on the boards of:

1. Kohinoor Textile Mills Limited
2. Maple Leaf Capital Limited
3. Maple Leaf Power Limited



Mr. Waleed Tariq Saigol

Director

Non-Executive

Joined on 28 April 2025

Mr. Waleed Tariq Saigol is a distinguished business leader nominated by Maple Leaf Capital Limited to the Board of Agritech Limited. He currently serves as the Chief Executive Officer and Director of Maple Leaf Capital Limited (MLCL). In his role at MLCL, he has demonstrated strong expertise in capital markets and has played a key role in developing MLCL into one of the country's leading private investment management company.

Mr. Saigol's educational background includes schooling at Aitchison College and Harrow School, and he holds a bachelor's degree from the London School of Economics.

He possesses significant experience in the textile and cement sectors. He has successfully served as Managing Director of one of the country's largest textile operations.

He is a member of the Audit Committees of the listed companies within the Kohinoor Maple Leaf Group, where he actively contributes to shaping corporate vision and governance frameworks.

Beyond his professional commitments, Mr. Saigol is a passionate golfer and has achieved success in several tournaments in Pakistan.

In addition to his leadership at Maple Leaf Capital Limited, Mr. Saigol also serves on the Boards of Directors of:

1. Kohinoor Textile Mills Limited
2. Maple Leaf Cement Factory Limited
3. Maple Leaf Power Limited



Syed Zibber Mohiuddin

Director

Independent

Joined on 28 April 2025

Syed Zibber Mohiuddin has been appointed as an Independent Director on the Board of Agritech Limited. He is a seasoned business leader with extensive experience in corporate strategy, governance, and operational leadership across multiple industries.

Mr. Mohiuddin currently serves as the Group CEO of Panasian Group, a position he has held since August 2009. In this capacity, he oversees group-wide finance, strategy, and investments. He is a board member of several Panasian Group companies and serves as Vice Chairman of VPL Limited. Prior to joining Panasian Group, Mr. Mohiuddin held the role of President and Country Manager at Ericsson Pakistan (Private) Limited, from April 2002 to August 2009. During his tenure, he was responsible for transforming Ericsson into a market leader in Pakistan, driving strategic growth and operational excellence while leading a workforce of over 1,800 employees. He also held regional management team positions at Ericsson Middle East and Ericsson Southeast Asia, where he was involved in steering strategy and leading regional initiatives.

He holds a Bachelor of Business Administration in Finance and an MBA in International Business from The George Washington University. In addition, he completed the Executive Development Program at Columbia University, Graduate School of Business.

Mr. Mohiuddin is a Certified Director from the Pakistan Institute of Corporate Governance. He has served on the boards of several organizations, including, PIA Holding Company Limited, Engro Enfrashare (Private) Limited and Ericsson Pakistan (Private) Limited. He has also served as member Managing Committee at the Islamabad Club, Member Board of Trustees - Development in Literacy, and Member Board of Governors - Chal Foundation.

BOARD OF DIRECTORS' PROFILE



Syed Mohsin Raza Naqvi

Director

Non-Executive

Joined on 22 July 2024

Syed Mohsin Raza Naqvi is a seasoned finance professional nominated by Maple Leaf Cement Factory Limited to the Board of Agritech Limited. He is a Fellow Member of the Institute of Chartered Accountants of Pakistan and brings over 30 years of extensive experience in financial management.

His expertise spans a broad range of areas, including financial projections, forecasting (short-term and long-term cash flows), business strategy development, acquisitions and evaluation of business units, establishing corporate reporting structures, implementing budgetary control procedures, deploying financial software solutions, organizing finance and treasury functions.

He is also a certified director from the Pakistan Institute of Corporate Governance. He previously served on the Board of Kohinoor Mills Limited as well as various other reputable international companies. His career includes international assignments in countries such as Saudi Arabia, Kuwait, the Philippines, Morocco, Jordan, and Pakistan, contributing to his well-rounded global perspective.

Mr. Naqvi currently serves on the Boards of several companies, including:

1. Maple Leaf Cement Factory Limited
2. Kohinoor Textile Mills Limited
3. Maple Leaf Capital Limited
4. Maple Leaf Power Limited
5. Novacare Hospitals (Private) Limited



Ms. Sima Kamil

Director

Female Independent

Joined on 28 April 2025

Ms. Sima Kamil is a seasoned financial sector leader and currently serves as an independent director on the Agritech Limited board. Her career is marked by significant leadership roles, including her tenure as Deputy Governor at the State Bank of Pakistan (SBP) from August 2020 to August 2023. At the SBP, she was responsible for key areas such as Financial Inclusion, Digital Financial Services, and Islamic Banking. Her notable achievements at SBP include the launch of the Gender Intentional policy for the Financial Sector (Banking on Equality) and the implementation of Pakistan's Instant Payment System, Raast.

Prior to her role at the SBP, Ms. Kamil was President and CEO of United Bank Ltd (UBL), where she led the bank from June 2017 to July 2020. Her contributions at UBL included revitalizing branch banking and establishing a strong Digital Banking division. Earlier in her career, she held key positions at Habib Bank Ltd (HBL), including Head of Branch Banking and Head of Corporate & Investment Banking.

Ms. Kamil's educational foundation includes a Master of Business Administration from City University - London. Her extensive experience and leadership make her a valuable asset as an independent director.



Mr. Hasan Ahmed

Director

Independent

Joined on 26 April 2024

Mr. Hasan Ahmed is a senior accounting and financial management executive with over 30 years of experience in finance and operations management within local and global organizations. He has a proven track record of streamlining business operations, driving growth, and improving profitability. His expertise includes financial controls, process improvement, and change management.

Mr. Ahmed has launched greenfield projects across various sectors, including sugar mills, medical facilities, and IT businesses. He has strong connections with financial institutions and experience in capital markets, including syndication, Islamic finance, IPOs, and Sukuks.

His career highlights include structuring syndications and Sukuk transactions, managing IPOs, and restructuring company finances. His previous roles include CEO at Dellsons Group, Senior Advisory Board Member at Equity Global Private Limited, and COO at Husein Sugar Mills Limited. He has also served as CFO Pakistan Cricket Board.

Mr. Ahmed is a Certified Public Accountant (USA). He holds a Bachelor of Commerce degree from the University of Karachi.

Mr. Ahmed also serves on the Board of Directors of:

1. Nagina Cottons Mills Limited
2. AKD Investments Limited

ROLE OF CHAIRMAN AND CEO

The Company adheres to sound corporate governance practices, ensuring a clear and transparent division of roles by appointing separate individuals for the positions of Chairman of the Board of Directors and Chief Executive Officer. In accordance with Section 192(2) of the Companies Act, 2017 the Board of Directors has explicitly defined the responsibilities of both the Chairman and the CEO, reinforcing accountability and effective leadership within the organization.

ROLE OF CHAIRMAN

The primary role of the Chairman of the Board is to lead and manage the Board of Directors while ensuring effective governance and decision-making. As the key liaison between the Board and management, the Chairman is accountable to the Board and serves as a communicator for Board decisions when appropriate. The specific duties and responsibilities of the Chairman include:

- Acting as a bridge between management and the Board, primarily through the CEO.
- Staying informed about the Company's activities and management operations.
- Ensuring directors are well-informed by providing them with relevant and sufficient information to facilitate sound decision-making.
- Enabling directors to form well-reasoned judgments and make informed decisions.
- Preparing an annual review report on the overall performance of the Board and assessing its effectiveness in achieving the Company's objectives.
- Developing and setting meeting agendas for the Board.
- Presiding Board meetings and ensuring all necessary information is made available.
- Reviewing and signing meeting minutes while ensuring they are properly recorded.
- Confirming meeting quorum and ensuring all materials, including the agenda and notices, are circulated within the stipulated time.
- Ensuring compliance with applicable laws regarding the maintenance of Board meeting minutes.
- Issuing formal letters to directors at the beginning of each three-year term, outlining their roles, obligations, powers, and responsibilities.
- Chairing General Meetings of the Company.
- Recommending Board Committee appointments after consulting with directors and management.
- Conducting an annual assessment of the Board's effectiveness and making recommendations for improvements.

Through these responsibilities, the Chairman plays a crucial role in ensuring the Board operates efficiently, adheres to corporate governance standards, and contributes to the Company's strategic objectives.

ROLE OF CEO

The Chief Executive Officer (CEO), under the direction and oversight of the Board, is entrusted with managing the Company's affairs and ensuring its effective operation. The CEO's key responsibilities include:

- **Strategic Leadership:** Planning, formulating, and implementing strategic policies to drive the Company's growth and success.
- **Operational Coordination:** Ensuring seamless coordination between various departments to facilitate efficient and effective operations.
- **Engagement with the Board:** Maintaining continuous dialogue with the Directors regarding policy changes, business performance, and the Company's overall development.
- **Asset Protection & Compliance:** Safeguarding the Company's interests and assets while ensuring full compliance with all governmental regulations in a timely manner.
- **Stakeholder Relations:** Maintaining close liaison with government authorities, customers, suppliers, and sales offices to foster strong relationships.
- **Human Resource Development:** Establishing HR policies aimed at achieving high professional standards, promoting overall progress, and enhancing the Company's growth.
- **Succession Planning:** Implementing and continuously updating succession plans across all levels of the Company's hierarchy.
- **Committee Leadership:** Overseeing the proper functioning of the Company's Management Committees as their Chairman.
- **Reporting to the Board:** Preparing and personally presenting critical reports to the Board of Directors, including:
 - The annual business plan, cash flow projections, and long-term strategies.
 - Budgets for capital, manpower, and overhead expenses, along with variance analyses.
 - Quarterly operating results for various divisions and business segments.
 - Updates on legal, regulatory, and accounting changes affecting the Company.
- **Performance Monitoring:** Evaluating financial and operational performance against budgets and targets, including revenue, capital expenditure, and other key metrics.
- **Workplace Culture & Engagement:** Fostering an open, progressive work environment that encourages employee participation, engagement, and excellence.

Through these responsibilities, the CEO plays a pivotal role in driving the Company's strategic vision, operational efficiency, and long-term sustainability.

BOARD OPERATIONS

The Board of Directors serves as the Company's primary governing body, acting as a steward on behalf of shareholders. It is responsible for defining strategic direction, overseeing corporate performance, and protecting shareholder interests. The Board exercises its authority with diligence and responsibility, adhering to the Company's Articles of Association, the Companies Act 2017, the Listed Companies (Code of Corporate Governance) 2019, and other applicable regulations.

As the guardian of the Company's long-term vision, the Board makes high-level strategic decisions while delegating day-to-day operations to the executive team. This structured approach ensures effective governance, strategic alignment, and accountability across the organization.

MATTERS RESERVED FOR THE BOARD

The Board's primary responsibility is to make critical decisions that shape the Company's long-term direction and ensure its sustainability. Its key functions include:

- **Strategic Oversight:** Approving the Company's strategic plans, including business objectives, growth initiatives, and risk management strategies.
- **Financial Governance:** Monitoring financial performance by approving budgets, financial statements, major investments, and capital allocation decisions.
- **Risk Management:** Identifying and assessing significant risks while ensuring effective mitigation measures are in place.
- **Leadership & Succession Planning:** Appointing, evaluating, and determining compensation for senior executives, including the CEO, while ensuring a strong succession plan for key leadership roles.
- **Corporate Governance & Compliance:** Upholding strong governance practices, ensuring compliance with legal and regulatory requirements, and fostering ethical conduct.
- **Board Committees & Recommendations:** Reviewing recommendations from Board committees to support informed decision-making.

- **Related Party Transactions:** Approving related party transactions based on the Audit Committee's recommendations.
- **Financial Reporting & Dividends:** Reviewing and approving financial statements and dividend distributions.

Through these responsibilities, the Board ensures strategic alignment, accountability, and sustainable growth for the Company.

RISK GOVERNANCE AND INTERNAL CONTROLS

The Board plays a crucial role in overseeing the governance of risk within the Company, tasked with determining the organization's level of risk tolerance and establishing comprehensive risk management policies. To fulfill this responsibility, the Board conducts periodic reviews of the Company's overall risk landscape, ensuring that management maintains a robust framework for risk identification, assessment, and mitigation.

Central to the Board's oversight is the commitment to safeguarding the Company's assets, resources, reputation, and the interests of its shareholders. Through diligent assessment and scrutiny, the Board evaluates both internal and external factors that may pose risks to the Company's operations and strategic objectives. This includes evaluating market dynamics, regulatory changes, competitive pressures, and emerging threats to business continuity.

In establishing risk management policies, the Board aims to strike a balance between prudent risk-taking and the preservation of shareholder value. By defining clear risk parameters and tolerance levels, the Board provides guidance to management in navigating uncertainties while staying aligned with the Company's strategic goals.

Furthermore, the Board ensures that management maintains a sound system of internal controls to effectively manage identified risks and prevent potential adverse impacts.

This encompasses implementing robust processes for risk identification, ongoing monitoring, and timely reporting to enable proactive decision-making.

Through its oversight role, the Board fosters a culture of risk awareness and accountability throughout the Company, encouraging open dialogue and transparent reporting of risks at all levels. By promoting a proactive approach to risk management, the Board seeks to enhance the Company's resilience, agility, and ability to capitalize on opportunities in a dynamic business environment.

DELEGATION OF DAY-TO-DAY OPERATIONS

While the Board retains ultimate authority over key strategic decisions, it delegates the responsibility for day-to-day operations to the executive management team, led by the CEO. This delegation includes overseeing routine business activities, implementing strategic initiatives, and executing operational plans, ensuring the smooth functioning of the Company.

The management team is accountable for maintaining operational excellence, ensuring regulatory compliance, and upholding financial integrity. While management identifies and mitigates risks, seizes growth opportunities, strengthens internal controls, and prepares financial statements in accordance with approved accounting standards, the Board provides strategic oversight and guidance to align the Company with its long-term goals.

These responsibilities must be carried out in full compliance with applicable regulations, including the Companies Act, 2017 and the guidelines set by the Securities and Exchange Commission of Pakistan.

By delegating operational management, the Board enhances efficiency, promotes innovation, and empowers leadership to effectively execute the Company's strategic vision.

PERFORMANCE OF THE BOARD

ANNUAL EVALUATION OF THE BOARD'S PERFORMANCE

The Company has established a Board Performance Questionnaire to facilitate the annual evaluation of the Board, its members, and its committees, in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019. The evaluation process is conducted with the highest level of confidentiality to ensure integrity and objectivity.

The questionnaire is designed to assess the effectiveness of the Board and its key committees based on the following criteria:

- Formation and Quality Assurance – Evaluating the composition, structure, and effectiveness of the Board and its committees.
- Business Understanding & Risk Awareness – Assessing members' comprehension of the Company's operations, industry dynamics, and associated risks.
- Processes and Procedures – Reviewing the efficiency of decision-making frameworks, governance protocols, and overall Board operations.
- Oversight of Financial Reporting & Internal Controls – Examining the Board's role in financial oversight, including internal controls and risk mitigation.
- Ethics and Compliance – Ensuring adherence to ethical standards and regulatory compliance.
- Comments Section – Providing space for qualitative feedback, incorporating insights beyond numerical ratings.

The Board's overall performance is measured using a structured quantitative assessment mechanism, with a rating scale from 5 (highest) to 1 (lowest) to ensure objective evaluation.

If any deficiencies are identified during the assessment, the Board implements an action plan to address them. This may include targeted training sessions, workshops, or seminars aimed at improving risk awareness, refining processes, enhancing financial oversight, and reinforcing ethical and compliance

standards. Regular follow-up assessments are conducted to monitor progress and ensure the effectiveness of corrective measures. Additionally, the Board may consider restructuring committees or redefining roles and responsibilities to enhance overall governance and operational effectiveness.

CHAIRMAN'S REVIEW OF BOARD'S PERFORMANCE

The Chairman conducts a comprehensive review of the Board's overall performance and evaluates its effectiveness in achieving the Company's strategic objectives. This assessment is based on a multifaceted approach that considers several key factors, including:

- The Board's strategic decision-making process and its alignment with corporate goals.
- The effectiveness of the Board's guidance and oversight on critical matters.
- The level of engagement with management, stakeholders, and external parties.
- The Board's contribution to the Company's long-term success.

To measure effectiveness, the Chairman evaluates the outcomes of Board discussions, decisions, and actions against predefined goals and performance metrics. Additionally, feedback from key stakeholders—including senior management, shareholders, and external advisors—is gathered to provide deeper insights into the Board's impact.

The review process incorporates regular self-assessments, industry benchmarking, and best practice comparisons to ensure continuous improvement. Based on these evaluations, the Chairman identifies areas for enhancement, establishes priorities for Board development, and ensures that Board activities remain aligned with the Company's strategic vision.

The Chairman's Review Report on the Board's overall performance and its effectiveness in achieving corporate objectives is presented on page 103.

EXTERNAL EVALUATION OF THE BOARD'S PERFORMANCE

The Company conducts Board performance evaluations exclusively through its internal mechanisms, without engaging external experts. This approach reflects the Company's confidence in the robustness and effectiveness of its internal evaluation processes.

Designed with precision, these internal mechanisms are structured to comprehensively assess the Board's performance, capturing its complexities and ensuring alignment with the Company's unique needs and strategic objectives.

By leveraging in-house expertise and resources, the Company reinforces its commitment to accountability, transparency, and autonomy in governance. This approach not only ensures a thorough and objective assessment but also enhances cost efficiency and operational effectiveness.

This strategic decision highlights the Company's dedication to maintaining high corporate governance standards and fostering continuous improvement. It also affirms trust in the competence and integrity of its internal stakeholders to uphold these principles effectively.

ORIENTATION AND TRAINING

ORIENTATION COURSES

The Company has developed a rigorous internal protocol in the form of a comprehensive Directors' Orientation Pack, meticulously crafted to equip Board members with a profound understanding of the Company's operations, regulatory landscape, and their critical fiduciary responsibilities. This tailored orientation program is strategically timed to coincide with the commencement of a director's tenure or upon appointment to fill an unexpected vacancy, ensuring a seamless transition into their role.

Presented in an engaging format, this initiative is far more than a simple introduction—it is a strategic immersion into the Company's ethos, core values, strategic objectives, and operational intricacies. From articulating the Company's mission and vision to navigating the complex legal and regulatory framework that governs its activities, every aspect is meticulously designed to provide Board members with essential insights and knowledge.

Beyond the mere dissemination of information, the orientation fosters an interactive and dynamic dialogue, encouraging directors to ask questions, seek clarifications, and engage in meaningful discussions. By promoting open communication and inquiry, the Company not only imparts critical knowledge but also cultivates a culture of collaborative governance and proactive engagement.

This proactive approach reflects the Company's unwavering commitment to governance excellence, transparency, and accountability. By ensuring that Board members are well-informed and fully prepared from the outset, the Company not only safeguards its interests but also strengthens the foundation for strategic decision-making and long-term value creation. Through this initiative, the Company reaffirms its dedication to establishing good corporate governance best practices, driving sustainable growth and long-term success.

The Directors' orientation is not merely an introductory program, but a strategic immersion into the Company's ethos, core values, strategic objectives, and operational complexities.

DIRECTORS' TRAINING PROGRAMS

Directors serving on the boards of listed companies in Pakistan are required to obtain certification through director training programs conducted by accredited local or international institutions. These programs must adhere to the rigorous standards set by the Securities and Exchange Commission of Pakistan (SECP), emphasizing the importance of continuous professional development.

This certification requirement reinforces the need for directors to continuously enhance their expertise and stay updated on evolving best practices, regulatory frameworks, and industry trends. The training programs are designed to provide directors with practical insights and governance skills, combining theoretical knowledge, real-world case studies, and interactive workshops to ensure they can apply their learning effectively in corporate decision-making.

By undergoing structured training and obtaining certification, directors affirm their commitment to upholding the highest standards of professionalism, integrity, and accountability. This requirement also plays a pivotal role in strengthening the governance framework of listed companies, instilling confidence among investors, regulators, and stakeholders by ensuring that directors are well-equipped to fulfill their fiduciary responsibilities and protect shareholder interests.

To reinforce these principles, the Board has arranged a refresher program for directors, ensuring continued learning and alignment with governance best practices.

The Board has arranged the Directors' Training Program (DTP) for Brig Tamour Daud Khan, SI (M), (Retd), Company Secretary. Besides, Board members have already participated in the Directors' Training Program in the past. All the directors are professionals and senior executives, who possess extensive experience in their respective fields. The Company is determined to comply with the Directors' training as required by the Regulations.

BOARD COMMITTEES

AUDIT COMMITTEE

Objective

The Audit Committee is tasked with overseeing various critical aspects including financial reporting, disclosure requirements, hiring, performance, and independence of external auditors. Additionally, it monitors the performance of the internal audit function, evaluates policies and principles, assesses internal control processes, scrutinizes risk management policies and practices, and ensures compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019.

Composition

The Audit Committee comprises 4 members. Among them all 4 are non-executive directors including 2 independent directors and 2 nominee directors. The Chairman of the Committee is an independent director. The members of the Committee are highly qualified individuals with vast experience spanning Finance, Business and Banking.

| Members of Audit Committee | |
|-------------------------------------|----------------------|
| 1. Syed Zibber Mohiuddin - Chairman | Independent Director |
| 2. Syed Bakhtiyar Kazmi | Nominee Director |
| 3. Syed Mohsin Raza Naqvi | Nominee Director |
| 4. Mr. Hasan Ahmed | Independent Director |

Meetings and Attendance

The Committee convened on five occasions during the year. In accordance with regulatory mandates, distinct sessions were conducted with both the Company's external and internal auditors.

| Name of Director | 06-Mar-25 | 22-Apr-25 | 04-Aug-25 | 22-Oct-25 | 22-Dec-25 | Legend: ✔ Present ✘ Absent ⊘ Not Eligible | |
|------------------------|-----------|-----------|-----------|-----------|-----------|--|-------------------|
| | | | | | | Attendance Eligibility | Meetings Attended |
| Mr. Hasan Ahmed | ✔ | ✔ | ✔ | ✔ | ✔ | 5 | 5 |
| Syed Mohsin Raza Naqvi | ✔ | ✔ | ✔ | ✔ | ✔ | 5 | 5 |
| Mr. Haroon Farooq | ✔ | ✔ | ⊘ | ⊘ | ⊘ | 2 | 2 |
| Mr. Osman Malik | ✔ | ✔ | ⊘ | ⊘ | ⊘ | 2 | 2 |
| Syed Zibber Mohiuddin | ⊘ | ⊘ | ✔ | ✔ | ✔ | 3 | 3 |
| Syed Bakhtiyar Kazmi | ⊘ | ⊘ | ✔ | ✔ | ✔ | 3 | 3 |

SALIENT FEATURES AND TERMS OF REFERENCE

The Board of Directors of the Company have determined the following term of reference of the Audit Committee:

- | | | |
|---|--|--|
| <p>(a) Determination of appropriate measures to safeguard the Company's assets;</p> <p>(b) Review of preliminary announcements of results prior to publication and external communication.</p> <p>(c) Review of quarterly/interim and annual financial statements of the company, prior to their approval by the Board of Directors, focusing on:</p> <ul style="list-style-type: none"> • major judgmental areas; • significant adjustments resulting from the audit; • the going concern assumption; • any changes in accounting policies and practices; • compliance with regulations and other statutory, regulatory requirements, and • All related party transactions. <p>(d) facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);</p> | <p>(e) Review of Management Letter issued by External Auditors and management's response thereto;</p> <p>(f) Coordination between the internal and external auditors of the Company;</p> <p>(g) Review of the scope and extent of internal audit, audit plan, reporting framework & procedures and that the internal audit function, has adequate resources and is appropriately placed within the Company;</p> <p>(h) Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;</p> <p>(i) Ascertaining that the internal control system including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments; assets and liabilities and the reporting structure are adequate and effective;</p> <p>(j) Review of the Company's statement on internal control systems prior to endorsement by the Board of Directors and Internal Audit reports;</p> <p>(k) Instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive and to consider</p> | <p>remittance of any matter to the external auditors or to any other external body;</p> <p>(l) Determination of compliance with relevant statutory requirements;</p> <p>(m) Monitoring compliance with the best practices of corporate governance and the Regulations and identification of significant violations thereof;</p> <p>(n) Review arrangements and whistle-blowing Policy, for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend remedial and mitigating measures;</p> <p>(o) Recommend to the Board the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the Company by the external auditors in addition to audit of its financial statements, measures for redressal and rectification of non-compliances with the Regulations. The Board gives due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof;</p> <p>(p) Consideration of any other issue or matter as may be assigned by the Board of Directors.</p> |
|---|--|--|

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Objective

The Human Resource and Remuneration Committee is established to provide the Board with recommendations concerning Human Capital matters within its purview. It aids the Board in effectively managing its responsibilities regarding the oversight of the Company's Human Resource policy affairs.

Composition

The Human Resource and Remuneration Committee comprises 3 members. Among them all 3 are non-executive directors including 1 independent director and 2 nominee directors. The Chairperson of the Committee is an independent director.

| Members of Human Resource and Remuneration Committee | |
|--|----------------------|
| 1. Ms. Sima Kamil - Chairperson | Independent Director |
| 2. Mr. Jahangir Piracha | Nominee Director |
| 3. Syed Mohsin Raza Naqvi | Nominee Director |

Meetings and Attendance

The Committee convened on three occasions during the year.

| Name of Director | | | | Attendance Eligibility | Meetings Attended |
|-----------------------------|-----------|-----------|-----------|------------------------|-------------------|
| | 14-Mar-25 | 26-Jun-25 | 20-Oct-25 | | |
| Syed Mustafa Haider Hamdani | ✓ | ⊘ | ⊘ | 1 | 1 |
| Mr. Osman Malik | ✓ | ⊘ | ⊘ | 1 | 1 |
| Ms. Minahil Mohsin Naqvi | ✓ | ⊘ | ⊘ | 1 | 1 |
| Mr. Haroon Farooq | ✓ | ⊘ | ⊘ | 1 | 1 |
| Ms. Sima Kamil | ⊘ | ✓ | ✓ | 2 | 2 |
| Mr. Jahangir Piracha | ⊘ | ✓ | ✓ | 2 | 2 |
| Syed Mohsin Raza Naqvi | ⊘ | ✓ | ✓ | 2 | 2 |

✓ Present ⊘ Absent ⊘ Not Eligible

SALIENT FEATURES AND TERMS OF REFERENCE

The Board of Directors of the Company have determined the following terms of reference of the Human Resource and Remuneration Committee:

- Recommendation to the Board for consideration and approval a policy framework for determining remuneration of Directors (both Executive and Non-Executive Directors) and members of senior management. The definition of senior management will be determined by the Board which shall normally include the first layer of management below the chief executive level;
- Undertaking annually a formal process of evaluation of performance of the Board as a whole and its Committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the Directors' Report disclosing therein name and qualifications of such consultant and major terms of his/its appointment;
- Recommending to the Board the selection, evaluation, development, compensation (including retirement benefits) of Chief Executive Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit;
- Consideration and approval on recommendations of Chief Executive Officer on such matters for key management positions who report directly to Chief Executive Officer or Chief Operating Officer;
- Where human resource and remuneration consultants are appointed, the HR&R Committee shall enquire their credentials and whether they have any conflict of interest with the Company;
- Formulation of the human resources management policies and plan for the entire workforce including recruitment, training, performance management, succession planning, compensation philosophy and manpower budget for approval of the Board;
- Deal with disciplinary cases involving senior management as defined for the purpose of para (a) and monitor for enforcing proper governance all those involving reported fraud and corruption;
- To ensure that all the Codes and Policies in respect of human resources of the Company are identified, written, gotten approved by the Board and are fully complied with.
- Any other matter that the BOD desires the HR&R to deal with.

BOARD COMMITTEES

SUSTAINABILITY COMMITTEE

Objective

The Board of Directors of Agritech Limited has established its Sustainability Committee to assist in fulfilling its oversight responsibilities regarding the Company's approach to Environmental, Social and Governance (ESG) matters, including sustainability strategy, policies, disclosures, risks, and opportunities, in accordance with SECP Regulations and globally accepted standards.

Composition

The Sustainability Committee comprises 3 members. Among them all 3 are non-executive directors including 1 independent director and 2 nominee directors. The Chairman of the Committee is a nominee director.

| Members of Sustainability Committee | |
|-------------------------------------|----------------------|
| 1. Mr. Jahangir Piracha - Chairman | Nominee Director |
| 2. Ms. Sima Kamil | Independent Director |
| 3. Syed Mohsin Raza Naqvi | Nominee Director |

Meetings and Attendance

No meetings of Sustainability Committee were convened during the year.

Salient Features and Terms of Reference

The Board of Directors of the Company have determined the following terms of reference of the Sustainability Committee:

- a) Sustainability Strategy and Policy
 - Review and recommend to the Board the Company's sustainability and ESG strategy.
 - Oversee formulation and periodic review of sustainability related policies including environmental management social responsibility ethical conduct and climate related initiatives.
 - Ensure alignment of sustainability objectives with overall corporate strategy.
- b) Environmental Oversight
 - Monitor the Company's environmental impact including resource consumption emissions waste management biodiversity protection and climate related risks.
 - Review targets relating to carbon footprint reduction water stewardship energy efficiency and environmental compliance.
 - Oversee compliance with applicable environmental laws and regulatory requirements.
- c) Social Responsibility
 - Review initiatives relating to employee wellbeing occupational health and safety diversity and inclusion training and community engagement.
 - Monitor community development programmes corporate philanthropy and stakeholder engagement activities.
 - Ensure alignment with applicable labour laws and human rights principles.
- d) Governance and Ethics
 - Oversee implementation of ethical business practices including code of conduct whistleblowing mechanisms and anti corruption policies.
 - Monitor governance practices relating to ESG oversight and transparency.
 - Review ESG related compliance with SECP Regulations and other applicable standards.
- e) Risk Management
 - Review sustainability and climate related risks and opportunities and their integration into the Company's risk management framework.
 - Monitor emerging ESG risks including regulatory reputational operational and transition risks.
- f) Reporting and Disclosures
 - Review sustainability disclosures including those included in the Annual Report Integrated Report and regulatory filings.
 - Ensure accuracy completeness and transparency of ESG reporting in line with applicable reporting frameworks.
 - Recommend ESG disclosures to the Board for approval.
- g) Performance Monitoring
 - Review sustainability performance indicators targets and progress reports.
 - Oversee development of measurable ESG metrics and benchmarks.
 - Recommend corrective actions where performance gaps are identified.

The Company's Sustainability Report for the year 2025, which outlines the Company's Sustainability Objectives and ESG Performance Highlights, is presented in Section J. "Sustainability and Corporate Social Responsibility".

MANAGEMENT TEAM

While the Board retains ultimate authority over critical strategic decisions, it delegates the responsibility of day-to-day operational management to the executive/management team, spearheaded by the CEO. This delegation encompasses decisions related to routine operations, the implementation of strategic initiatives, and the tactical execution of plans, which are typically entrusted to the management team. The management shoulders the responsibility of ensuring operational excellence, regulatory compliance, and financial integrity, while the Board provides oversight and strategic guidance to steer the Company towards its objectives.



Muhammad Faisal Muzammil
Chief Executive Officer



Moeez Ur Rehman
Chief Financial Officer



Asma Irfan
Head of Legal



Brig Tamour Daud Khan (Retd)
Company Secretary



Muhammad Yahya
GM Manufacturing - SSP Plant



Muhammad Dilpazeer
Head of HR and Sustainability



Rehan Munir
Head of Manufacturing - Urea Plant



Muhammad Sajjad Anwar
Head of Information Technology



Muhammad Bashir
Sr. Manager Admin & Commercial

POLICY DISCLOSURES



RISK MANAGEMENT AND INTERNAL CONTROLS

The Board of Directors recognizes the paramount importance of effective governance in managing risks and ensuring robust internal controls within Agritech. This policy serves as a foundational framework outlining our commitment to overseeing risk management processes and internal control systems across all facets of our operations. At the heart of this policy is the acknowledgment that proactive identification, assessment, and mitigation of risks are essential for safeguarding the Company's assets, reputation, and long-term sustainability. Through diligent oversight and strategic guidance, the Board aims to instill a culture of risk awareness and accountability throughout the Company.

Central to our governance approach is the delineation of roles and responsibilities among key stakeholders, including the Board, management, internal audit, and other relevant functions. The Board assumes the responsibility for setting the Company's risk appetite and tolerance levels, ensuring alignment with our strategic objectives and stakeholders' expectations. Furthermore, management is tasked with implementing and maintaining effective internal controls and risk management practices, supported by clear policies and procedures developed in accordance with industry best practices and regulatory requirements.

Our risk management framework emphasizes a systematic approach to identifying, assessing, prioritizing, and mitigating risks across all operational, financial, and strategic activities. Regular monitoring and reporting mechanisms are established to provide the Board with timely insights into emerging risks, control deficiencies, and mitigation efforts. Additionally, the policy underscores the importance of a robust internal control environment in achieving Company's objectives, encompassing control activities, information and communication channels, and ongoing monitoring activities to ensure compliance and effectiveness.

In conclusion, the Board's policy on Governance of Risk and Internal Controls underscores the Board's unwavering commitment to upholding the highest standards of governance in managing risks and internal controls. By fostering a culture of transparency, accountability, and continuous improvement, the Board aims to enhance stakeholder confidence, drive operational resilience, and create sustainable value for the Company and the communities we serve. Through regular reviews and updates, we will adapt our governance practices to evolving threats and opportunities, ensuring our ability to navigate uncertainties and achieve our strategic objectives in an ever-changing business landscape.



DIVERSITY AND RELATED METRICS

The Board of Directors is deeply committed to promoting diversity, including gender diversity, throughout the Company. This policy underscores our belief that embracing diversity in all its forms fosters innovation, enhances decision-making, and strengthens our ability to effectively navigate the complexities of the modern business environment. Recognizing the inherent value of diverse perspectives and experiences, the Board is dedicated to creating an inclusive culture where every individual is valued, respected, and empowered to reach their full potential.

As part of our commitment to diversity, the Board has established measurable objectives to guide our efforts in implementing this policy effectively. These objectives include:

1. Achieving gender balance at all levels of the Company, with a particular focus on increasing the representation of women in leadership positions.
2. Implementing proactive recruitment and retention strategies to attract and retain diverse talent, including individuals from under represented groups.
3. Providing ongoing training and development opportunities to promote diversity awareness and foster an inclusive workplace culture.
4. Establishing accountability mechanisms to track progress on diversity initiatives and regularly report to stakeholders on our performance against established goals.

In terms of progress on achieving these objectives, the Board is pleased to report significant strides in advancing diversity and gender equality within the Company. The Board has implemented targeted recruitment initiatives to attract diverse candidates. Additionally, The Board has introduced training programs and workshops aimed at promoting diversity awareness and fostering an inclusive workplace culture within the Company.

Furthermore, the Board has established diversity metrics and reporting mechanisms to track progress and hold accountabilities for achieving our diversity objectives. Through regular monitoring and transparent reporting, the Board is able to identify areas for improvement and implement corrective actions as needed to ensure that we continue to make meaningful progress towards our diversity goals.

The Board remains steadfast in its commitment to promoting diversity and inclusion throughout the Company. By setting measurable objectives, tracking progress, and fostering a culture of accountability, we are confident that we will continue to build a more diverse and inclusive organization.



DISCLOSURE OF DIRECTOR'S INTEREST IN SIGNIFICANT CONTRACTS AND ARRANGEMENTS

The Board of Directors recognizes the critical importance of transparency and accountability in managing conflicts of interest related to significant contracts and arrangements involving directors. This policy underscores our commitment to upholding the highest standards of corporate governance and ensuring that all transactions involving directors' interests are conducted in a manner that is fair, ethical, and in the best interests of the Company and its stakeholders. By establishing clear guidelines and procedures for the disclosure of directors' interests, the Board aims to mitigate the risk of potential conflicts and maintain the trust and confidence of our shareholders, employees, and other stakeholders.

Central to this policy is the requirement for directors to disclose any material interests they may have in contracts or arrangements entered into, or proposed to be entered into, by the Company. This includes any direct or indirect financial interests, as well as personal relationships or affiliations that could reasonably be perceived as influencing the director's decision-making. Directors are expected to make full and timely disclosure of their interests to the Board, in accordance with the criteria laid down under section 205 of the Companies Act, 2017, ensuring transparency and enabling appropriate oversight of the transaction in question.

In addition to disclosure requirements, the policy establishes mechanisms for assessing and managing conflicts of interest to ensure that decisions related to significant contracts and arrangements are made objectively and in the best interests of the organization. This includes forming special committees to review and approve transactions involving conflicts of interest, as well as seeking legal or financial advice to ensure compliance with applicable laws, regulations, and ethical standards. By enforcing adherence to this policy, the Board aims to safeguard the integrity of its decision-making processes and maintain the trust and confidence of stakeholders.

In conclusion, this policy reaffirms the Board's unwavering commitment to transparency, integrity, and accountability in managing conflicts of interest related to significant contracts and arrangements involving directors. Through robust disclosure requirements, independent oversight, and clear consequences for non-compliance, the Board is confident that it will uphold the highest standards of corporate governance and ensure that our decisions are made with the utmost consideration for the best interests of the Company and its stakeholders.



REMUNERATION OF NON-EXECUTIVE DIRECTORS

The Board of Directors has established a formal and transparent policy governing the remuneration of non-executive directors, including independent directors, for their participation in Board and committee meetings, in full compliance with the requirements outlined in the Listed Companies (Code of Corporate Governance) Regulations of 2019. This policy serves as a comprehensive framework outlining the principles and procedures for determining fair and appropriate compensation packages that reflect the level of responsibility and expertise required of directors.

At the core of this policy lies the principle that remuneration should be aligned with the directors' responsibilities and contributions to the Company while ensuring that it does not compromise their independence or integrity. Therefore, the Board is tasked with periodically reviewing and approving remuneration levels, ensuring they are competitive enough to attract and retain qualified directors who can effectively govern the Company and enhance shareholder value.

In order to maintain objectivity and transparency, directors are prohibited from determining their own remuneration or that of any related party. Instead, the Board may opt to engage independent consultants to assess and recommend appropriate remuneration levels, providing an unbiased perspective for consideration and approval. This ensures that decisions regarding directors' compensation are made impartially and in the best interests of the Company and its stakeholders.

Additionally, the policy recognizes the importance of reimbursing non-executive directors for any travel and other necessary expenses incurred while attending Board and committee meetings. Directors are encouraged to claim expenses incurred during their participation in Company affairs, with reimbursement being provided upon submission of original receipts and bills. This practice promotes fairness and equity among directors, facilitating their active involvement in governance activities without imposing undue financial burden.

In summary, the Board's remuneration policy underscores its commitment to transparency, fairness, and good governance practices in determining compensation for non-executive directors. By adhering to clear principles and procedures, the Board ensures that directors are fairly compensated for their contributions while upholding the highest standards of integrity and independence in decision-making processes.

POLICY DISCLOSURES



RETENTION OF BOARD FEE BY EXECUTIVE DIRECTOR EARNED AS NON-EXECUTIVE DIRECTOR IN OTHER COMPANIES

The Board of Directors has instituted a stance governing the retention of board fees earned by an executive director through their service as a non-executive director in external entities. This approach encourages a stringent disclosure and approval process, ensuring transparency and accountability in managing potential conflicts of interest. The executive director is obliged to promptly disclose any board fees garnered from external directorships to the Board, offering comprehensive details of the companies involved, the nature of services rendered, and the amount of compensation received. Subsequently, the Board meticulously evaluates the implications of these external affiliations on the executive director's primary responsibilities within the Company, assessing potential conflicts of interest and ensuring alignment with the Company's objectives.

Moreover, the approach delineates recommended guidelines for the retention of board fees by the executive director, emphasizing fairness and prudence in compensation practices to guarantee that any retained compensation is reasonable and does not compromise the executive director's fidelity to their duties within the Company. To this end, the approach encourages that retained board fees align with industry standards and practices, refraining from exerting undue influence on the executive director's decision-making or independence. By adopting this, the Company can maintain the integrity of its governance practices while ensuring that the executive director's external commitments do not detract from their effectiveness or performance within the Company.



SECURITY CLEARANCE OF FOREIGN DIRECTORS

Currently, the Company's Board does not include any foreign directors. However, in the event of such appointments, foreign directors are required to furnish necessary documents to the SECP within a specified timeframe to obtain clearance from the Federal Ministry of Interior. The Company extends support in facilitating all necessary preparations in this regard. Appointment of a foreign director is subject to the provision of an official security clearance certificate from the Ministry. Failure to obtain such clearance necessitate appropriate measures by the Company with regards to replacement of said director as deemed necessary.



BOARD MEETINGS HELD OUTSIDE PAKISTAN

The Company currently does not have any business initiatives or plans for potential overseas ventures, and consequently, has not established a formal policy regarding the holding of Board meetings outside Pakistan. All meetings of the Board and its committees are consistently convened within the borders of Pakistan. This decision reflects the Company's strategic focus and operational priorities, which currently center on domestic activities.

While the absence of a formal policy regarding overseas Board meetings aligns with the Company's current business strategy, the Board remains open to reassessing this stance should circumstances change in the future. As the Company evolves and explores opportunities beyond its domestic market, the Board will carefully evaluate the necessity and feasibility of holding meetings abroad to address specific business needs or strategic imperatives.



SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

The Board of Directors has established a comprehensive policy to guide the Company's actions concerning social and environmental responsibility, recognizing the critical importance of these factors in today's business landscape. This policy underscores the commitment to conducting business ethically, respecting human rights, and positively contributing to the communities in which the organization operates. Additionally, the Board emphasizes the importance of environmental stewardship and sustainability, advocating for environmentally friendly practices, resource conservation, and the pursuit of renewable energy alternatives to minimize adverse impacts on the environment.

Integration of social and environmental responsibility principles into the organization's overarching business strategy is prioritized, ensuring that sustainability considerations are embedded across all levels of decision-making, from strategic planning to day-to-day operations.

The Board also fosters a culture of continuous improvement in social and environmental performance, setting measurable targets and benchmarks to track progress over time and encouraging innovation and collaboration to identify and implement sustainable solutions that create long-term value for both the organization and society.



HUMAN RESOURCE MANAGEMENT AND SUCCESSION PLANNING

The Board of Directors acknowledges the pivotal role of effective human resource management and succession planning in fostering organizational resilience and long-term success. This comprehensive policy is designed to provide guidance and oversight on key aspects of talent management within the Company.

Human Resource Management

Under this policy, the Board emphasizes the importance of robust recruitment and selection processes that align with the organization's strategic goals and values. Transparency, fairness, and diversity are central tenets in attracting, hiring, and retaining top talent.

Additionally, the policy promotes continuous employee development and training initiatives to enhance skills, capabilities, and job satisfaction. It fosters a culture of accountability and recognition, with structured performance management systems in place to provide regular feedback and evaluation.

Furthermore, the Board prioritizes employee engagement and well-being, recognizing the critical link between a positive work environment and organizational success. Initiatives to promote engagement, work-life balance, and health and wellness programs are integral to maintaining a motivated and productive workforce.

Merit Based Recruitment

The Company follows a merit based recruitment framework to attract and retain competent and qualified individuals. Recruitment decisions are made objectively, based on skills, experience, qualifications and alignment with organizational values. Transparent selection processes, standardized evaluation criteria and equal opportunity principles are applied to eliminate bias and ensure fairness. The Board oversees recruitment policies to ensure consistency with strategic workforce planning requirements.

Performance Based Appraisal System

A structured performance appraisal system is implemented to evaluate employee performance against clearly defined objectives and key performance indicators. Appraisals are conducted periodically and are aligned with departmental and corporate goals. The system promotes accountability, provides constructive feedback and identifies development needs. Performance outcomes serve as the basis for rewards, career progression and training interventions.

Promotion, Reward and Motivation

The Company maintains a transparent framework for promotion and rewards that recognizes merit, performance and leadership potential. Advancement decisions are based

on objective performance assessments and demonstrated competencies. Reward mechanisms, including financial incentives and recognition programs, are designed to motivate employees, enhance retention and reinforce a high performance culture. The Board monitors the fairness and effectiveness of these practices to ensure alignment with long term organizational goals.

Training and Development

Continuous learning and professional development are integral components of the Company's human capital strategy. Structured training programs, technical workshops, leadership development initiatives and mentoring arrangements are implemented to enhance employee capabilities and prepare future leaders. Development planning is incorporated into performance discussions to ensure that employees acquire the skills necessary to adapt to evolving business requirements.

Employee Engagement and Feedback

The Company fosters an environment of open communication and active employee engagement. Structured feedback mechanisms, including surveys and formal communication channels, are utilized to capture employee perspectives and identify areas for improvement. Management reviews feedback outcomes and implements appropriate actions to strengthen morale, collaboration and organizational alignment. The Board recognizes that employee well being, work life balance and a positive workplace culture are essential to sustained productivity and long term success.

Succession Planning

In terms of succession planning, the Board emphasizes the importance of leadership development and talent pipeline management. Structured programs, mentorship opportunities, and identification of high-potential employees are key components of ensuring a steady supply of future leaders within the organization.

Contingency planning is also a crucial aspect of succession planning, with the policy outlining procedures for identifying key positions and developing strategies to mitigate risks associated with potential leadership gaps or unexpected departures.

The Board takes an active role in overseeing succession planning efforts, regularly reviewing plans to ensure alignment with strategic objectives and long-term goals.

Through proactive oversight and strategic guidance, the Board aims to position the organization for sustained growth and resilience, ensuring seamless transitions in leadership and continuity in operations.

POLICY DISCLOSURES



COMMUNICATION WITH STAKEHOLDERS

The Board of Directors has established a robust policy regarding communication with stakeholders, recognizing the significance of transparent and effective engagement to foster trust, accountability, and long-term relationships. This policy outlines the principles and procedures guiding communication practices to ensure alignment with the Company's objectives and values.

The Board emphasizes the importance of open and transparent communication with stakeholders, including shareholders, employees, customers, suppliers, bankers, regulators, and the broader community. This entails providing timely and relevant information on the Company's performance, strategy, governance practices, and material developments. The Board commits to facilitating two-way communication channels that enable stakeholders to express their concerns, provide feedback, and seek clarification on matters of interest.

Furthermore, the policy mandates adherence to principles of integrity, accuracy, and confidentiality in all communications with stakeholders. Information shared must be factual, complete, and free from bias or misleading statements. Confidential information is handled with the utmost care and discretion, ensuring compliance with legal and regulatory requirements, as well as ethical standards.

The Board recognizes the diversity of stakeholder interests and preferences and tailors communication strategies and channels accordingly. This includes annual reports, shareholder meetings, press releases, management reports, analyst briefings and direct engagement sessions. The Board ensures that communication materials are accessible, understandable, and culturally sensitive to reach a broad audience effectively.

Regular assessment and review of communication practices are conducted to evaluate effectiveness, identify areas for improvement, and ensure continuous alignment with stakeholder expectations and evolving needs. The Board remains committed to fostering a culture of transparency, accountability, and stakeholder engagement, recognizing that meaningful communication is essential for building and maintaining trust, enhancing organizational reputation, and driving sustainable long-term value.



EMPLOYEE HEALTH, SAFETY AND PROTECTION

Agritech Limited (AGL) is committed to enhance customer satisfaction through continual improvement, operational excellence and timely delivery of quality products while striving to improve the Health, Safety and Environmental concerns of employees, contractors, visitors and general public with it.

In support of this policy, AGL will ensure that:

- 1) Health, Safety and Environment are Considered at par with productivity, quality and profitability when arriving at Business Plans and decisions.
- 2) All employees are made aware of their personal responsibility to deliver timely quality products, fit for internal and external customers.
- 3) The health and safety of its employees as well as the environment in which they operate are protected through risk and waste minimization.
- 4) All activities are adequately resourced through well maintained material and machinery and executed by competent and trained personnel who will exercise personal responsibility in preventing harm to themselves, others and environment.
- 5) Changes are controlled, assessed and monitored to ensure that the desired effect is achieved in all aspects of organizational performance in the areas of health, safety and quality of employees as well as the operating environment.
- 6) Continuous effort is made to comply with national/international standards and legislations relevant to health, safety and environment as well as the product quality.
- 7) Contractors adhere to relevant health, safety and environment and quality standards at AGL.
- 8) All the hazards are identified as well as rated and appropriate steps are taken to nullify/minimize their impact.
- 9) Adequate safeguards are provided for all hazardous jobs and employees are well trained in their proper use.
- 10) Continual process procedural improvements and employee's training/awareness are carried out to enhance performance and products quality.



INVESTORS' RELATIONSHIP AND GRIEVANCES

The Company has prepared and implemented the Communication Policy and Investors'/Shareholders' Relations (CIR). This Policy helps the Company to build trust and awareness in the investors and shareholders' community by ensuring that investors/shareholders relation activities are conducted in compliance with relevant rules, regulations and recommended practices. The policy ensures that shareholders, potential investors, the market in general and other stakeholders shall gain simultaneous access to accurate, clear, relevant, comprehensive and up-to-date information about Company.

Salient features of the policy are as follows:

- All communication with the investors/shareholders shall be on an equal treatment basis whether major investors/shareholders or minority investors/shareholders and in compliance with applicable laws and regulation. The Company shall continually provide its investors/shareholders and relevant regulators i.e. Pakistan Stock Exchange (PSX) and Securities and Exchange Commission of Pakistan (SECP) in general with timely and precise information about the Company and its operations. The CIR team comprising of Chief Executive Officer, Chief Financial Officer and Company Secretary, is responsible for all day-to-day contact with the Company's investors/shareholders on behalf of the Company.
- Insider information shall be dealt with in compliance with the legal obligations pertaining to the same. The CIR team may continually communicate with shareholders for the purposes of developing an understanding of the matters affecting the Company from time to time that are of particular importance to its shareholders.
- Relevant information about AGL shall be given in the form of quarterly, half yearly and annual reports, press releases, notices to PSX and investors/shareholders presentations in accordance with what is deemed appropriate from time to time. All such information shall be published on the Company's website www.agritech.com.pk.
- Disclosure and reporting to the financial markets and contact with shareholders, investors and financial analysts shall be based on the following main principles:

- **Compliance with Laws and Regulations:** All disclosure, communication and reporting shall be in compliance with the applicable laws and regulations from time to time, in particular the Companies Act, 2017, Securities Act, 2015 and Pakistan Stock Exchange Rule Book as amended from time to time elucidating obligations for listed companies. The Company shall also comply with the relevant recommendations and market practices for reporting financial and other CIR information.
- **Language:** All financial and other CIR information shall be published in English and Urdu or as required under law.
- **Information on Value Drivers:** The Company shall publish accurate and relevant information about its historical earnings, operations, outlook and any other information that the Company has defined as significant and relevant for the shareholders.
- **CIR Events and Arena:** In addition to making information easily available on a timely basis to shareholders and the financial markets in general, the CIR team shall prioritize raising awareness of the investors/shareholders among various market participants - both nationally and internationally as and when required.
- **Corporate Briefing Sessions:** Company shall hold regular meetings with investors and financial analysts on yearly and accounting reporting basis as defined by the PSX Rules. Company's ability to provide information to the individual market participants, including investors, stock brokers and analysts shall be limited by the regulations applicable to the listed companies, including the rules on good stock exchange practices and the general requirement of equal treatment.

In conclusion, the Company's implementation of the Communication Policy and Investors'/Shareholders' Relations (CIR) demonstrates its commitment to transparency, compliance, and stakeholder engagement. Through equal treatment of investors/shareholders, timely dissemination of accurate information, and adherence to regulations, the Company builds trust and awareness within the investor community. These efforts contribute to transparency, investor confidence, and long-term relationships, vital for the Company's success and sustainability.

POLICY DISCLOSURES



SAFETY OF COMPANY RECORDS

The Board of Directors has established a robust policy to ensure the safety and security of the Company's records, recognizing their critical importance in maintaining integrity, compliance, and operational efficiency. This policy encompasses a comprehensive framework aimed at safeguarding records against unauthorized access, loss, damage, or destruction, thereby mitigating risks and protecting sensitive information.

Central to this policy is the implementation of stringent access controls and authentication measures to restrict access to company records only to authorized personnel with legitimate business needs. Access permissions are carefully managed and regularly reviewed to prevent unauthorized disclosure or misuse of confidential information.

Furthermore, the policy outlines protocols for the secure storage and retention of records, including physical documents and digital data. Physical records are stored in locked cabinets or secure facilities, while digital records are password-protected and stored on secure servers with robust backup and disaster recovery mechanisms in place.

The Board emphasizes compliance with relevant laws, regulations, and industry standards governing record keeping and data protection. The policy mandates adherence to applicable legal requirements regarding record retention periods, data privacy, and confidentiality, ensuring that the Company remains fully compliant with regulatory obligations.

Regular audits and assessments evaluate the effectiveness of record keeping practices and identify areas for improvement. These audits assess the adequacy of security controls, the integrity of data storage systems, and the implementation of backup and recovery procedures to ensure resilience against potential threats or incidents.

Additionally, the policy includes provisions for employee training and awareness programs to educate staff on their responsibilities regarding record safety and security. Employees receive training on proper record handling procedures, data protection protocols, and the importance of confidentiality.

In summary, the Board's policy on the safety of company records underscores its commitment to protecting sensitive information, maintaining compliance with regulatory requirements, and safeguarding the organization's reputation and interests. Through robust security measures, regular audits, and employee training initiatives, the Board aims to mitigate risks, enhance data security, and ensure the integrity and confidentiality of company records.



MANAGING AND REPORTING POLICIES LIKE PROCUREMENT, WASTE AND EMISSIONS

The Company has adopted a comprehensive approach to managing and reporting related to procurement, waste management, and emissions, reflecting its commitment to sustainability, efficiency, and environmental responsibility. Such approach is integral to the Company's broader efforts to minimize its environmental footprint, optimize resource utilization, and comply with relevant regulations and industry standards.

Procurement Policy

The Company's procurement policy emphasizes the importance of responsible sourcing, ethical business practices, and value optimization in procurement activities. It outlines guidelines for supplier selection, contract negotiation, and procurement decision-making processes to ensure transparency, fairness, and integrity. Moreover, the policy encourages engagement with suppliers who prioritize sustainability, diversity, and social responsibility in their operations. Regular monitoring and evaluation mechanisms are in place to assess supplier performance, identify opportunities for improvement, and promote continuous enhancement of procurement practices.

Waste Management Policy

The Company's waste management policy focuses on minimizing waste generation, promoting recycling and reuse initiatives, and ensuring proper disposal of waste in accordance with applicable laws and regulations. It outlines procedures for waste segregation, handling, storage, and disposal across all company facilities, aiming to minimize environmental impact and promote resource conservation. Additionally, the policy encourages employee awareness and participation in waste reduction efforts through training programs, awareness campaigns, and incentivized initiatives to foster a culture of waste reduction and sustainability within the Company.

Emissions Management Policy

The Company's emissions management policy addresses the reduction of greenhouse gas emissions and other pollutants associated with its operations. It sets targets for emission reduction, energy efficiency improvements, and adoption of cleaner technologies to mitigate environmental impact and contribute to climate change mitigation efforts. The policy encompasses measures to monitor and report emissions data, assess emissions sources, and implement strategies to minimize emissions through operational optimization, energy conservation, and investment in renewable energy solutions. Furthermore, the policy emphasizes stakeholder engagement and transparency in reporting emissions data, ensuring accountability and demonstrating the Company's commitment to environmental stewardship.



WHISTLE BLOWING AND COMPLAINT HANDLING

The Company's Board of Directors, recognizing the critical role of whistleblowing in upholding integrity and accountability, has enacted a comprehensive Whistleblowing Policy to fortify its commitment to transparency and ethical conduct across all levels of the organization. This policy serves as a cornerstone in fostering an environment where employees, stakeholders, and other concerned parties feel empowered to report instances of misconduct, unethical behavior, or violations of laws and regulations without fear of reprisal.

Central to this policy is the establishment of robust mechanisms to receive and handle complaints in a fair, transparent, and confidential manner. Employees are encouraged to report concerns through designated channels, offering options for anonymous reporting where necessary to safeguard whistleblowers' identities.

Moreover, the Board places a strong emphasis on ensuring protection for whistleblowers against any form of victimization or retaliation. The policy explicitly prohibits retaliation against individuals who come forward with reports in good faith, reaffirming the Company's commitment to safeguarding the rights and well-being of those who speak out against wrongdoing.

Upon receiving a whistleblower report, the Company undertakes prompt and thorough investigations, assigning designated authorities or committees to examine the allegations impartially and objectively. These investigations are conducted with the utmost confidentiality, ensuring the privacy of both the whistleblower and individuals involved in the reported incident.

The findings of these investigations are then reported to the Audit Committee for further review and action as necessary. The Audit Committee plays a pivotal role in overseeing the handling of whistleblower reports, ensuring that appropriate measures are taken to address substantiated concerns and prevent recurrence of similar incidents.

Through the implementation of this Whistleblowing Policy, the Company aims to cultivate a culture of integrity, accountability, and ethical behavior. By empowering individuals to raise concerns and facilitating transparent investigations, the Board seeks to strengthen the Company's governance framework, enhance risk management practices, and uphold its reputation as a responsible corporate citizen committed to ethical conduct and compliance with applicable laws and regulations.



DIVIDEND POLICY

The Board of Directors recognizes the importance of maintaining a balanced approach between rewarding shareholders and retaining earnings to support sustainable growth. The Dividend Policy provides a structured framework for determining the declaration and distribution of dividends, ensuring consistency, transparency and alignment with the Company's long term strategic objectives.

The declaration of dividends is subject to the Company's financial performance, profitability, cash flow position, capital expenditure requirements, working capital needs and future investment plans. The Board also considers macroeconomic conditions, regulatory requirements, contractual obligations and any other relevant financial commitments before recommending dividends.



POLICY ON ANTI-HARASSMENT TO SAFEGUARD THE RIGHTS AND WELL-BEING OF EMPLOYEES

The Company is committed to providing a safe, respectful and inclusive work environment where all employees are treated with dignity and fairness. This Policy on Anti-Harassment establishes clear standards of conduct and outlines procedures to prevent, address and redress incidents of harassment in the workplace.

Harassment in any form, whether verbal, physical, psychological or digital, is strictly prohibited. The policy applies to all employees, directors, consultants, contractors and any individual engaged with the Company, regardless of position or seniority. The Company maintains a zero tolerance stance toward harassment, discrimination or retaliatory behavior.

A structured complaint mechanism is established to ensure that concerns can be raised confidentially and without fear of retaliation. Complaints are handled promptly, impartially and with due sensitivity. Investigations are conducted in a fair and transparent manner, and appropriate disciplinary measures are taken where violations are substantiated.

IT GOVERNANCE

The Board of Directors has implemented a comprehensive IT Governance framework to ensure effective management and oversight of technology resources across the Company. This framework aligns IT initiatives with business objectives, strengthens internal controls, and supports informed decision-making.

Oversight of IT governance rests with the Board's Audit Committee (BAC), supported by the IT Steering Committee, which provides strategic direction on IT investments, policies, and major initiatives to ensure alignment with the Company's strategic goals.

During 2025, this governance structure enabled the successful rollout of several enterprise-wide digital transformation initiatives. Core Oracle E-Business Suite modules, including Oracle Process Manufacturing (OPM), Enterprise Asset Management (EAM), Inventory enhancements, Sourcing, Oracle Payroll, and Self-Service HR, were deployed across the sites. The launch of Oracle Enterprise Command Center (ECC) dashboards further strengthened real-time visibility and improved decision-making.

The Company also enhanced its technology risk management posture. Under BAC oversight, cybersecurity was significantly strengthened through SIEM implementation, periodic Vulnerability Assessments and Penetration Testing (VAPT), firewall upgrades, and reinforced governance controls. ITSM and ITAM solutions were deployed to improve service management, asset tracking, and compliance, while infrastructure modernization, including network revamp and datacenter fire suppression systems, elevated system reliability and resilience.

Accountability for IT policies, procedures, and controls is embedded across the organization, with the IT Steering Committee closely monitoring implementation and compliance. The Committee works with executive management to identify, assess, and manage IT-related risks in line with the Company's risk appetite and regulatory requirements.

The Board promotes a culture of continuous improvement and innovation within the IT function by encouraging adoption of best practices, emerging technologies, and industry standards. Regular reviews of digital initiatives and performance assessments support ongoing enhancements to IT governance processes.

The IT Steering Committee also collaborates with internal and external auditors to ensure that IT controls are complied. Corrective actions from both Internal and external audit findings are monitored to ensure timely mitigation of IT risks and vulnerabilities.

In summary, the IT Governance framework, supported by the BAC and IT Steering Committee, reflects the Board's commitment to ensuring secure, aligned, and high-performing IT operations that contribute to the Company's long-term sustainability and operational excellence.

BOARD'S REVIEW OF THE BUSINESS CONTINUITY AND DISASTER RECOVERY

The Board of Directors ensures that Agritech Ltd. maintains a robust Business Continuity and Disaster Recovery (BCDR) framework to safeguard uninterrupted business operations in the event of unforeseen circumstances. The plan focuses on minimizing disruptions and protecting critical IT, ERP, and database systems.

In 2025, significant enhancements strengthened the Company's resilience. A cloud-based Disaster Recovery system for Oracle EBS was established, ensuring real-time data backup and rapid recovery capability. Regular data archiving, system backups, and secure off-site storage have been institutionalized to protect critical assets.

The BAC oversaw the implementation of key cybersecurity and continuity measures, including SIEM, VAPT, establishment of a Cybersecurity SOC arrangement, firewall upgrades, and strengthened governance mechanisms, that directly support the BCDR strategy. Infrastructure upgrades, such as network modernization at the Urea Plant, deployment of ITSM and ITAM solutions, and installation of fire suppression systems, further improved operational continuity and system reliability.

Key personnel responsible for disaster recovery have been identified, and periodic DR drills confirm the readiness of the IT infrastructure. While proactive safeguards significantly reduce the risk of disruption, the Company acknowledges that extraordinary events may still impact operations. Continuous improvement efforts remain a priority to enhance resilience and strengthen the overall disaster recovery framework.

BOARD RESPONSIBILITY STATEMENT ON THE IT SYSTEM/ CONTROLS AND AI STRATEGY

The Company maintains structured policies and internal controls governing IT operations, system access, data management, change management and cyber security. These controls are designed to safeguard the confidentiality, integrity and availability of information assets, including financial data, operational records and personal information of employees, customers and other stakeholders. Periodic risk assessments are conducted to identify potential vulnerabilities, and mitigation strategies are implemented to address evolving cyber threats.

With respect to data privacy and cyber security, the Company is committed to complying with all applicable legal and regulatory requirements. Management is responsible for implementing procedures aligned with relevant data protection laws, regulatory guidelines and industry standards. These include user authentication protocols, role based access controls, encryption mechanisms where appropriate, secure data storage practices and incident monitoring systems. Regular reviews and audits of IT controls are conducted to evaluate effectiveness and ensure continuous improvement.

In relation to artificial intelligence, the Board, through the IT Steering Committee, oversees the responsible adoption and deployment of AI technologies to enhance operational performance, analytics capabilities and customer service. AI initiatives are assessed for alignment with strategic objectives, ethical considerations and risk management standards. The Board ensures that appropriate governance mechanisms are in place to monitor the use of AI systems, manage associated risks and maintain transparency and accountability in decision making processes supported by automated technologies.

The Board, through the IT Steering Committee, engages actively with management through periodic reporting on IT strategy, cyber security posture, system upgrades, digital transformation initiatives and AI implementation plans. Key performance indicators and risk metrics are reviewed to monitor system reliability, security incidents and compliance status. Where appropriate, the Board may seek independent assurance or expert input to strengthen oversight.

In the event of a cyber security incident or data breach, established incident response and business continuity protocols are activated. Management is required to promptly notify the Board and the IT Steering Committee, of material incidents, outlining the nature and scope of the breach, immediate containment measures, regulatory reporting obligations and remediation plans. The Board monitors corrective actions, evaluates lessons learned and ensures that enhanced controls are implemented to prevent recurrence.

Through continuous oversight, strategic guidance and engagement with management, the Board seeks to ensure that the Company's IT systems, cyber security framework and AI strategy remain secure, compliant and aligned with long term organizational objectives, while safeguarding stakeholder interests and maintaining trust.

IT GOVERNANCE

CYBER SECURITY RISK MANAGEMENT

The Company maintains a robust system for Cyber Security Risk Management, prioritizing the safeguarding of its digital assets and sensitive information. Through comprehensive risk assessments, proactive monitoring, and continuous improvement initiatives, the Company ensures that its cybersecurity measures remain resilient against evolving threats.

Evaluation and Enforcement of Legal and Regulatory Implications of Cyber Risks

The Board, including the Audit Committee and IT Steering Committee, proactively evaluates and enforces legal and regulatory implications of cyber risks. In case of breaches, the IT leadership collaborates with executive management to swiftly direct necessary actions, ensuring adherence to responsibilities. This involves activating incident response protocols, assessing breach severity, and restoring operations efficiently. Transparent communication channels are established to provide stakeholders with updates, ensuring trust and confidence. Post-incident, the IT leadership conducts thorough reviews to identify lessons and enhance cybersecurity measures, reflecting the Board's commitment to prioritizing cybersecurity as a core business imperative.

Cybersecurity Programs, Policies and Procedures and Industry Specific Requirements for Cybersecurity and Strategy in Place

The Company has implemented a robust framework comprising Standard Operating Procedures (SOPs) and guidelines to ensure the security of its IT assets and data. These encompass various policies, including Information Security, Access Control, Network Security, and Systems Development, among others. Regular awareness sessions on cybersecurity risks are conducted by the IT team across all locations to educate

employees and instill a culture of vigilance.

Additionally, email updates on emerging cyber threats are regularly disseminated to relevant personnel, ensuring that employees stay informed about evolving risks. Furthermore, specific trainings on cybersecurity issues are provided upon request or as needed by departments, tailoring education to address specific concerns or challenges. These efforts aim to equip employees with the knowledge and skills needed to effectively mitigate cybersecurity risks, thereby enhancing the Company's resilience against cyber threats and safeguarding its digital assets.

How Cybersecurity Fits into the Board's Risk Oversight Function

Cybersecurity is a cornerstone of the Board's risk oversight function through its Audit Committee. Through regular assessments and discussions with the management, the Board's Audit Committee (BAC) evaluates the Company's cyber resilience, reviewing reports on incidents and risk assessments. Collaboration fosters a holistic approach to cybersecurity governance, ensuring open communication between IT, risk management, and business units. This proactive engagement enables effective mitigation of cyber risks while aligning cybersecurity strategies with overall risk appetite and strategic goals. Additionally, the BAC has established a specialized IT Steering Committee to delve deeper into cybersecurity matters and stay informed about emerging threats.

Overall, the Board's engagement with management on cybersecurity reflects its commitment to effective governance and risk management, ensuring the Company remains resilient in the face of evolving cyber threats.

Oversight of the IT Governance and Cybersecurity Matters

The Board entrusts oversight of IT governance and cybersecurity matters to its Audit Committee, ensuring effective management within the Company's technological landscape. IT

Steering Committee rigorously reviews IT policies, procedures, and controls, while assessing cybersecurity risks and mitigation strategies. Collaborating with executive management and external advisors, the IT leadership monitors the Company's IT infrastructure and cybersecurity frameworks, remaining vigilant against emerging threats and industry best practices. Adequate resources are allocated to address cybersecurity risks, and robust incident response plans are established to manage potential disruptions.

In administering its IT risk oversight function related to cybersecurity risks, the Board adopts a proactive approach. Regular updates from the IT leadership enable the Board to assess the effectiveness of existing controls and policies, identifying areas for improvement to bolster the organization's resilience against cyber threats. Emphasizing collaboration and communication, the Board ensures alignment with key stakeholders, fostering a holistic strategy for IT risk oversight and safeguarding the Company's digital assets and reputation.

Controls and Procedures about "Early Warning System"

The Company has enacted controls and procedures to identify, assess, address, and disclose cybersecurity risks and incidents. This system involves continuous monitoring and utilizes advanced threat detection tools to identify potential risks in real-time. Vulnerability assessments are conducted on our IT infrastructure, to identify potential weaknesses. This proactive approach enables us to address vulnerabilities before they can be exploited. Furthermore, the Company has established clear communication channels, ensuring timely reporting of cybersecurity incidents along with awareness drives.

In the event of detecting a cybersecurity risk or incident, designated response teams are promptly mobilized to investigate and implement appropriate countermeasures.

Additionally, the Company has implemented protocols to ensure timely disclosures and communications in loop regarding cybersecurity matters. This transparent approach underscores the Company's commitment to safeguarding digital assets, protecting sensitive information, and maintaining stakeholder trust. By prioritizing robust governance and proactive risk management, the Company remains vigilant in addressing evolving cybersecurity threats.

Security Assessment of Technology Environment

Comprehensive security assessments of the Company's technology environment are conducted, including thorough evaluations of third-party risks, through internal processes with sufficient regularity.

In 2024, Agritech Ltd undertook an independent and comprehensive security assessment exercise titled "Health Check, IT Security Assessment, Infrastructure Optimization, Business Continuity Measures, and Security Mitigations." This initiative was conducted by the third-party network and security consultancy firm, M/S Iron Bridge Systems Pvt. Ltd.

The assessment provided valuable insights into the company's technology environment, including the identification and mitigation of immediate risks, particularly those associated with third-party interactions. The findings and recommendations from this exercise significantly enhanced the company's security posture and addressed critical vulnerabilities.

To ensure continuous improvement, a Phase 2 assessment is scheduled for 2025. This follow-up exercise will build on the progress made, incorporating a reviewed and updated evaluation to further strengthen the company's security framework and resilience.

Agritech Ltd remains committed to regular, independent assessments to maintain robust security, safeguard against evolving threats, and ensure

compliance with industry best practices.

Contingency and Disaster Recovery Planning

Agritech Limited prioritizes the continuity of its business operations and has undertaken proactive measures by implementing Business Continuity Plans (BCPs) to effectively prepare for unforeseen adverse events, thereby minimizing potential disruptions. The IT Steering Committee plays a pivotal role in this process, as it routinely conducts thorough reviews of these BCPs, ensuring their relevance and effectiveness in addressing evolving cyber security risks and challenges. Furthermore, the Company has fortified its resilience against disasters by adopting a robust Disaster Recovery Plan (DRP), which serves as a critical component of its overall risk management strategy. This plan is meticulously designed to mitigate the impact of disasters, facilitating a seamless transition to backup operations and enabling the prompt restoration of normal data center operations in the event of an incident.

The comprehensive planning undertaken by the Company is strategically crafted to uphold essential functions with minimal disruption, underscoring the organization's commitment to maintaining operational continuity and safeguarding its stakeholders' interests. By proactively preparing for potential disruptions and implementing resilient measures, the Company demonstrates its proactive approach to risk management and its dedication to ensuring the seamless functioning of its business operations, even in the face of unforeseen challenges.

Leveraging 4.0 Industrial Revolution

The Company has initiated the implementation of cloud computing and Oracle's process manufacturing system with the objective of interconnecting machines, thereby aiming to elevate transparency, reporting mechanisms, and

governance standards within its operations. This strategic move underscores the Company's commitment to leveraging cutting-edge technology to streamline its processes and enhance operational efficiency. By adopting cloud computing solutions, the Company seeks to capitalize on the scalability and flexibility offered by cloud-based platforms, enabling seamless integration across various departments and functions. Moreover, the integration of Oracle's process manufacturing system is anticipated to revolutionize the Company's manufacturing processes, facilitating real-time monitoring and analysis of production activities.

Education and Training Efforts of the Company to Mitigate Cybersecurity Risks

We are dedicated to fortifying cybersecurity measures throughout our organization. Our education and training initiatives are centered on empowering our team with the requisite knowledge and skills to adeptly identify and mitigate cybersecurity risks. We continuously enhance our cybersecurity posture through ongoing education programs and training sessions tailored to our employees' needs.

The IT team conducts regular awareness sessions on cybersecurity risks across all locations to educate employees and cultivate a culture of vigilance. Additionally, email updates highlighting emerging cyber threats are regularly circulated to relevant personnel, ensuring that employees remain informed about evolving risks. Furthermore, specialized training on cybersecurity issues is provided upon request or as required by departments, customizing education to address specific concerns or challenges. These initiatives aim to equip employees with the proficiency needed to effectively mitigate cybersecurity risks, thereby fortifying the Company's resilience against cyber threats and safeguarding its digital assets.

IT GOVERNANCE

USE OF ENTERPRISE RESOURCE PLANNING (ERP) SOFTWARE

Agritech has effectively deployed a cutting-edge Oracle E-Business Suite. The project received full approval from the Board of Directors, who appointed a specialized management team to supervise its documentation, assessment, negotiation, and implementation across all departments within the Company.

Management and integration of core business processes

IT AGL has successfully implemented Oracle E-Business Suite modules, including Oracle Financials, Oracle Order Management, Oracle Purchasing, Oracle Human Resources, and Payroll System. Additionally, recent implementations such as Oracle Process Manufacturing, Oracle Enterprise Asset Management, and Oracle Enterprise Command Center Dashboards have further enhanced the system's capabilities. These dashboards provide users with an information-driven interface, enabling them to access the right data at the right time for informed decision-making. The integration across these modules is powered by a centralized database, a unified data model, and standardized business processes. This seamless integration ensures real-time data flow between core business functions, minimizing manual data entry and maintaining consistency throughout the organization. In sum, Oracle E-Business Suite offers a comprehensive, integrated solution designed to manage and optimize key business processes, driving efficiency and effectiveness across the enterprise.

Management support in the effective implementation and continuous updation

Our management is fully committed to the successful implementation and continuous enhancement of Oracle E-Business modules. This support is reflected in the allocation of dedicated resources, ongoing monitoring, and a proactive approach to addressing emerging needs. Management ensures that the necessary tools, training, and guidance are available to facilitate seamless integration and to drive ongoing system improvements, ensuring the ERP system remains aligned with business objectives and industry best practices.

User training of ERP software

The user training for Oracle E-Business Suite modules is designed to provide comprehensive, hands-on learning tailored to specific modules and user roles. The training includes customized content based on job functions, ensuring relevance and efficiency. Participants have access to online resources to support their ongoing learning, and the provision of a testing server allows them to practice real-time scenarios. The primary goal of this training is to equip users with the knowledge and skills necessary for proficient use of the ERP system, ensuring effective adoption and sustained productivity throughout the organization.

Managing control risk factors on ERP projects

Agritech Limited manages risks associated with ERP E-Business Modules through a comprehensive risk management strategy. This includes thorough risk assessments, mitigation plans, access controls, continuous monitoring, user training, disaster recovery planning, and compliance with relevant standards. Additionally, the company implements robust incident response protocols and maintains close collaboration with the ERP vendor to ensure effective risk management. This integrated approach is designed to identify, assess, and control risks, safeguarding the security, integrity, and optimal performance of the ERP system.

Assessment of system security, and segregation of duties

AGL ensures system security through regular audits, vulnerability assessments, and continuous monitoring. Access to sensitive data is safeguarded using role-based access controls, limiting permissions based on job responsibilities. Additionally, segregation of duties is meticulously enforced to prevent conflicts of interest, strengthen internal controls, and uphold data integrity.

RELATED PARTIES

APPROVED POLICY FOR RELATED PARTY TRANSACTIONS

Related parties include associated undertakings, key management personnel (including the Chief Executive and Directors), post employment benefit plans and other related parties. The Company in the normal course of business carries out transactions with various related parties and all transactions are done as per direction of the Board of Directors. All related party transactions are reviewed by the Audit Committees and recommended for approval to the Board of Directors.

CONTRACT OR ARRANGEMENT WITH THE RELATED PARTY OTHER THAN IN THE ORDINARY COURSE OF BUSINESS ON AN ARM'S LENGTH BASIS

All transactions entered into with related parties were in the ordinary course of business.

DIRECTOR'S INTEREST IN RELATED PARTY TRANSACTIONS

None of the directors was directly or indirectly interested any of the transactions with related parties except in his/her capacity as director of Agritech Limited. However, this exclusion does not apply to directors nominated by holders of special interests.

POLICY FOR MANAGEMENT OF CONFLICT OF INTEREST

Agritech has implemented a comprehensive code of business ethics aimed at fostering an environment of integrity and transparency while mitigating any actual or perceived conflicts of interest among stakeholders, including members of its Board of Directors. As part of this initiative, it is mandatory for all members of the Board to disclose any personal interests they may have prior to engaging in any business. Upon receipt of this information, the Company Secretary meticulously incorporates these disclosures into the agenda for Board meetings. Furthermore, directors are required to refrain from participating in discussions or decisions pertaining to matters or transactions in which they have a vested interest. In cases where a significant portion of the Board holds such interests, the issue must be brought forth at a general meeting for collective consideration and approval. This rigorous framework ensures transparency and accountability within the decision-making processes.

TRANSACTIONS WITH RELATED PARTIES

Associated undertakings by virtue of common directorship and shareholding in Agritech

| | | |
|--|----------------|---|
| Preference dividend on convertible preference shares | 38,950,785 | Nature and basis of relationship 1. Fauji Fertilizer Company Limited 2. Maple Leaf Cement Factory Limited 3. Askari Bank Limited |
| Preference dividend on non-convertible, redeemable preference shares | 2,127,378,127 | |
| Issuance of ordinary shares | 1,687,701,101 | |
| Short term borrowings | 1,318,294,181 | |
| Finance cost - unwinding of present value of PPTFCs | 530,180,211 | |
| Commission on sale | 8,397,474 | |
| Manpower services | 6,330,340 | |
| Reimbursement of expenses | 481,056,979 | |
| Purchase of inventory | 7,834,984 | |
| Receipts under consignment account | 25,533,612,682 | |
| Mark-up expense | 21,077,556 | |
| Net decrease in bank balances | 3,018,437 | |

Associated undertakings by virtue of common directorship

| | | |
|---|-------------|---|
| Technical services | 383,296,472 | Nature and basis of relationship 1. Olive Technical Services (Private) Limited 2. Sona Welfare Foundation |
| Manpower services | 60,854,980 | |
| Others | 1,661,662 | |
| Contribution to Farmers Support Program | 6,000,000 | |

Post-employment benefit plans

| | | |
|--------------------------------------|------------|--|
| Contribution to Provident Fund Trust | 27,998,554 | Nature and basis of relationship 1. Provident Fund Trust 2. Gratuity Trust |
| Contribution to Gratuity Trust | 8,632,072 | |

Key management personnel

| | | |
|------------------------------|-------------|---|
| Short term employee benefits | 495,170,457 | Nature and basis of relationship CEO, Directors and Executives |
| Post employment benefits | 11,933,641 | |
| Meeting fee | 29,812,000 | |

CORPORATE GOVERNANCE

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

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

1. The total number of directors are Nine (9) as per the following:

| Gender | No.s |
|--------|------|
| Male | 8 |
| Female | 1 |

2. The Composition of Board is as follows:

| Category | Names |
|-------------------------|--|
| Non-Executive Directors | Lt. Gen Anwar Ali Hyder, HI (M) (Retd) Syed Bakhtiyar Kazmi Mr. Jahangir Piracha Mr. Sayeed Tariq Saigol Mr. Waleed Tariq Saigol Syed Mohsin Raza Naqvi |
| Independent Directors | Syed Zibber Mohiuddin Mr. Hasan Ahmed |
| Female Director | Ms. Sima Kamil (Independent) |

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company;
4. The company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations;
9. The Board has arranged the Directors' Training Program for the following:
 - a. Brig Tamour Daud Khan, SI (M), (Retd) - Company Secretary (DTP)
 - b. The Board members have already participated in the Directors' Training Program in the past.
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer (CFO), Chief Executive Officer (CEO) and a Director duly endorsed the financial statements before approval of the Board;

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

Board Audit Committee

| | |
|------------------------|----------|
| Syed Zibber Mohiuddin | Chairman |
| Syed Bakhtiyar Kazmi | Member |
| Syed Mohsin Raza Naqvi | Member |
| Mr. Hasan Ahmed | Member |

Board Human Resource & Remuneration Committee

| | |
|------------------------|-------------|
| Ms. Sima Kamil | Chairperson |
| Mr. Jahangir Piracha | Member |
| Syed Mohsin Raza Naqvi | Member |

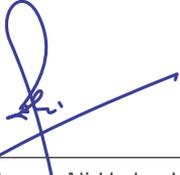
Board Sustainability Committee

| | |
|------------------------|-------------|
| Mr. Jahangir Piracha | Chairperson |
| Syed Mohsin Raza Naqvi | Member |
| Ms. Sima Kamil | Member |

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly/half yearly/ yearly) of the committee were as per following, -

| Meetings | Frequency |
|---|--|
| Audit Committee | Five meetings including four quarterly meetings were held during the financial year ended December 31, 2025. |
| Human Resource and Remuneration Committee | Three meetings were held during the financial year ended December 31, 2025. |
| Board Sustainability Committee | No meeting was held during the year ended December 31, 2025. |

15. The Board has outsourced the internal audit function to a professional entity who are suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP) and registered with Audit Oversight Board (AOB) of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the CCG Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard, and
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:
- The Company will organize the training of at least one female executive as and when needed.
 - The board functions of Nomination Committee and Risk Management Committee are already been performed by other committees. The BOD is therefore of the opinion that separate committees are not required.


 Lt. Gen Anwar Ali Hyder, HI (M) (Retd)
 Chairman of the Board


 Muhammad Faisal Muzammil
 Chief Executive Officer

CORPORATE GOVERNANCE

REPORT OF THE AUDIT COMMITTEE

ON COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Objective

The Audit Committee is responsible for overseeing key Financial and Governance aspects, including financial reporting, disclosure requirements, and the engagement, performance, and independence of external auditors. Additionally, it supervises internal audit activities, reviews policies and procedures, assesses internal control systems, evaluates risk management strategies, and ensures adherence to the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Composition

The Audit Committee consists of four members, all of whom are Non-Executive Directors. Among them, two are Independent Directors and two are Nominee Directors. The Chairman of the Committee is an Independent Director. The members bring extensive expertise in Finance, Business, Banking, and Legal disciplines.

Members of Audit Committee

| | |
|---------------------------------------|-----------|
| • Syed Zibber Mohiuddin | Chairman |
| • Syed Bakhtiyar Kazmi | Member |
| • Syed Mohsin Raza Naqvi | Member |
| • Mr. Hasan Ahmed | Member |
| Brig Tamour Daud Khan, SI (M), (Retd) | Secretary |

Meetings and Attendance

The Head of Internal Audit attends all Audit Committee meetings, whereas, the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company attend the meetings by invitation to elaborate on operational and financial matters. The Audit Committee also separately meets the external auditors at least once a year without the presence of CFO and Head of Internal Audit. Meetings of the Audit Committee are held at least once every quarter. During the year, five (5) Audit Committee meetings were held. The Company Secretary functions as the Secretary of the Committee.

Committee Charter

The Terms of Reference of the Committee are explicitly outlined in its Charter, which has been duly approved by the Board of Directors. The key responsibilities of the Committee include:

- Examining the Company's annual and interim financial statements, including the Director's Report, before their submission for approval by the Board of Directors.
- Recommending to the Board the appointment, removal, and remuneration of external auditors, as well as determining the scope of permissible non-audit services that may be provided by them in addition to the audit of financial statements.
- Ensuring that the internal control systems, including financial and operational controls, accounting mechanisms for accurate and timely recording of transactions, and an effective reporting structure, are comprehensive and functioning efficiently.
- Evaluating the annual business plan and budget, including cash flow projections, financial forecasts, and the strategic plan, before recommending it to the Board for approval.

- Assisting the Board in ensuring the effectiveness of risk management procedures across the organization.
- Overseeing the implementation and functionality of a robust whistleblowing mechanism to address concerns fairly and transparently.
- Monitoring compliance with all applicable laws, regulations, and corporate governance requirements to ensure the Company operates within legal and regulatory frameworks.

Role of the Audit Committee

The Committee plays a pivotal role in assisting the Board in effectively carrying out its oversight responsibilities related to financial reporting and compliance, internal controls, risk management, and both internal and external audit functions. In accordance with its Terms of Reference, the Committee believes that it has successfully fulfilled its responsibilities.

Following its annual review of the Company's performance, financial position, and cash flows, the Committee reports that the financial statements for the year ended December 31, 2025, have been prepared on a Going Concern basis in accordance with the Companies Act, 2017. These statements incorporate the requirements of the Code of Corporate Governance, International Financial Reporting Standards, and other applicable regulations, presenting a true and fair view of the Company's financial position, operational results, profitability, cash flows, and changes in equity for the year under review. The Company has consistently applied appropriate accounting policies, with any necessary changes duly disclosed in the financial statements. The external auditors have issued un-modified audit report in line with the Auditors (Reporting Obligations) Regulations, 2018, as prescribed by the Securities and Exchange Commission of Pakistan (SECP).

The Chairman, Chief Executive Officer (CEO), One Director, and the Chief Financial Officer (CFO) have endorsed the financial statements, while the Directors' Report has been signed by the Chairman of the Board and CEO. They acknowledge their responsibility for ensuring a true and fair presentation of the Company's financial condition and results, compliance with relevant regulations and accounting standards, and the establishment and maintenance of effective internal controls and systems. The accounting estimates used in the financial statements are based on prudent and reasonable judgment, and the Company has maintained proper and adequate accounting records in compliance with the Companies Act, 2017. These financial statements confirm to the requirements of the Fourth Schedule of the Companies Act, 2017, with external reporting aligning with management processes and adequately serving shareholders' needs.

The Committee has reviewed all related party transactions before their approval by the Board, ensuring transparency and compliance. The Company's internal control system has been designed to be robust and has been continuously evaluated for its effectiveness and adequacy. A Statement of Compliance with the Code of Corporate Governance has been issued by the Company, which has also been reviewed and certified by the External Auditors. The Board members, management, and employees have affirmed their understanding and adherence to the Company's policies and codes, ensuring the equitable treatment of shareholders.

Throughout the year, no trading of the Company's shares was undertaken by its directors, executives, or their spouses and dependent children other than those reported as required by the PSX regulations. As a standard practice, any trading or holding of Company shares by Directors and Executives is formally notified in writing to the Company Secretary, detailing the price, number of shares, share certificate form, and nature of the transaction, if any. These details are then communicated to the Board by the Company Secretary and disclosed in the Pattern of Shareholdings. The Company has duly determined and announced closed periods before each Board meeting involving the announcement of interim or final results, shareholder distributions, or any other business decisions that could materially impact the market price of its shares. The confidentiality of all business-related information has been strictly maintained in accordance with regulatory requirements.

Risk Management and Internal Control

The Company has established a robust mechanism for identifying risks, assigning appropriate levels of criticality, and formulating effective mitigation strategies. These measures are actively monitored and implemented by management across all key functions and are periodically presented to the Audit Committee for review and awareness.

To strengthen risk management, the Company has developed and implemented a comprehensive internal control framework, which includes an independent Risk and Control function. This function is responsible for overseeing controls and assessing inherent and other risks associated with the Company's operations.

The Company's risk management approach has been detailed in the section C of the Annual Report, where various risk categories and their corresponding mitigation strategies are comprehensively disclosed.

Internal Audit

The Company's internal control system is well-structured in design and has been continuously assessed to ensure its effectiveness and adequacy.

The Audit Committee remains committed to achieving operational, compliance, and financial reporting objectives while safeguarding the Company's assets and shareholders' wealth through robust financial, operational, and compliance controls, as well as comprehensive risk management practices at all levels.

The Internal Audit Department conducted independent audits in alignment with the internal audit plan, which was duly approved by the Audit Committee. Additionally, the Committee has reviewed significant internal audit findings along with management's responses, taking necessary action or escalating matters to the Board when required.

The Internal Audit function is outsourced to M/s. EY Ford Rhodes Consulting, who have ensured that the function is staffed with professionals possessing strong internal audit expertise. The Company-appointed Head of Internal Audit, has direct access to the Chairman of the Audit Committee, and the function operates with unrestricted access to management, information, and explanations as needed.

To enhance efficiency and contribute to the Company's objectives, including a reliable financial reporting framework and compliance with legal and regulatory requirements, coordination between external and internal auditors was actively facilitated.

Whistle Blowing

The Audit Committee review Whistleblower System which is established to provide employees, suppliers, customers, and contractors with a secure and confidential channel to raise concerns related to business ethics, safety, environmental performance,

harassment, other employment-related matters, and any potential breaches of applicable laws or internal policies. In addition, the Company has established comprehensive procedures to promote awareness, understanding, and effective implementation of this policy across all relevant stakeholders.

No whistle-blowing incidences were reported during the year.

External Audit

The Audit Committee, while maintaining the independence of both External and Internal Auditors, has actively promoted collaboration between them to ensure the effective execution of their respective responsibilities.

The Company's external auditors, M/s. Grant Thornton Anjum Rahman, Chartered Accountants, have successfully completed their audit of the financial statements and the "Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019" for the financial year ended December 31, 2025. They are set to retire upon the conclusion of the forthcoming Annual General Meeting. The Audit Committee has thoroughly examined and deliberated on the Key Audit Matters, and observations presented by the External Auditors. M/s. Grant Thornton Anjum Rahman, Chartered Accountants, has received a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP) and is duly registered with the Audit Oversight Board of Pakistan. The firm adheres fully to the International Federation of Accountants (IFAC) Guidelines on Code of Ethics, as adopted by ICAP. Based on its assessment, the Audit Committee has recommended the re-appointment of the existing auditors as the Company's External Auditors for the financial year ending December 31, 2026.

Self Evaluation

The Audit Committee conducted its annual self evaluation to assess the effectiveness of its performance, composition and oversight responsibilities. Based on the assessment, the Committee concluded that it is functioning effectively and in accordance with its charter, with no material gaps identified that would impair its ability to discharge its responsibilities.

Annual Report 2025

The Company has published a comprehensive Annual Report that, in addition to presenting the financial statements, the Directors' Report and Sustainability Report, provides a wealth of additional information to deliver a thorough understanding of the Company's management approach, established policies, operational performance throughout the year, and anticipated future developments for various stakeholders.

This report conveys insights through the use of ratios, trends, graphical representations, analytical discussions, explanatory notes, and detailed statements. The Audit Committee is of the view that the Annual Report 2025 offers an extensive perspective on the Company's growth, financial standing, and long-term outlook.



Syed Zibber Mohiuddin
Chairman Audit Committee

Date: January 29, 2026

CORPORATE GOVERNANCE



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Agritech Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

Grant Thornton Anjum Rahman

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan

T +92 21 35672951-56

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Agritech Limited for the year ended December 31, 2025 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2025.


Grant Thornton Anjum Rahman
Chartered Accountants
Karachi

Date: February 19, 2026

UDIN Number: CR202510154vnjAQgGez

OTHER GOVERNANCE MATTERS

CHAIRMAN'S SIGNIFICANT COMMITMENTS

Lt. Gen Anwar Ali Hyder, HI (M) (Retd) was appointed as Chairman of the Board on 28 April 2025. He brings nearly four decades of distinguished military service and extensive expertise in planning, organization, and administration to his role as a Chairman Board of Directors Agritech Limited.

He is also serving on the Boards of Directors of various companies as detailed in his profile presented on page 67.

Apart from the foregoing, he has no other significant commitments.

EXTERNAL OVERSIGHT

The Company has outsourced its internal audit function to an external firm of chartered accountants.

Engaging an external firm significantly enhances the credibility of internal controls and systems within the Company. By engaging an independent and objective third-party, the Company benefits from an independent perspective and unbiased assessment of its internal processes and controls.

The external firm brings a wealth of expertise and experience to the table. Having specialized knowledge in auditing and risk management allows them to identify weaknesses or gaps in the Company's internal controls more effectively. Their familiarity with industry best practices and regulatory requirements ensures that the Company's internal controls are aligned with standards and expectations. This provides an impartial evaluation of the Company's operations, assuring stakeholders, including shareholders, regulators, and customers, of the reliability and integrity of its internal control systems.

Additionally, outsourcing internal audit functions also brings cost efficiencies for the Company. Having access to specialized tools, technologies, and methodologies, the external firm can streamline the audit process and improve its effectiveness. This can result in cost savings compared to maintaining an in-house internal audit team.

Furthermore, external firm provides valuable insights and recommendations for improving internal controls and processes. Their independent assessment identifies areas for enhancement and helps the Company implement corrective actions to strengthen its internal control environment. This proactive approach to risk management mitigates potential financial losses and regulatory non-compliance.

APPOINTMENT OF THE CHAIRMAN AND NON-EXECUTIVE DIRECTORS

No external search consultancy has been used in the appointment of the Chairman or a non-executive director.

GOVERNMENT OF PAKISTAN POLICIES RELATED TO COMPANY'S BUSINESS/SECTOR

Disclosure of the Government of Pakistan policies related to company's business/sector has been made in Directors' Report presented in Section E of this report.

CHAIRMAN'S REVIEW REPORT ON THE OVERALL PERFORMANCE OF THE BOARD

The Chairman's review on the overall performance of the Board and effectiveness of the role played by the Board in achieving the Company's objectives is presented on page 103.

SHAREHOLDING STRUCTURE

| Category of shareholder | Shares held | Percentage |
|--|-------------|------------|
| Directors, Chief Executive Officer and their spouse and minor children | 4,070 | 0.0007% |
| Associated Companies, undertakings and related parties, (Parent Company) | 547,606,593 | 91.4073% |
| NIT and ICP | - | 0.0000% |
| Banks Development Financial Institutions, Non Banking Financial Institutions | 22,655,603 | 3.7817% |
| Insurance Companies | - | 0.0000% |
| Modarabas and Mutual Funds | 2,279,230 | 0.3805% |
| Share holders holding 10% or more | 425,498,833 | 71.0249% |
| General Public | | |
| a. Local | 11,531,190 | 1.9248% |
| b. Foreign | - | 0.0000% |
| Others | 15,007,538 | 2.5052% |



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DIRECTORS' REPORT

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CHAIRMAN'S REVIEW



“The Board continues to be guided by a clear set of values centered on responsibility, resilience, optimism, and sustainability. These principles underpin the Company's approach to decision-making and long-term planning, ensuring that growth initiatives are balanced with environmental stewardship and social responsibility.”

Dear Stakeholders,

The year under review was one of steady progress and consolidation for the Agritech Limited (Company), marked by disciplined execution, operational resilience, and prudent financial management. Despite operating in a challenging and evolving business environment, the Company remained focused on maintaining stability, strengthening core operations, and safeguarding long-term value for its stakeholders.

Throughout the year, management continued to emphasize efficiency, cost discipline, and operational reliability. These efforts contributed to improved organizational resilience and supported the Company's financial position. The Company also remained focused on sustaining liquidity and strengthening its relationships with key stakeholders, including lenders, partners, and suppliers.

The Board continues to be guided by a clear set of values centered on responsibility, resilience, optimism, and sustainability. These principles underpin the Company's approach to decision-making and long-term planning, ensuring that growth initiatives are balanced with environmental stewardship and social responsibility.

Interest from strategic partners and stakeholders reflects growing confidence in the Company's operational capabilities and long-term potential. The Board views this confidence as a validation of the progress achieved and remains committed to translating it into sustainable value creation.

During the year, the Board of Directors remained fully engaged in its oversight responsibilities. It focused on strategy, risk management, financial stewardship, and governance, while ensuring that the interests of shareholders, employees, customers, creditors, and the wider community were appropriately balanced. The Board also approved key strategic initiatives aimed at strengthening the Company's competitive position and future readiness.

High standard of corporate governance was maintained throughout the year. Regular Board and committee meetings were held to review performance, approve policies, and ensure compliance with applicable laws and best practices. The Audit Committee and the Human Resource and Remuneration Committee continued to play an important role in reinforcing accountability, transparency, and effective oversight.

Looking ahead, the Company enters the new year with a strengthened foundation and a clear strategic direction. With continued focus on operational excellence, governance, and sustainability, the Board is confident in the Company's ability to navigate future challenges, capitalize on emerging opportunities, and deliver long-term value for all stakeholders.

The Board extends its appreciation to management, employees, partners, and stakeholders for their continued support and commitment.



LT GEN ANWAR ALI HYDER, HI (M) (Retd)
Chairman

CEO'S REMARKS

Dear Stakeholders,

On behalf of the management of Agritech Limited, I am pleased to present our remarks for the year ended December 31, 2025 - a year that again tested resilience across agriculture and input industries, while also creating openings for disciplined operators to strengthen reliability, customer confidence, and future readiness.

The journey, that in 2024 took an optimistic direction (Umeed-e-Nau), has been positively moving forward (Agay Barho) during the year 2025 duly reflected in the quantitative and qualitative achievement that this report demonstrates.

Health, Safety and Environment (HSE) – A way of Life

HSE – a way of life adopted as a Core Value is at the cornerstone of every task that we undertake and is embedded in every process of the company. Focus on conducting safe operations across various business sites is demonstrated during the year with zero incidents and continuous improvement approach is adopted through safety training, drills and talks among teams.

Governance and reporting excellence

Following the acquisition of the company by two major industrial conglomerates, i.e. Fauji Group (Fauji Fertilizer Limited) and Maple Leaf Group, the Board of the company was re-constituted in May 2025 with proportionate representation of the new shareholders in line with the regulatory requirements. The new Board is committed to the adherence to the compliance of the Code of Corporate Governance (CCG) in true letter and spirit while providing the strategic direction to the company.

Our focus on transparency and reporting quality has continued to earn recognition. Our corporate reporting has been recognized at the Best Corporate and Sustainability Report Awards, with our 2024 Corporate Report achieving 4th position in the Chemical & Fertilizer sector - a signal of sustained commitment to quality disclosures and governance maturity.

Sponsor Supports and Strategic Alignment

The company greatly benefited by becoming part of one of the major fertilizer companies in the country, being its shareholders, i.e. Fauji Fertilizer Company Limited (FFCL). This has opened access to the FFCL technical expertise support, having globally benchmarked fertilizer operational excellence, though the on-ground collaboration in process optimization, reliability and maintenance discipline, plant troubleshooting, and HSE alignment - enhancing operating control that demonstrated in the form of improved manufacturing reliability and enhanced production. FFCL's vast and the country's largest Marketing network across the country and commercial expertise ensured improved market presence that helped expand the company's products under TARA brand footprint across Pakistan with greater market reach, improved availability, and stronger customer confidence, product placements in bigger channel base, has ensured improved sales and sustainable cashflow stream.

The support mechanism for both technical and commercial are ensured to the compliance of the CCG framework while keeping the arrangements at the arm's length basis.

OPERATING ENVIRONMENT: VOLATILITY PERSISTED, BUT DEMAND REBALANCED INTO YEAR-END

The global fertilizer value chain remained influenced by energy market movements, logistics dynamics, and shifting affordability for farmers. International benchmarks underscore this volatility.

Pakistan's fertilizer market moved through a year of mixed affordability and climate-related disruption, followed by rebalancing. Industry urea offtake in 2025 reached a record 6,730K tons

“The journey, that in 2024 took an optimistic direction (Umeed-e-Nau), has been positively moving forward (Agay Barho) during the year 2025 duly reflected in the quantitative and qualitative achievement that this report demonstrates.”



(vs. 6,577K tons in 2024), while urea production stayed broadly stable at 6,677K tons. Flood impacts and farm economics weakened affordability for a large part of the year, yet improved wheat sowing and better water availability supported momentum as the year progressed.

AGRITECH'S OPERATIONAL PERFORMANCE: DEPENDABLE SUPPLY AND RECORD UREA VOLUMES

In 2025, we prioritized safe and steady operations. Our urea plant operated on a full-year basis and produced 374K tons (last year 365K tons) registering 2% increase. We achieved 390K tons of urea sales, the highest annual urea sales volume for the Company, reflecting 20% growth over 2024.

On the phosphatic side, despite the market faced affordability pressure and higher imported price impact, the company produced 86K tons of SSP and sold 90K tons, representing 27% volumetric growth over last year.

A STRUCTURAL MILESTONE: CLARITY ON GAS AVAILABILITY

The perennial challenge of sustainable gas supply to the company's Urea plant is now addressed as in January 2026, the Government of Pakistan approved gas allocation from the Ghazij/Shawal discoveries in the Mari Field for Agritech's urea plant at Daud Khel. The allocation is to be supplied at the applicable OGRA-notified wellhead price, under a Gas Sale and Purchase Agreement with Mari Energies Limited, with transportation under OGRA's Third Party Access (TPA) arrangements under applicable rules and Pakistan Gas Network Code (PGNC) using the transmission pipeline of Sui Norther Gas Limited.

We view this as a material step toward operational sustainability - supporting reliable production planning and improved supply assurance.

CONTRIBUTION TO ECONOMY

We also remained committed contributors to the national exchequer, depositing Rs. 5.27 billion in taxes, duties, and levies during 2025.

The indirect contributions to the exchequer through the consistent Urea production at affordable rates to the farmers significantly lower than the international benchmark ensuring import substitution and saving considerable Foreign Exchange on expensive imports.

SUSTAINABILITY AND SAFETY: BUILDING LONG-TERM RESILIENCE

Enhanced focus on the Sustainability stewardship across the business processes demonstrated during the year. The operational teams were equipped with necessary resources, training and awareness of the regulatory requirement of sustainable plant operations to achieve industry benchmarks. The reporting parameters are further explained as part of this report on sustainability goals and achievements.

MOVING FORWARD

We enter 2026 with clearer feedstock visibility, strengthened distribution focus, and operating plan built around reliability, customer trust, and disciplined growth to prepare ourselves and deliver amid the volatile agricultural sector environment. Farmers wellbeing and perceived improved crop economics in the new year provide the necessary opportunities to continue the growth trajectory of the company.

I thank all our stakeholders that includes our shareholders for their strategic direction, employees for their dedication, customers for their confidence, and suppliers for continued support.



Muhammad Faisal Muzammil
Chief Executive Officer



CEO's video presentation on the Company's business performance for the year covering the Company business strategy to improve and future outlook has been placed on the Company's website.

Scan the QR Code to watch

CFO'S MESSAGE



“Through disciplined financial management, improved operational execution, and the resolution of key legacy matters, we have strengthened the foundation for sustainable growth and enhanced stakeholder confidence.”

Dear Stakeholders,

The year 2025 marked a pivotal phase in Agritech's financial and operational journey. Following a period of operational challenges and debt pressures, the Company demonstrated meaningful stabilization, operational resilience, and a return to profitability. Through disciplined financial management, improved operational execution, and the resolution of key legacy matters, we have strengthened the foundation for sustainable growth and enhanced stakeholder confidence.

FINANCIAL PERFORMANCE: TOPLINE GROWTH AND RETURN TO PROFITABILITY

Agritech delivered a notable improvement in bottom-line performance.

Financial performance (at a glance):

- Net Sales: Rs. 35,880 million (2024: Rs. 31,307 million)
- Operating Profit: Rs. 2,645 million (2024: Rs. 4,261 million)
- Finance Cost: Rs. 4,237 million (2024: Rs. 7,014 million)
- Profit After Tax: Rs. 2,895 million (2024: loss of Rs. 1,114 million)
- EPS: Rs. 5.36 (2024: loss per share Rs. 2.71)

From an operational execution standpoint, improved product availability and sales volumes supported performance: the Company sold 390K tons of urea (20% higher than 2024), and in SSP the Company sold 90K tons (vs. 71K tons in 2024).

IMPORTANT MILESTONES ACHIEVED DURING THE YEAR

During 2025, the Company achieved a series of decisive milestones that materially strengthened financial credibility and reduced structural overhangs.

First, we secured a clean audit outcome, reflecting stronger reporting discipline, improved controls, and the resolution of legacy matters that had previously constrained the quality of the audit conclusion.

Second, the Company completed the implementation of the Court-sanctioned Scheme of Arrangement, which meaningfully stabilized the capital structure and improved predictability around restructured obligations.

Third, we successfully executed the conversion of convertible preference shares into ordinary shares, simplifying the equity profile and supporting a stronger shareholders' position evidenced by the increase in paid-up ordinary share capital to Rs. 5,991 million (from Rs. 4,246 million) and the elimination of convertible preference shares.

Finally, we progressed the resolution of lender-related disputes through settlements and restructuring actions, including the settlement of certain running finance facilities and the pathway for withdrawal of recovery suits as major part of lenders' exposures were acquired by sponsors, thereby materially reducing litigation and enforcement risk and strengthening overall financial stability.

STRATEGIC FINANCE LENS ON THE GAS MILESTONE

From a finance and risk perspective, the most important structural development is the clarity achieved on gas allocation for the urea plant. The January 2026 approval for gas allocation from the Ghazij/Shawal discoveries in the Mari Field (with supply mechanics under OGRA-notified wellhead pricing and third-Party Access arrangements) will help to manage operational risk and improve medium-term predictability.

OUTLOOK AND PRIORITIES

Our financial priorities for the coming year remain focused on:

1. sustaining cash flow discipline and strengthening liquidity buffers,
2. continued reduction of financing stress through tighter working-capital execution and proactive treasury management,
3. strengthening margin resilience through operational reliability and cost control, and
4. reinforcing governance, internal controls, and reporting excellence.

APPRECIATION

I thank our shareholders, customers, employees, bankers and business partners for their continued trust and support.



Moeez ur Rehman Slehria
Chief Financial Officer

ECONOMIC AND INDUSTRY REVIEW

The Board of Directors is pleased to present the Annual Report, together with the Audited Financial Statements, for the year ended 31 December 2025, summarizing our performance, key developments, and the priorities guiding the year ahead.

MACRO ECONOMIC OVERVIEW

Pakistan's economy in FY2025 continued its stabilization journey with gradual strengthening of key macroeconomic indicators amid sustained reform efforts and improving external support. Real Gross Domestic Product expanded by approximately 2.68% during FY2025 compared to 2.51% in FY2024 reflecting moderate yet steady recovery in overall economic activity. Growth was supported by easing inflationary pressures, relative exchange rate stability and improved investor confidence following continued engagement with multilateral partners and implementation of fiscal discipline measures.

The agriculture sector remained a central pillar of the economy although growth moderated compared to the exceptional rebound witnessed in the previous year. Overall agricultural growth was recorded at around 0.56% during FY2025 as major crops delivered mixed performance due to weather variability water availability constraints and higher input costs. Wheat production remained broadly stable while cotton output showed gradual recovery and rice production reflected sensitivity to climatic conditions. Livestock continued to provide resilience within the sector supporting rural incomes and domestic consumption. Agriculture continues to contribute close to one fifth of national GDP and employs a significant share of the labour force making it vital for economic stability and food security. In spite of its resilience, climate risks rising production costs and water management challenges remain structural concerns for sustainable growth.

The industrial sector exhibited early signs of recovery following contractionary trends in prior periods. Large Scale Manufacturing showed

marginal improvement supported by relative currency stability easing supply constraints and improved availability of imported raw materials. However high energy tariffs elevated borrowing costs and cautious domestic demand continued to restrain stronger expansion. Mining and quarrying activity remained subdued while construction activity showed gradual stabilization as public sector development spending resumed at a measured pace. In contrast the services sector maintained moderate growth led by wholesale and retail trade transport and storage information and communication as well as financial services reflecting gradual improvement in business confidence and consumer activity.

Inflation which had posed a significant challenge in earlier years declined sharply during FY2025. Average consumer inflation moderated to approximately 4.5% compared to double digit levels in FY2024 supported by tight monetary management, improved food supply dynamics and relative exchange rate stability. The State Bank of Pakistan maintained a cautious monetary stance during most of the year before initiating measured policy rate adjustments as inflationary pressures eased. Lower inflation improved purchasing power, reduced uncertainty for businesses and strengthened overall macroeconomic predictability.

On the external front Pakistan continued its engagement with the International Monetary Fund under the Extended Fund Facility programme. During FY2025 the country received additional disbursements including approximately US\$1.2 billion following successful programme reviews and adherence to agreed reform benchmarks. Foreign exchange reserves improved compared to crisis levels supported by multilateral inflows, disciplined current account management and steady remittance inflows from overseas Pakistanis. Although the trade balance remained structurally challenged due to import dependence, improved external financing conditions helped contain pressure on the exchange rate and external accounts.

Fiscal consolidation remained a key

policy priority. The federal budget for 2025 to 2026 emphasized revenue mobilization expenditure rationalization and structural reforms aimed at enhancing fiscal sustainability. Efforts to broaden the tax base strengthen compliance and expand digitization contributed to improved revenue collection relative to previous years. Continued reform implementation remains essential to maintaining investor confidence and ensuring long term macroeconomic stability.

Globally economic growth remained moderate with international institutions projecting global GDP expansion of around 3% during 2025 similar to the preceding year. Commodity markets experienced periodic volatility particularly in energy and food segments influencing import costs and domestic inflation trends in emerging economies including Pakistan. Geopolitical tensions, climate related disruptions and tighter global financial conditions continued to shape the external environment.

Overall FY2025 reflected a year of cautious stabilization and gradual strengthening of economic fundamentals. Moderating inflation, improving foreign exchange buffers sustained reform momentum and resilience across key sectors provided a more stable macroeconomic landscape. Going forward, continued structural reforms governance improvements and prudent macroeconomic management will remain critical to sustaining durable and inclusive economic growth.

INDUSTRY OVERVIEW

Urea Industry

During 2025, Urea offtake was registered at a record 6,730K tons (2024: 6,577K tons), showing an increase of 2.3% over the preceding year. Farm Economics and Kharif floods impacted farmer affordability and urea offtake leading to oversupply situation for most of the year. However, improved wheat sowing across the country, better water availability and widespread Urea availability with all plants operating at full capacity, Urea offtake at the end of the year reached the record offtake of 6,730K tons for the year.

AGRITECH REVIEW

The main business of the Company is the manufacturing and marketing of fertilizers. The Company owns and operates urea manufacturing plant at Mianwali, Punjab. The Company also manufactures the GSSP (Granular Single Super Phosphate) at its Haripur Hazara, Khyber Pakhtunkhwa (KPK) plant.

Having achieved the Company's strategic goal to become a diversified fertilizer manufacturer producing both nitrogenous and phosphatic fertilizers, the Company's products are sold under one of the most celebrated and trusted brand name "Tara" in the fertilizer market.

The year 2025 tested agility and discipline across the industry, and Agritech Limited responded with a clear focus on safe operations, dependable supply, and customer confidence.

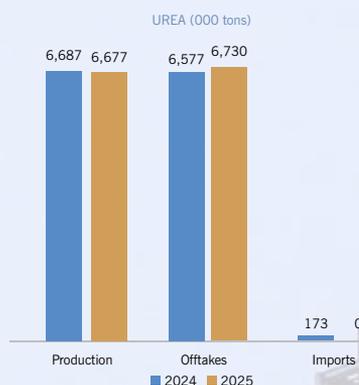
The Board is pleased to share with the stakeholders that the longstanding concerns regarding gas availability for the Company's urea manufacturing operations have been comprehensively addressed. In January 2026, the Government of Pakistan approved the allocation of gas from the Ghazij/Shawal discoveries in the Mari Field, Daharki, District Ghotki, Sindh, to Agritech Limited's urea fertilizer plant at Daud Khel.

The allocated gas is to be supplied at the Mari field delivery point at the applicable wellhead price as notified by OGRA from time to time, with the Company entering into a Gas Sale and Purchase Agreement ('GSPA') with Mari Energies Limited, whereby, Agritech Limited along with other stakeholders shall arrange for gas processing, compression, and transportation of processed gas to its plant site through Third Party Access arrangements in accordance with the Third Party Access Rules, 2018 and the Pakistan Gas Network Code.

These approvals provide clarity and certainty regarding uninterrupted gas availability for urea production and represent a significant milestone for the Company. The Board believes that this development strengthens the sustainability of operations and removes uncertainty surrounding feedstock supply for fertilizer manufacturing going forward.

The Company's Urea plant remained operational on a full year basis, producing 374K tons Urea (372K tons: 2024), having installed capacity of 433K tons. The Company sold 390K tons of Urea during the period under review (2024: 325K tons), showing a growth of 20% in Sales volume which is the highest ever Urea sales in a year.

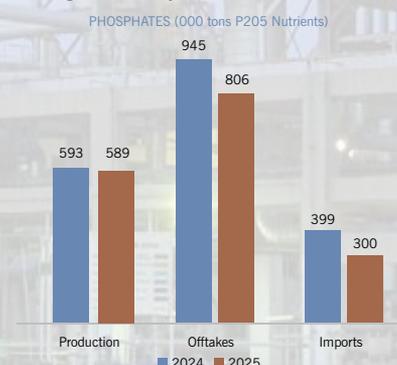
Phosphates offtake witnessed a decline of 15% over the previous year with the offtake in terms of Phosphate P2O5 Nutrient reduced to 806K tons. However, offtake of AGL Tara SSP increased by 18% to 91K tons (2024: 77K tons). The Company being the major SSP producing players in the phosphatic category produced 86K tons in 2025 (2024: 80K tons) and sold 90K tons (2024: 71K tons), showing a volumetric growth of 27%.



Production of Urea remained at 6,677K tons (2024: 6,687K tons) showing a marginal decline of 0.14%. Urea supplies remained comfortable, as plants remained mostly operational throughout the year due to regular gas supplies to all Urea plants.

Phosphates Industry

Phosphates offtake saw a decline of 15% over the last year and offtake in terms of Phosphate P2O5 Nutrient recorded at 806K tons (2024: 945K tons). Overall decline of phosphate use was attributed to the lower farmers' affordability, on back of weak crop economics and higher DAP import prices. Phosphate Production in the country witnessed 1% reduction reaching to 589K tons P2O5 Nutrient in 2025 (2024: 593K tons P2O5 Nutrient). Imports of Phosphatic products decreased by 25% on a nutrient basis to 300K tons (2024: 399K tons), while the availability of all phosphatic fertilizers remained throughout the year.



Phosphates (DAP) prices volatility continued in the international market and DAP prices remained in the range of US\$ 625 per ton CFR KHI at the start of year, peaking to US\$ 820 per ton CFR KHI during mid-year and later declining to US\$ 670 per ton CFR KHI.

FINANCIAL PERFORMANCE

FINANCIAL KEY PERFORMANCE INDICATORS

Sales Rs. in Millions

| 2025 | 2024 |
|--------|--------|
| 35,880 | 31,307 |

Higher by 14.61% 

KPI Relevance

Sales reflects the topline and provides insights into overall value of inventory sold by the Company during the year.

2025 Performance

Fertilizer offtake for both Urea and SSP, improved particularly at year-end demand momentum (Rabi), supported topline growth.

Gross Profit Rs. in Millions

| 2025 | 2024 |
|-------|-------|
| 6,043 | 6,266 |

Lower by 3.56% 

KPI Relevance

Gross profit reflects the profitability of core business activities by showing the excess of sales revenue over direct costs of production. Monitoring gross profit helps assess operational efficiency and pricing strategies.

2025 Performance

Despite higher sales, compression was observed in gross margin due to a mix of competitive pricing/discounting in a long-supply market for part of the year.

Operating Profit Rs. in Millions

| 2025 | 2024 |
|-------|-------|
| 2,645 | 4,260 |

Higher by 37.92% 

KPI Relevance

Operating profit reflects the efficiency of the Company's core operations in generating profits, excluding certain non-operating expenses, providing a clear measure of its profitability from primary business activities.

2025 Performance

Decline in operating profit due to higher operating cost base (distribution, employee costs, maintenance, repairs, and administrative overheads) and/or incremental costs linked to reliability/safety initiatives.

Investment Income Rs. in Millions

| 2025 | 2024 |
|------|-------|
| 834 | 1,057 |

Lower by 21.06% 

KPI Relevance

Investment Income reflects the Company's ability to generate returns from its financial assets and make strategic use of surplus funds to enhance overall profitability.

2025 Performance

A gradual reduction in discount rate by the central bank leading to reduction in investment income.

Net Profit Margin Rs. in Millions

| 2025 | 2024 |
|-------|---------|
| 2,895 | (1,114) |

Higher by 359.82% 

KPI Relevance

Net profit reflects the overall efficiency of the Company's operations, indicating the amount left after deducting all expenses from total revenue, thereby showing the earning potential.

2025 Performance

Net profit margin increased substantially due to reduction in finance cost and one-off gains on conversion of convertible preference shares and reversal of LPS on GIDC.

Earnings/(Loss) per Share Rs.

| 2025 | 2024 |
|------|--------|
| 5.36 | (2.71) |

Higher by 297.79% 

KPI Relevance

Earnings per share reflects the profitability allocated to each outstanding share, providing insight into the Company's ability to generate profits for its ordinary shareholders on a per-share basis.

2025 Performance

Increase in earnings per share directly reflects the shift from loss to profit after tax due to reduction in finance cost and other income.

Market Value per Share Rs.

| 2025 | 2024 |
|-------|-------|
| 68.03 | 37.98 |

Higher by 79.12% 

KPI Relevance

Market value per share reflects investor perception of its current and future prospects, directly influencing its ability to raise capital and pursue growth opportunities.

2025 Performance

Increase in market value per share due to market rerating driven by return to profitability, improved investor sentiment on sustainability of operations, and expectations of improved medium-term outlook.

Return on Assets %

| 2025 | 2024 |
|-------|---------|
| 3.12% | (1.31%) |

Higher by 337.89% 

KPI Relevance

Return on assets measures the Company's efficiency of utilizing its assets to generate profits, providing insight into how effectively the Company is deploying its resources to create value.

2025 Performance

Return on assets improved as net earnings turned positive while asset base remained broadly stable/grew moderately. Profitability recovery (one off gains) outweighed the asset increase.

Break-up Value per Share Rs.

| 2025 | 2024 |
|-------|-------|
| 31.63 | 22.92 |

Higher by 38.02% 

KPI Relevance

Break-up value per share reflects the value of shareholders' funds on a per share basis and depicts the strength of the Company's net assets.

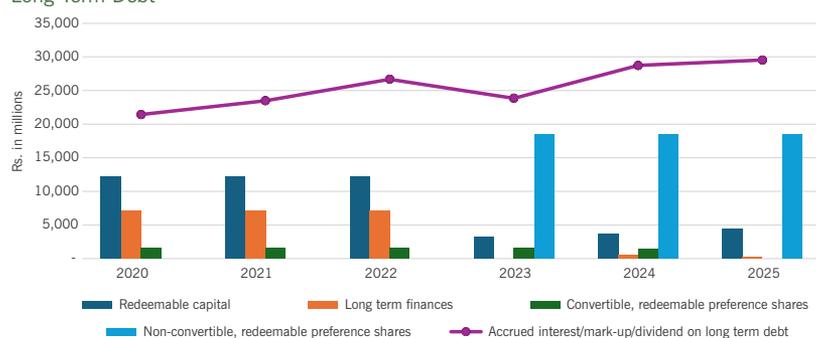
2025 Performance

Increase in equity from 2025 profits (retained earnings) and improved net asset position, lifting book value per share.

FINANCIAL POSITION ANALYSIS

| Rs. in million | 2025 | 2024 |
|-------------------------------------|---------------|---------------|
| Equity and Liabilities | | |
| Issued ordinary share capital | 5,991 | 4,246 |
| Reserves | 12,959 | 5,486 |
| Shareholders' equity | 18,949 | 9,732 |
| Long term borrowings | 23,170 | 24,244 |
| Capital employed | 42,119 | 33,976 |
| Deferred liabilities | 10,770 | 9,748 |
| Short term borrowings | 2,309 | 2,058 |
| Other current liabilities | 37,646 | 39,226 |
| Total Equity and Liabilities | 92,844 | 85,008 |
| Assets | | |
| Property, plant and equipment | 71,157 | 66,694 |
| Long term assets | 105 | 88 |
| Inventories | 6,390 | 6,796 |
| Trade debts | 987 | 46 |
| Short term investments | 8,722 | 6,784 |
| Cash and bank balances | 132 | 423 |
| Other current assets | 5,351 | 4,177 |
| Total Assets | 92,844 | 85,008 |

Long Term Debt



Capital Employed



Current Ratio



Share Capital and Reserves

2025 | 18.95 bn | 2024 | 9.73 bn

Significant improvement mainly due to profitability in 2025, conversion of convertible preference shares and revaluation of PPE leading to strengthening of equity base.

Long Term Borrowings

2025 | 23.17 bn | 2024 | 24.24 bn

The movement is reflected through conversion of convertible preference shares and unwinding of PV of PPTFCs consistent with deleveraging and improved capital structure management.

Short Term Borrowings

2025 | 2.31 bn | 2024 | 2.06 bn

The increase is primarily attributed to certain amendments in the terms of settlements with some lenders/related parties rendering reduction in enforcement risk and litigations.

Trade and Other Payables

2025 | 5.28 bn | 2024 | 7.75 bn

Trade and other payables has decreased due to reversal of LPS on GIDC making this inline with industry practice and reduction in advances from customers due to long supply situation in fertilizer market.

Accrued Interest / Mark up / Dividend

2025 | 32.36 bn | 2024 | 31.48 bn

Slight increase reflects continued financing costs accrued on outstanding borrowings/markup-based facilities.

Property, Plant and Equipment

2025 | 71.16 bn | 2024 | 66.69 bn

Increase driven by capital expenditure during the year (including safety/reliability-related projects) and revaluation surplus. Reflects continued investment to enhance operational integrity and long-term efficiency.

Short Term Investments

2025 | 8.72 bn | 2024 | 6.78 bn

Increase indicates higher placement of surplus funds into short-term instruments/deposits, reflecting improved treasury management and cash deployment strategy during the year.

Stock in Trade

2025 | 3.47 bn | 2024 | 4.39 bn

Decline reflects inventory drawdown due to higher sales volumes, improved inventory rotation, and better alignment of stock levels with demand conditions.

Tax Refunds due from Government

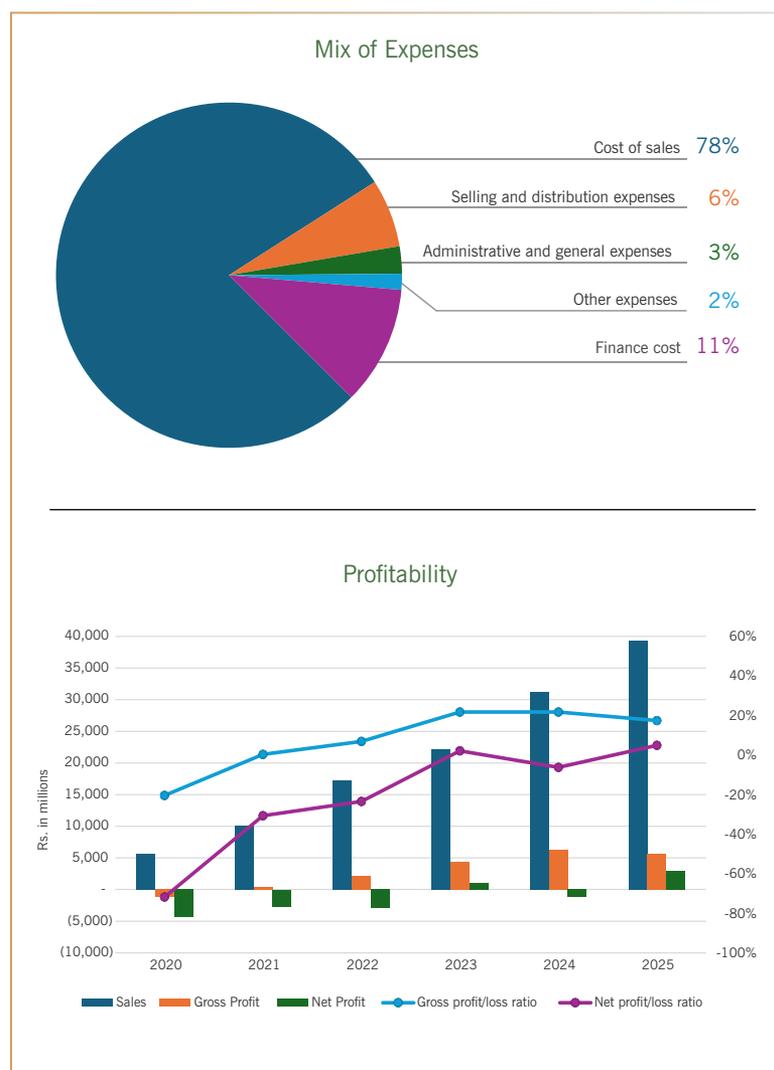
2025 | 172.81 mn | 2024 | 26.99 mn

The increase is mainly due to higher advance tax paid under Section 147 during the year based on projections/budgeted figures; Based on actual results, the tax provision came lower than estimates, resulting in an overpayment reflected as higher tax refunds due.

FINANCIAL PERFORMANCE

FINANCIAL PERFORMANCE ANALYSIS

| Rs. in million | 2025 | 2024 |
|---|----------|----------|
| Sales | 35,880 | 31,307 |
| Cost of sales | (29,838) | (25,041) |
| Gross profit | 6,043 | 6,266 |
| Operating expenses | (3,398) | (2,005) |
| Operating profit | 2,645 | 4,260 |
| Other expenses | (568) | (410) |
| Finance cost | (4,237) | (7,014) |
| Other income | 5,270 | 2,081 |
| Profit/(loss) before final/minimum taxes and taxation | 3,109 | (1,083) |
| Final and minimum taxes | - | (613) |
| Profit/(loss) before taxation | 3,109 | (1,696) |
| Taxation for the year | (214) | 582 |
| Profit/(loss) after taxation | 2,895 | (1,114) |



Sales

2025 | 35.88 bn | 2024 | 31.31 bn

Sales increased due to improved fertilizer offtake, with stronger year-end (Rabi) demand supporting higher volumes and better market traction across the Company's key product lines.

Cost of sales

2025 | 29.84 bn | 2024 | 25.04 bn

Cost of sales rose mainly with higher sales volumes and the overall cost structure of supplying increased quantities. Additional spend linked to operational reliability and safety initiatives also added to the cost.

Gross profit

2025 | 6.04 bn | 2024 | 6.27 bn

Gross profit declined despite higher sales as margins tightened due to competitive pricing/discounting and market conditions during part of the year.

Operating expenses

2025 | 3.39 bn | 2024 | 2.01 bn

Operating expenses increased significantly, largely reflecting a higher operating cost base including distribution and selling spend, employee-related costs, maintenance and repairs, and administrative overheads

Other income

2025 | 5.27 bn | 2024 | 2.08 bn

Other income increased substantially, driven by significant non-operating income items during the year. Key contributors included one-off gains such as the gain on conversion of convertible preference shares and the reversal of LPS on GIDC.

Finance cost

2025 | 4.24 bn | 2024 | 7.01 bn

Finance cost declined sharply resulting from reduction in policy rate by central bank and reduced borrowing/markup burden during the year. The reduction in finance cost was a major driver of the overall earnings turnaround.

CASH FLOW ANALYSIS

| Rs. in million | 2025 | 2024 |
|---------------------------------------|---------|---------|
| Opening cash and equivalents | (1,389) | (2,009) |
| Cash generated from operations | 1,442 | 1,329 |
| Cash utilized in investing activities | (1,529) | (550) |
| Cash utilized in financing activities | 696 | (159) |
| Closing cash and cash equivalents | (780) | (1,389) |

Cash flows from operating activities

2025 | 1.44 bn 2024 | 1.33 bn

Net cash generated from operating activities improved to Rs. 1,442 million (2024: Rs. 1,329 million). While profit before taxation turned positive at Rs. 3,109 million (2024: loss of Rs. 1,083 million), the benefit was partly offset by a working capital outflow of Rs. 2,370 million (2024: Rs. 3,584 million outflow) and higher income tax paid of Rs. 742 million (2024: Rs. 557 million). Overall, operations remained cash-generative, but continued working-capital absorption kept operating cash conversion contained.

Cash flows from investing activities

2025 | (1.53) bn 2024 | (0.55) bn

Net cash used in investing activities increased to Rs. 1,529 million (2024: Rs. 550 million). The higher outflow was mainly driven by greater placement in short-term investments of Rs. 1,938 million (2024: Rs. 1,257 million) along with capital expenditure of Rs. 443 million (2024: Rs. 396 million). These outflows were partially offset by interest income received of Rs. 845 million (2024: Rs. 1,102 million) and disposal proceeds of Rs. 7 million (2024: Rs. 1 million).

Cash flows from financing activities

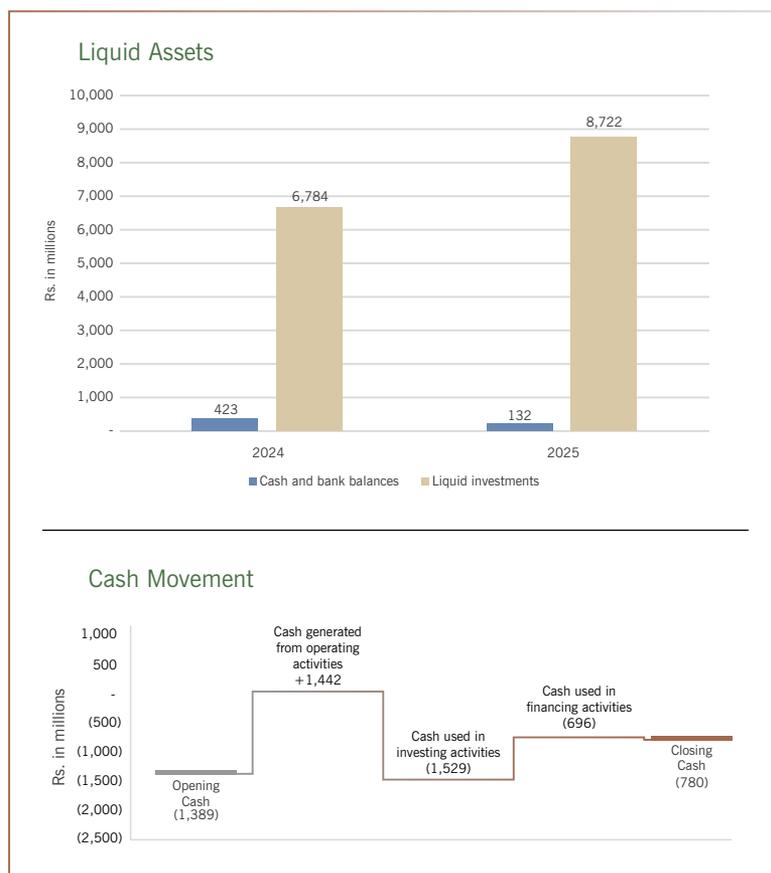
2025 | 696 mn 2024 | (159) mn

Due to settlement of running finance facility by related party, the loans have been reclassified from cash & cash equivalents to short term borrowings.

Cash and cash equivalents

2025 | (0.78) bn 2024 | (1.39) bn

Net increase in cash and cash equivalents improved due to better operating cash flows and reclassification of loan to related party.



FINANCIAL PERFORMANCE

SUMMARY OF FINANCIAL STATEMENTS

| Rs. in million | | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|-----------|----------------|----------------|----------------|----------------|----------------|----------------|
| Summary of Financial Position | | | | | | | |
| Equity and Liabilities | | | | | | | |
| Issued ordinary share capital | | 5,991 | 4,246 | 3,924 | 3,924 | 3,924 | 3,924 |
| Reserves | | 12,959 | 5,486 | 6,581 | 5,493 | (2,736) | (51) |
| Shareholders' equity | | 18,949 | 9,732 | 10,505 | 9,417 | 1,188 | 3,873 |
| Long term borrowings | | 23,170 | 24,244 | 23,306 | 20,862 | 20,862 | 20,872 |
| Capital employed | | 42,119 | 33,976 | 36,379 | 32,847 | 24,618 | 27,313 |
| Long term payable | | - | - | - | 551 | 1,158 | 1,740 |
| Deferred liabilities | | 10,770 | 9,748 | 10,328 | 10,876 | 8,436 | 8,892 |
| Short term borrowings | | 2,309 | 2,058 | 3,413 | 3,582 | 3,518 | 3,647 |
| Other current liabilities | | 37,646 | 39,226 | 34,607 | 33,615 | 29,486 | 25,585 |
| Total Equity and Liabilities | | 92,844 | 85,008 | 82,160 | 78,903 | 64,649 | 64,609 |
| Assets | | | | | | | |
| Property, plant and equipment | | 71,157 | 66,694 | 68,336 | 69,925 | 56,965 | 58,536 |
| Long term assets | | 105 | 88 | 80 | 73 | 73 | 71 |
| Inventories | | 6,390 | 6,796 | 3,409 | 3,309 | 2,416 | 2,508 |
| Trade debts | | 987 | 46 | - | - | 89 | - |
| Short Term Investments | | 8,722 | 6,784 | 5,527 | - | 104 | - |
| Cash and bank balances | | 132 | 423 | 520 | 529 | 1,084 | 795 |
| Other current assets | | 5,351 | 4,177 | 4,288 | 5,067 | 3,917 | 2,699 |
| Total Assets | | 92,844 | 85,008 | 82,160 | 78,903 | 64,649 | 64,609 |
| Summary of Statement of Profit or loss | | | | | | | |
| Sales | | 35,880 | 31,307 | 22,172 | 17,296 | 10,101 | 5,700 |
| Cost of sales | | (29,838) | (25,041) | (17,774) | (15,175) | (9,691) | (6,872) |
| Gross profit/(loss) | | 6,043 | 6,266 | 4,399 | 2,122 | 410 | (1,173) |
| Operating expenses | | (3,398) | (2,005) | (1,319) | (1,120) | (722) | (546) |
| Operating profit/(loss) | | 2,645 | 4,260 | 3,080 | 1,002 | (313) | (1,719) |
| Other expenses | | (568) | (410) | (64) | (38) | - | (5) |
| Finance cost | | (4,237) | (7,014) | (6,098) | (4,285) | (2,805) | (2,945) |
| Other income | | 5,270 | 2,081 | 722 | 105 | 101 | 183 |
| Profit/(loss) before final/minimum taxes and taxation | | 3,109 | (1,083) | 847 | (3,216) | (3,018) | (4,487) |
| Final and minimum taxes | | - | (613) | (314) | (216) | (126) | (85) |
| Profit/(loss) before taxation | | 3,109 | (1,696) | 534 | (3,432) | (3,144) | (4,572) |
| Taxation for the year | | (214) | 582 | 552 | 479 | 463 | 275 |
| Profit/(loss) after taxation | | 2,895 | (1,114) | 1,086 | (2,953) | (2,681) | (4,297) |
| Quantitative Data | | | | | | | |
| Rated Capacity | | | | | | | |
| Urea Fertilizer | MT | 433,125 | 433,125 | 433,125 | 433,125 | 433,125 | 433,125 |
| Phosphate Fertilizer | MT | 81,000 | 81,000 | 81,000 | 81,000 | 81,000 | 81,000 |
| Total rated capacity | MT | 514,125 | 514,125 | 514,125 | 514,125 | 514,125 | 514,125 |
| Actual Production | | | | | | | |
| Urea Fertilizer | MT | 374,256 | 372,012 | 292,255 | 353,284 | 226,768 | 124,785 |
| Phosphate Fertilizer | MT | 85,700 | 80,341 | 77,150 | 63,596 | 73,244 | 66,341 |
| Total rated capacity | MT | 459,956 | 452,353 | 369,405 | 416,880 | 300,012 | 191,126 |
| Production Efficiency | | | | | | | |
| Urea Fertilizer | % | 86 | 86 | 67 | 82 | 52 | 29 |
| Phosphate Fertilizer | % | 106 | 99 | 95 | 79 | 90 | 82 |
| Total production efficiency | % | 89 | 88 | 72 | 81 | 58 | 37 |
| Sales | | | | | | | |
| Urea Fertilizer | MT | 390,453 | 325,000 | 285,551 | 351,433 | 232,094 | 139,296 |
| Phosphate Fertilizer | MT | 90,278 | 71,000 | 80,226 | 54,137 | 80,152 | 59,929 |
| Total sales | MT | 480,731 | 396,000 | 365,777 | 405,570 | 312,246 | 199,225 |

KEY FINANCIAL RATIOS

| | | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|--------------------|---------|---------|---------|---------|----------|----------|
| Profitability Ratios | | | | | | | |
| Gross Profit ratio | % | 16.84 | 20.01 | 19.84 | 12.27 | 4.05 | (20.58) |
| Net Profit to Sales | % | 8.07 | (3.56) | 4.90 | (17.08) | (26.54) | (75.39) |
| EBITDA Margin to Sales | % | 25.86 | 20.65 | 34.79 | 11.05 | 10.77 | 0.54 |
| Operating Leverage | Times | 4.21 | (0.55) | 63.78 | (2.25) | (0.88) | 3.31 |
| Return on Equity | % | 15.28 | (11.45) | 10.34 | (31.36) | (225.60) | (110.93) |
| Return on Capital Employed | % | 16.78 | (7.29) | 8.26 | (42.83) | (65.01) | (54.43) |
| Shareholders' Funds | Rs. in millions | 18,949 | 9,732 | 10,505 | 9,417 | 1,188 | 3,873 |
| Return on Shareholders' Funds | % | 15.28 | (11.45) | 10.34 | (31.36) | (225.60) | (110.93) |
| Total Shareholders Return | % | 0.791 | 1.789 | 2.103 | 0.158 | (0.258) | 0.180 |
| Liquidity Ratios | | | | | | | |
| Current ratio | Times | 0.49 | 0.44 | 0.36 | 0.16 | 0.15 | 0.12 |
| Quick / Acid Test ratio | Times | 0.34 | 0.28 | 0.27 | 0.10 | 0.10 | 0.07 |
| Cash to Current Liabilities | Times | 0.20 | 0.18 | 0.16 | 0.01 | 0.03 | 0.02 |
| Cash Flow from Operations to Sales | Times | 0.04 | 0.04 | 0.26 | (0.02) | 0.08 | 0.06 |
| Cash Flow to Capital Expenditure | % | 325 | 336 | 1,862 | (51) | 2,151 | 395 |
| Cash Flow Coverage | % | 5.97 | 5.05 | 21.27 | (1.07) | 3.21 | 1.43 |
| Investment/Market Ratios | | | | | | | |
| Earnings per Share - <i>Basic</i> | Rupees | 5.36 | (2.71) | 2.77 | (7.53) | (6.83) | (10.95) |
| Earnings per Share - <i>Diluted</i> | Rupees | 4.98 | (2.71) | 1.31 | (7.53) | (6.83) | (10.95) |
| Price Earnings ratio | Times | 0.08 | (0.07) | 0.20 | (1.72) | (1.80) | (2.14) |
| Price to Book ratio | Times | 2.15 | 1.66 | 0.51 | 0.18 | 1.25 | 0.52 |
| Dividend Yield ratio | % | - | - | - | - | - | - |
| Dividend Payout ratio | % | - | - | - | - | - | - |
| Dividend Cover ratio | Times | - | - | - | - | - | - |
| Cash Dividend per Share | Rupees | - | - | - | - | - | - |
| Stock Dividend per Share | % | - | - | - | - | - | - |
| Market Value per Share | Rupees | 68.03 | 37.98 | 13.62 | 4.39 | 3.79 | 5.11 |
| Break-up Value per Share | | | | | | | |
| - without Revaluation Reserves | Rupees | (27.94) | (52.47) | (57.32) | (62.39) | (56.69) | (51.64) |
| - with Revaluation Reserves | Rupees | 31.63 | 22.92 | 26.77 | 24.00 | 3.03 | 9.87 |
| Market Capitalization | Rupees in millions | 40,756 | 16,128 | 5,345 | 1,723 | 1,487 | 2,005 |
| Free Cash Flow | Rupees in millions | 999 | 932 | 5,378 | (774) | 745 | 262 |
| Economic Value Added | Rupees in millions | (1,987) | (6,832) | (4,588) | (7,283) | (4,780) | (6,227) |
| Capital Structure Ratios | | | | | | | |
| Financial Leverage ratio | Times | 0.30 | 0.80 | 0.78 | 2.60 | 20.51 | 6.33 |
| Weighted Average Cost of Debt | % | 11.38 | 22.30 | 20.20 | 16.79 | 11.44 | 7.73 |
| Debt to Equity ratio | % | 55:45 | 71:29 | 69:31 | 69:31 | 95:5 | 84:16 |
| Net Assets per Share | Rupees | 31.63 | 22.92 | 26.77 | 24.00 | 3.03 | 9.87 |
| Interest Cover ratio | Times | 1.73 | 0.73 | 1.10 | 0.08 | (0.20) | (0.55) |
| Activity/Turnover Ratios | | | | | | | |
| Total Assets Turnover ratio | Times | 0.39 | 0.37 | 0.27 | 0.22 | 0.16 | 0.09 |
| Fixed Assets Turnover ratio | Times | 0.50 | 0.47 | 0.32 | 0.25 | 0.18 | 0.10 |
| No. of Days in Inventory | Days | 48 | 41 | 23 | 17 | 15 | 33 |
| No. of Days in Receivables | Days | 5 | 0 | 0 | 1 | 2 | 0 |
| No. of Days in Payables | Days | 62 | 87 | 102 | 81 | 91 | 91 |
| Operating Cycle | Days | (8) | (46) | (79) | (63) | (74) | (58) |
| Others | | | | | | | |
| Production per Employee | MT | 520 | 443 | 386 | 431 | 328 | 205 |
| Revenue per Employee | Rupees in millions | 41 | 31 | 23 | 18 | 11 | 6 |
| Staff Turnover ratio | % | 6 | 6 | 5 | 4 | 3 | 4 |
| Spares Inventory to Assets Costs | % | 5 | 4 | 4 | 4 | 4 | 4 |
| Maintenance Costs to Operating Expenses | % | 0.56 | 0.38 | 0.30 | 0.26 | 0.38 | 0.40 |

FINANCIAL PERFORMANCE

KEY FINANCIAL RATIOS

ANALYSIS OF KEY FINANCIAL RATIOS

Profitability Ratios

Profitability recovered strongly at the bottom line in 2025, even though core margins softened. Net profit to sales improved to 8.07% (2024: -3.56%), reflecting the shift to profit after tax of Rs. 2,895 million (2024: loss Rs. 1,114 million) and translating into EPS of Rs. 5.36 (2024: -2.71). Returns also moved back into positive territory with ROE at 15.28% (2024: -11.45%) and ROCE at 16.78% (2024: -7.29%), supported by lower financing burden and other income/one-off impacts. However, operating performance was pressured: gross profit ratio declined to 16.84% (2024: 20.01%) and operating profit reduced to Rs. 2,645 million (2024: Rs. 4,260 million), consistent with margin compression and a higher operating cost base.

Overall, 2025 demonstrates a meaningful earnings turnaround and improved returns, while gross and operating margin resilience remains a key focus area.

Liquidity Ratios

Liquidity indicators improved modestly in 2025, signaling better working-capital positioning, though the profile remains tight given the nature of the fertilizer business. The current ratio improved to 0.49x (2024: 0.44x) and the quick ratio improved to 0.34x (2024: 0.28x), while cash to current liabilities strengthened to 0.20x (2024: 0.18x), showing slightly better near-term coverage. However, ratios remain below 1.0, implying continued reliance on efficient cash management and short-term funding lines. Cash conversion remained stable: cash flow from operations to sales stayed at 0.04x in both 2025 and 2024, highlighting the continued impact of seasonality and working-capital timing.

Importantly, the Company's ability to cover obligations from cash flow improved as cash flow coverage increased to 5.97 (2024: 5.05), even though cash generation remains sensitive to collection and settlement cycles.

Investment/Market Ratios

Market indicators reflected a clear investor re-rating in 2025, aligned with profitability recovery and improved outlook expectations. Market value per share increased sharply to Rs. 68.03 (2024: Rs. 37.98), driving market capitalization up to Rs. 40,756 million (2024: Rs. 16,128 million). Valuation metrics also strengthened as price-to-book increased to 2.15x (2024: 1.66x), supported by both improved equity and stronger investor sentiment. Earnings recovery is evident through positive EPS of Rs. 5.36 and diluted EPS of Rs. 4.98 versus losses in 2024. Meanwhile, free cash flow improved to Rs. 999 million (2024: Rs. 933 million), reinforcing the notion that profitability recovery is being supported by cash generation after capex. Although P/E remains low at 0.08x (2024: -0.07x), suggesting conservative market pricing due to sector volatility, overall, 2025 market metrics indicate improved confidence in sustainability of earnings and balance sheet strength.

Capital Structure Ratios

The Company's capital structure strengthened materially in 2025, reflecting a transition toward lower leverage and improved solvency indicators. Shareholders' funds increased significantly to Rs. 18,949 million (2024: Rs. 9,732 million), driving a healthier debt-to-equity mix of 55:45 (2024: 71:29) and improving the financial leverage ratio to 0.30x (2024: 0.80x). The Company's ability to service finance costs improved substantially, with interest cover rising to 1.73x (2024: 0.73x), consistent with improved earnings and reduced financing burden. Net assets per share increased to Rs. 31.63 (2024: Rs. 22.92), indicating improved book value. In summary, 2025 reflects a stronger balance sheet and improved financial resilience; the next priority is to sustain this improvement by optimizing working-capital financing and continuing to reduce financing stress over time.

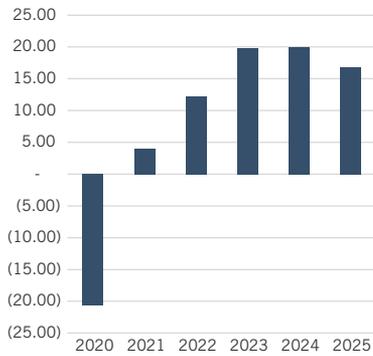
Activity/Turnover Ratios

Overall efficiency improved slightly in 2025, supported by topline growth and better utilization of the asset base, but working-capital behavior shifted. Total assets turnover increased to 0.39x (2024: 0.37x) and fixed assets turnover improved to 0.50x (2024: 0.47x), indicating improved revenue generation from both total assets and core production assets. However, inventory days increased to 48 days (2024: 41 days), suggesting relatively higher stock holding, either due to seasonal positioning for the upcoming cycle, slower movement during periods of market oversupply, or deliberate stock planning. On the receivables side, days in receivables increased to 5 days (2024: 0 days), still low overall but indicating slightly higher credit exposure or year-end collection timing. Notably, days in payables declined sharply to 62 days (2024: 88 days), reflecting faster supplier settlements and/or changes in supplier terms and procurement timing, which can tighten cash conversion. As a result, the operating cycle moved to -8 days (2024: -47 days), still negative (favorable) but less so, indicating reduced benefit from supplier credit and a shift toward higher inventory/settlement pressure.

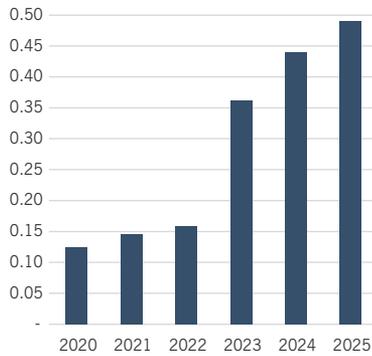
Others

Operational productivity strengthened meaningfully in 2025, reflecting improved output and scale, while maintenance intensity increased, consistent with a reliability and safety-led operating approach. Production per employee rose to 520 MT (2024: 443 MT) and revenue per employee increased to Rs. 41 million (2024: Rs. 31 million), indicating improved workforce productivity and stronger commercial throughput. At the same time, spares inventory to asset costs increased to 5% (2024: 4%), reflecting enhanced spares coverage to support plant reliability and reduce downtime risk. Maintenance costs to operating expenses increased to 0.56 (2024: 0.38), suggesting higher maintenance spend.

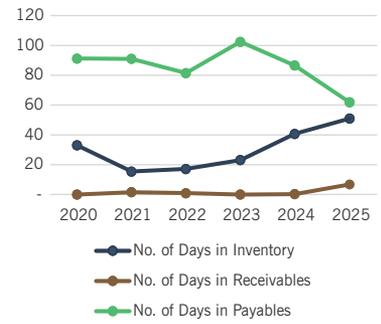
Gross Profit Ratio (%)



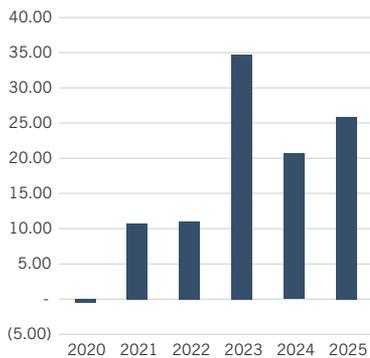
Current Ratio (%)



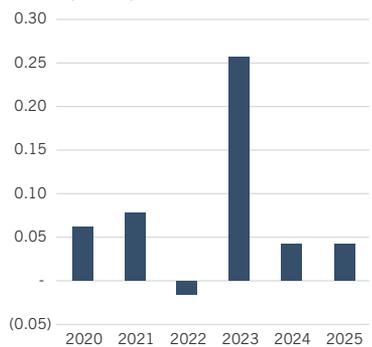
Days in Inventories, Receivables and Payables (Days)



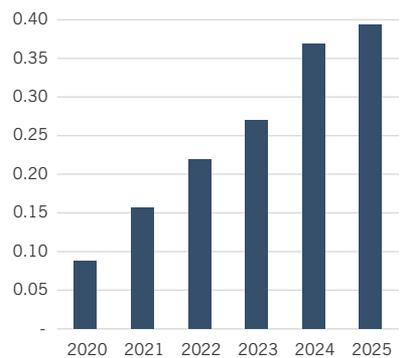
EBITDA Margin to Sales (%)



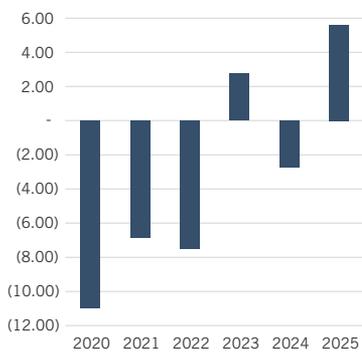
Cash Flows from Operations to Sales (Times)



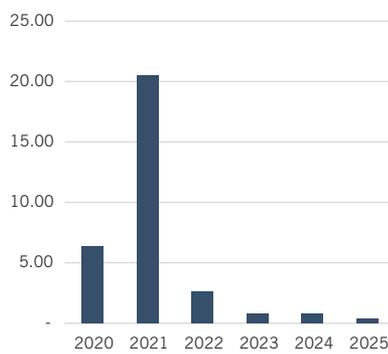
Total Assets Turnover (Times)



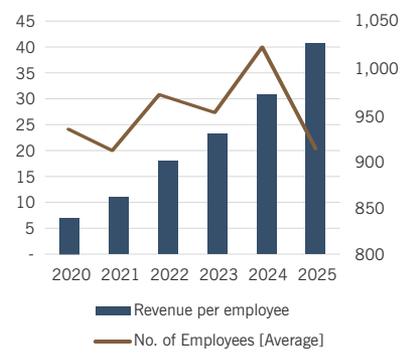
Earnings per Share (Rs.)



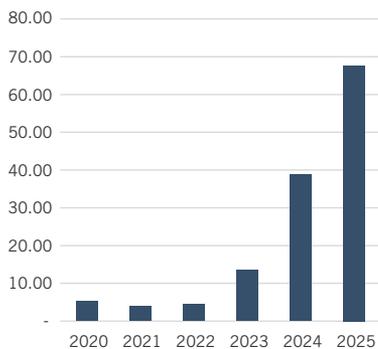
Financial Leverage Ratio (Times)



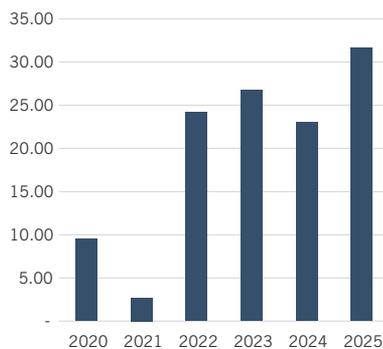
Revenue per Employee (Rs. M)



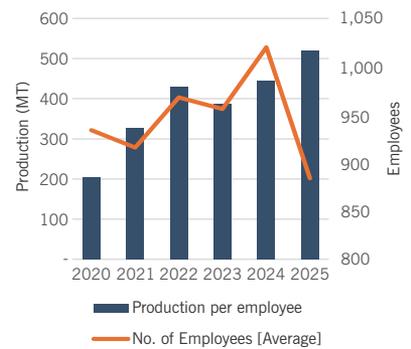
Market Value per Share (Rs.)



Net Assets per Share (Rs.)



Production per Employee (MT)



FINANCIAL PERFORMANCE

HORIZONTAL ANALYSIS OF STATEMENT OF FINANCIAL POSITION

Share Capital and Reserves

The horizontal change in share capital and reserves between 2019 and 2023 remained stable over the years. Issued capital increased by 8%, from Rs. 3,924 million in 2023 to Rs. 4,246 million in 2024, and by 41.1%, from Rs. 4,246 million in 2024 to Rs. 5,991 million in 2025, as a result of the conversion of preference shares into ordinary shares.

Year 2025 reflects the Company's return to profitability and a strengthening of the retained earnings position, as accumulated losses decreased by 14.3% compared to last year. In prior years, accumulated losses showed an increasing trend due to irregular gas supply to the urea plant and higher finance costs.

The surplus on revaluation of property, plant, and equipment increased by 11.5% to Rs. 35,691 million.

Non-current Liabilities

Following a significant increase in non-current liabilities in 2023 due to the impact of the Scheme of Arrangement, non-current liabilities declined by 13% to Rs. 29,561 million, from Rs. 33,860 million, indicating a gradual improvement in the Company's long-term risk profile.

A key driver of this reduction was the elimination of certain long-term instruments: redeemable capital decreased to nil (2024: Rs. 3,707 million) and convertible redeemable preference shares decreased to nil (2024: Rs. 1,485 million), reflecting settlement, reclassification, or conversion. In addition, long-term financing declined by 34% to Rs. 248 million, from Rs. 378 million.

Partly offsetting these reductions, deferred liabilities increased by 10% to Rs. 10,770 million, from Rs. 9,748 million, primarily due to a higher deferred tax liability arising from the revaluation surplus on fixed assets.

Overall, the non-current liability profile improved due to reductions in preference and other long-term instruments; however, deferred

liabilities should remain an area for ongoing monitoring.

Current Liabilities

Current liabilities increased moderately to Rs. 44,333 million from Rs. 41,416 million (up 7%), reflecting a shift in short-term obligations and composition. The most notable movement was current maturity of long-term liabilities rising to Rs. 4,379 million from Rs. 132 million, indicating higher reclassification of long-term repayments falling due within 12 months and increased near-term repayment pressure. Conversely, short-term secured borrowings reduced to Rs. 991 million from Rs. 2,058 million (down 52%), indicating reduced reliance on short-term bank lines. Trade and other payables also declined to Rs. 5,282 million from Rs. 7,748 million (down 32%), reflecting higher settlements and disciplined supplier management. Interest/markup accrued remained broadly stable at Rs. 2,762 million (2024: Rs. 2,748 million). Preference dividend payable increased to Rs. 29,602 million from Rs. 28,730 million (up 3%), remaining a significant component of current liabilities. Overall, while current liabilities rose, the structure reflects both repayment reclassification and continued management of short-term borrowings and payables.

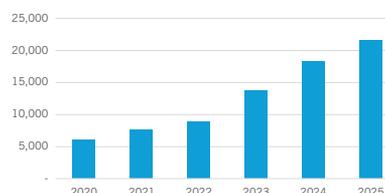
Non-current Assets

Non-current assets increased to Rs. 71,261 million from Rs. 66,782 million (up 7%), driven primarily by an increase in property, plant and equipment to Rs. 71,157 million from Rs. 66,694 million (up 7%), reflecting capex additions, asset capitalization, and/or revaluation impacts net of depreciation. Long-term loans and advances increased to Rs. 46 million from Rs. 27 million (up 69%), indicating higher long-term advances/deposits, while long-term deposits remained stable at Rs. 59 million (2024: Rs. 61 million). Overall, the non-current asset base expanded in a controlled manner, supporting operational capability and long-term capacity.

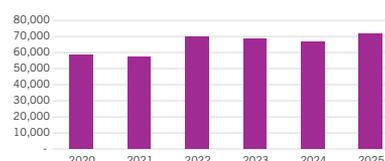
Current Assets

Current assets increased to Rs. 21,582 million from Rs. 18,226 million (up 18%), reflecting higher working capital deployment and a change in composition. Stores/spares rose to Rs. 2,924 million from Rs. 2,397 million (up 22%), indicating stronger spares coverage for reliability and operational continuity. Stock-in-trade reduced to Rs. 3,466 million from Rs. 4,399 million (down 21%), reflecting improved inventory movement and/or year-end stock normalization. Trade debts increased sharply to Rs. 987 million from Rs. 46 million, indicating higher receivables/credit exposure and/or timing of collections near year-end. Advances, deposits and other receivables increased to Rs. 5,178 million from Rs. 4,150 million (up 25%), suggesting higher prepayments/advances and other current balances. Tax refunds due from Government increased to Rs. 173 million from Rs. 27 million (up 540%), reflecting higher refund claims pending at year-end. Short-term investments increased to Rs. 8,722 million from Rs. 6,784 million (up 29%), showing improved treasury deployment, while cash and bank balances declined to Rs. 132 million from Rs. 423 million (down 69%), consistent with cash utilization and/or reallocation into investments and working capital. Overall, current assets grew, indicating higher working capital activity and greater emphasis on liquidity placement into short-term investments rather than idle cash.

Current assets
(Rs. in millions)

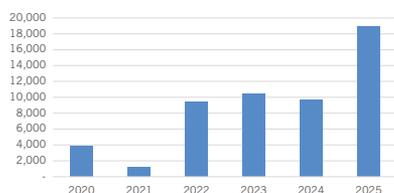


Non-current assets
(Rs. in millions)

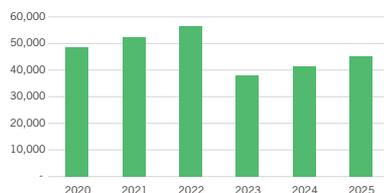


| | 2025 v 24 | | 2024 v 23 | | 2023 v 22 | | 2022 v 21 | | 2021 v 20 | | 2020 v 19 | |
|---|---------------|----------|---------------|----------|---------------|----------|---------------|-----------|---------------|----------|---------------|------------|
| | Rs. M | % | Rs. M | % | Rs. M | % |
| Equity and Liabilities | | | | | | | | | | | | |
| Share capital and reserves | | | | | | | | | | | | |
| Issued, subscribed and paid-up ordinary share capital | 5,991 | 41 | 4,246 | 8 | 3,924 | - | 3,924 | - | 3,924 | - | 3,924 | - |
| Reserves | 9 | - | 9 | - | 9 | - | 9 | - | 9 | - | 9 | - |
| Accumulated losses | (24,741) | (14) | (26,535) | 0 | (26,426) | (7) | (28,418) | 9 | (26,181) | 8 | (24,197) | 18 |
| Revaluation surplus | 35,691 | 11 | 32,012 | (3) | 32,998 | (3) | 33,902 | 45 | 23,436 | (3) | 24,137 | (2) |
| | 18,949 | 95 | 9,732 | (7) | 10,505 | 12 | 9,417 | 692 | 1,188 | (69) | 3,873 | (53) |
| Non-current liabilities | | | | | | | | | | | | |
| Redeemable capital | - | (100) | 3,707 | 17 | 3,170 | - | - | - | - | - | - | - |
| Long term finances | 248 | (34) | 378 | - | - | - | - | - | - | - | - | - |
| Convertible, redeemable preference shares | - | (100) | 1,485 | (7) | 1,593 | - | 1,593 | - | 1,593 | - | 1,593 | - |
| Non-convertible, redeemable preference shares | 18,543 | - | 18,543 | - | 18,543 | - | - | - | - | - | - | - |
| Long term payable | - | - | - | - | - | (100) | 551 | (52) | 1,158 | (33) | 1,740 | (22) |
| Deferred liabilities | 10,770 | 10 | 9,748 | (6) | 10,328 | (5) | 10,876 | 29 | 8,436 | (5) | 8,892 | (3) |
| | 29,561 | (13) | 33,860 | 1 | 33,635 | 158 | 13,020 | 16 | 11,187 | (8) | 12,226 | (6) |
| Current liabilities | | | | | | | | | | | | |
| Current maturity of long term liabilities | 4,379 | 3,214 | 132 | - | - | (100) | 19,269 | - | 19,269 | - | 19,279 | - |
| Short term borrowings-secured | 991 | (52) | 2,058 | (40) | 3,413 | (5) | 3,582 | 2 | 3,518 | (4) | 3,647 | 1 |
| Loan from related party | 1,318 | - | - | - | - | - | - | - | - | - | - | - |
| Trade and other payables | 5,282 | (32) | 7,748 | (2) | 7,928 | 72 | 4,620 | 15 | 4,023 | 75 | 2,297 | 26 |
| Interest / mark-up accrued on borrowings | 2,762 | 1 | 2,748 | (3) | 2,826 | (90) | 27,088 | 14 | 23,732 | 9 | 21,732 | 13 |
| Preference dividend payable | 29,602 | 3 | 28,730 | 20 | 23,853 | 1,151 | 1,907 | 10 | 1,731 | 11 | 1,556 | 13 |
| | 44,333 | 7 | 41,416 | 9 | 38,020 | (33) | 56,466 | 8 | 52,273 | 8 | 48,510 | 7 |
| Total Equity and Liabilities | 92,844 | 9 | 85,008 | 3 | 82,160 | 4 | 78,903 | 22 | 64,649 | - | 64,609 | (3) |
| Assets | | | | | | | | | | | | |
| Non-current assets | | | | | | | | | | | | |
| Property, plant and equipment | 71,157 | 7 | 66,694 | (2) | 68,336 | (2) | 69,925 | 23 | 56,965 | (3) | 58,536 | (3) |
| Intangible assets | - | - | - | - | - | - | - | - | 1 | - | - | - |
| Long term loans and advances | 46 | (69) | 27 | 10 | 25 | 44 | 17 | 22 | 14 | 17 | 12 | (16) |
| Long term deposits | 59 | (3) | 61 | 11 | 55 | - | 55 | (5) | 58 | (2) | 59 | 31 |
| | 71,261 | 7 | 66,782 | (2) | 68,416 | (2) | 69,998 | 23 | 57,038 | (3) | 58,607 | (2) |
| Current assets | | | | | | | | | | | | |
| Stores, spare parts and loose tools | 2,924 | 22 | 2,397 | 8 | 2,223 | (1) | 2,246 | 9 | 2,054 | - | 2,052 | (2) |
| Advance against restructuring scheme | - | - | - | - | - | (100) | 891 | - | - | - | - | - |
| Stock-in-trade | 3,466 | (21) | 4,399 | 271 | 1,186 | 11 | 1,063 | 193 | 362 | (21) | 457 | (42) |
| Trade debts | 987 | 2,055 | 46 | - | - | - | - | (100) | 89 | - | - | - |
| Advance, deposits, prepayments and other receivables | 5,178 | 25 | 4,150 | (1) | 4,205 | 3 | 4,080 | 8 | 3,771 | 47 | 2,570 | (11) |
| Tax refunds due from Government | 173 | 540 | 27 | (67) | 83 | (13) | 95 | (35) | 147 | 14 | 128 | (11) |
| Short term investments | 8,722 | 29 | 6,784 | 23 | 5,527 | - | - | (100) | 104 | - | - | - |
| Cash and bank balances | 132 | (69) | 423 | (19) | 520 | (2) | 529 | (51) | 1,084 | 36 | 795 | 41 |
| | 21,582 | 18 | 18,226 | 33 | 13,745 | 54 | 8,906 | (17) | 7,611 | 27 | 6,003 | (7) |
| Total Assets | 92,844 | 9 | 85,008 | 3 | 82,160 | 4 | 78,903 | 22 | 64,649 | - | 64,609 | (3) |

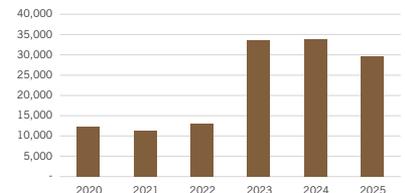
Share capital and reserves
(Rs. in millions)



Current Liabilities
(Rs. in millions)



Non-current Liabilities
(Rs. in millions)



FINANCIAL PERFORMANCE

VERTICAL ANALYSIS OF STATEMENT OF FINANCIAL POSITION

| | 2025 | | 2024 | | 2023 | | 2022 | | 2021 | | 2020 | |
|---|---------------|------------|---------------|------------|---------------|------------|---------------|------------|---------------|------------|---------------|------------|
| | Rs. M | % |
| Equity and Liabilities | | | | | | | | | | | | |
| Share capital and reserves | | | | | | | | | | | | |
| Issued, subscribed and paid-up ordinary share capital | 5,991 | 6 | 4,246 | 5 | 3,924 | 5 | 3,924 | 5 | 3,924 | 6 | 3,924 | 6 |
| Reserves | 9 | - | 9 | - | 9 | - | 9 | - | 9 | - | 9 | - |
| Accumulated losses | (22,741) | (24) | (26,535) | 31 | (26,426) | (32) | (28,418) | 36 | (26,181) | 40 | (24,197) | 37 |
| Revaluation surplus | 35,691 | 38 | 32,012 | 38 | 32,998 | 40 | 33,902 | 43 | 23,436 | 36 | 24,137 | 37 |
| | 18,949 | 20 | 9,732 | 11 | 10,505 | 13 | 9,417 | 12 | 1,188 | 2 | 3,873 | 6 |
| Non-current liabilities | | | | | | | | | | | | |
| Redeemable capital | - | - | 3,707 | 4 | 3,170 | 4 | - | - | - | - | - | - |
| Long term finances | 248 | - | 378 | - | - | - | - | - | - | - | - | - |
| Convertible, redeemable preference shares | - | - | 1,485 | 2 | 1,593 | 2 | 1,593 | 2 | 1,593 | 2 | 1,593 | 2 |
| Non-convertible, redeemable preference shares | 18,543 | 20 | 18,543 | 22 | 18,543 | 23 | - | - | - | - | - | - |
| Long term payable | - | - | - | - | - | - | 551 | 1 | 1,158 | 2 | 1,740 | 3 |
| Deferred liabilities | 10,770 | 12 | 9,748 | 11 | 10,328 | 13 | 10,876 | 14 | 8,436 | 13 | 8,892 | 14 |
| | 29,561 | 32 | 33,860 | 40 | 33,635 | 41 | 13,020 | 17 | 11,187 | 17 | 12,226 | 19 |
| Current liabilities | | | | | | | | | | | | |
| Current maturity of long term liabilities | 4,379 | 5 | 132 | - | - | - | 19,269 | 24 | 19,269 | 30 | 19,279 | 30 |
| Short term borrowings-secured | 991 | 1 | 2,058 | 2 | 3,413 | 4 | 3,582 | 5 | 3,518 | 5 | 3,647 | 6 |
| Loan from related party | 1,318 | 1 | - | - | - | - | - | - | - | - | - | - |
| Trade and other payables | 5,282 | 6 | 7,748 | 9 | 7,928 | 10 | 4,620 | 6 | 4,023 | 6 | 2,297 | 4 |
| Interest / mark-up accrued on borrowings | 2,762 | 3 | 2,748 | 3 | 2,826 | 3 | 27,088 | 34 | 23,732 | 37 | 21,732 | 34 |
| Preference dividend payable | 29,602 | 32 | 28,730 | 34 | 23,853 | 29 | 1,907 | 2 | 1,731 | 3 | 1,556 | 2 |
| | 44,333 | 48 | 41,416 | 49 | 38,020 | 46 | 56,466 | 72 | 52,273 | 81 | 48,510 | 75 |
| Total Equity and Liabilities | 92,844 | 100 | 85,008 | 100 | 82,160 | 100 | 78,903 | 100 | 64,649 | 100 | 64,609 | 100 |
| Assets | | | | | | | | | | | | |
| Non-current assets | | | | | | | | | | | | |
| Property, plant and equipment | 71,157 | 77 | 66,694 | 78 | 68,336 | 83 | 69,925 | 89 | 56,965 | 88 | 58,536 | 91 |
| Intangible assets | - | - | - | - | - | - | - | - | - | - | - | - |
| Long term loans and advances | 46 | - | 27 | - | 25 | - | 17 | - | 14 | - | 12 | - |
| Long term deposits | 59 | - | 61 | - | 55 | - | 55 | - | 58 | - | 59 | - |
| | 71,261 | 77 | 66,782 | 79 | 68,416 | 83 | 69,998 | 89 | 57,038 | 88 | 58,607 | 91 |
| Current assets | | | | | | | | | | | | |
| Stores, spare parts and loose tools | 2,924 | 3 | 2,397 | 3 | 2,223 | 3 | 2,246 | 3 | 2,054 | 3 | 2,052 | 3 |
| Advance against restructuring scheme | - | - | - | - | - | - | 891 | 1 | - | - | - | - |
| Stock-in-trade | 3,466 | 4 | 4,399 | 5 | 1,186 | 1 | 1,063 | 1 | 362 | 1 | 457 | 1 |
| Trade debts | 987 | 1 | 46 | - | - | - | - | - | 89 | - | - | - |
| Advance, deposits, prepayments and other receivables | 5,178 | 6 | 4,150 | 5 | 4,205 | 5 | 4,080 | 5 | 3,771 | 6 | 2,570 | 4 |
| Tax refunds due from Government | 173 | - | 27 | - | 83 | - | 95 | - | 147 | - | 128 | - |
| Short Term Investments | 8,722 | 9 | 6,784 | 8 | 5,527 | 7 | - | - | 104 | - | - | - |
| Cash and bank balances | 132 | - | 423 | - | 520 | 1 | 529 | 1 | 1,084 | 2 | 795 | 1 |
| | 21,582 | 23 | 18,226 | 21 | 13,745 | 17 | 8,906 | 11 | 7,611 | 12 | 6,003 | 9 |
| Total Assets | 92,844 | 100 | 85,008 | 100 | 82,160 | 100 | 78,903 | 100 | 64,649 | 100 | 64,609 | 100 |

Share Capital and Reserves

The share capital and reserves as a percentage of total equity and liabilities increased to 20% in 2025, compared to prior years when it remained in the range of 11%–13%. This reflects a major improvement in the Company's capital structure, supported by:

Higher revaluation surplus (38% of total assets in 2025);

Reduction in accumulated losses (less negative in 2025: (24%) vs (31%) in 2024); and

Increase in ordinary share capital (6% vs 5%).

With a consistent gas supply to the urea plant, operational profitability has increased significantly. Additionally, with the decline in KIBOR, the Company is expected to perform better in the coming years.

Non Current Liabilities

Non-current liabilities decreased to 32% in 2025 from 40% in 2024, indicating a reclassification, settlement, or an overall structural shift in the liability profile.

Redeemable capital reduced to nil in 2025 (2024: 4%), primarily due to reclassification to current liabilities.

Convertible preference shares declined sharply from 2% in 2024 to near nil in 2025, mainly due to their conversion into ordinary shares.

Current Liabilities

Current liabilities remain the largest block at 48% (2025) vs 49% (2024).

Preference dividend payable continues to dominate at 32% (2025) vs 34% (2024) being accrued @ 1YK + 4%.

Trade & other payables reduced to 6% (2025) from 9% (2024).

Current portion of non-current liabilities rose to 5% (2025) from 0.16% (2024), due to reclassification maturity of non-current liability in next year.

Loan from related party is related to principal amount of loans originally payable to financial institution which have been assumed by FFCL.

Non Current Assets

Non-current assets represent 77% (2025) vs 78% (2024), indicating a slight shift toward current assets especially short term investments and bank balances and stock in trade.

PPE remains the dominant line item at 77% (2025) vs 78% (2024). The share decreased slightly, despite an absolute increase, mainly due to faster growth in current assets.

Current Assets

Current assets increased to 23% (2025) from 21% (2024).

Short-term investments increased to 9% (2025) from 8% (2024), a notable contributor to higher current assets.

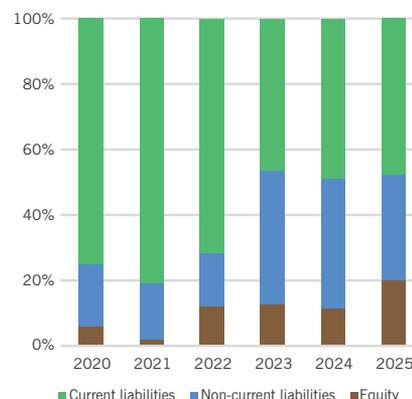
Advances / other receivables increased to 6% (2025) from 5% (2024).

Trade debts increased materially to 1% (2025) from 0.05% (2024), due to sale on credit.

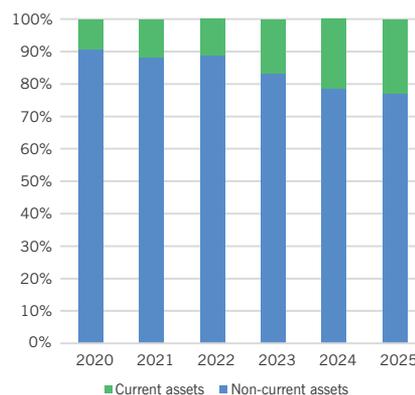
Stock-in-trade reduced to 4% (2025) from 5% (2024), suggests inventory improved turnover.

Cash and bank balances decreased to 0.14% (2025) from 1% (2024), tighter liquidity / redeployment into investments.

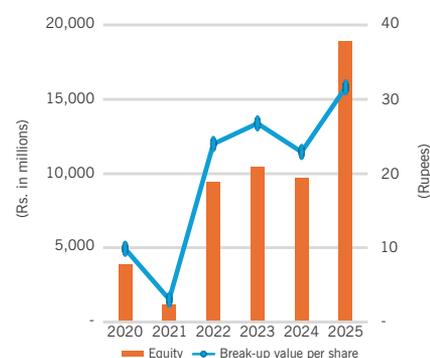
Equity and Liabilities (%)



Assets (%)



Equity and Break up Value per Share



FINANCIAL PERFORMANCE

HORIZONTAL ANALYSIS OF STATEMENT OF PROFIT OR LOSS

| | 2025 v 24 | | 2024 v 23 | | 2023 v 22 | | 2022 v 21 | | 2021 v 20 | | 2020 v 19 | |
|---|-----------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|
| | Rs. M | % |
| Sales | 35,880 | 15 | 31,307 | 41 | 22,172 | 28 | 17,296 | 71 | 10,101 | 77 | 5,700 | (53) |
| Cost of sales | (29,838) | 19 | (25,041) | 41 | (17,774) | 17 | (15,175) | 57 | (9,691) | 41 | (6,872) | (35) |
| Gross profit/(loss) | 6,043 | (4) | 6,266 | 41 | 4,399 | 107 | 2,122 | 418 | 410 | (135) | (1,173) | (175) |
| Selling and distribution expenses | (2,425) | 104 | (1,186) | 76 | (673) | 5 | (639) | 81 | (352) | 58 | (222) | (58) |
| Administrative and general expenses | (973) | 19 | (819) | 27 | (646) | 34 | (481) | 30 | (370) | 14 | (323) | 9 |
| | (3,398) | 69 | (2,005) | 52 | (1,319) | 18 | (1,120) | 55 | (722) | 32 | (546) | (34) |
| Operating profit/(loss) | 2,645 | (38) | 4,260 | 38 | 3,080 | 207 | 1,002 | (420) | (313) | (82) | (1,719) | (329) |
| Other expenses | (568) | 39 | (410) | 543 | (64) | 69 | (38) | - | - | (100) | (5) | 249 |
| Finance cost | (4,237) | (40) | (7,014) | 15 | (6,098) | 42 | (4,285) | 53 | (2,805) | (5) | (2,945) | (11) |
| Other income | 5,270 | 153 | 2,081 | (47) | 3,929 | 3,647 | 105 | 4 | 101 | (45) | 183 | (88) |
| Profit/(loss) before final/minimum taxes and taxation | 3,109 | 337 | (1,083) | (228) | 847 | (126) | (3,216) | 7 | (3,018) | (33) | (4,487) | 362 |
| Final and minimum taxes | - | (100) | (613) | 95 | (314) | 45 | (216) | 71 | (126) | 48 | (85) | (53) |
| Profit/(loss) before taxation | 3,109 | 487 | (1,696) | (133) | 534 | (81) | (3,432) | 78 | (3,144) | 15 | (4,572) | 309 |
| Taxation for the year | (214) | (137) | 582 | 5 | 552 | 15 | 479 | 3 | 463 | 68 | 275 | (45) |
| Profit/(loss) after taxation | 2,895 | 360 | (1,114) | (203) | 1,086 | (137) | (2,953) | 10 | (2,681) | (38) | (4,297) | 558 |

Sales and Cost of Sales

Over the period 2020–2025, Agritech's topline reflects a clear growth trajectory after the pandemic-induced contraction in 2020. Sales recovered from Rs. 5,700 million in 2020 to Rs. 22,172 million in 2023, rose further to Rs. 31,307 million in 2024, and increased to Rs. 35,880 million in 2025 (up 15% YoY), supported by improved fertilizer offtake and stronger year-end demand momentum. In line with higher activity levels, cost of sales increased to Rs. (29,838) million in 2025 (up 19% YoY) largely driven by higher gas prices and inflationary pressures.

Gross Profit

During last five years AGL has demonstrated a steadfast ability to improve its gross portability from a loss of Rs. 1,173 million in 2020 to notable Rs. 6.3 billion in 2024. However, during 2025 gross margin compression inspite of higher sales, mainly from competitive pricing/discounting in a long-supply market and higher direct cost pressure.

Operating Expenses

Operating expenses have seen a significant increase from 2020 by increasing from Rs. 821 m to Rs 3,398m, particularly the freight and distribution expenses due to increased sales volume and inflationary impact. Administrative and general expenses have grown in line with the inflation.

Operating Profit

During last five years AGL has demonstrated a steadfast ability to improve its profitability. However, during the year operating profit reduced primarily because the benefit of higher sales volumes was offset by lower gross profit and a materially higher operating expense base. As a result, operating margin came under pressure during the year.

Finance Cost

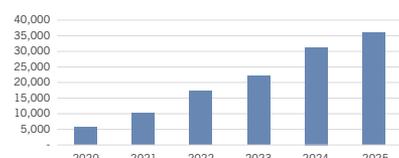
Below the operating line, the performance improved significantly in 2025 due to a favorable shift in finance and other income lines. Finance cost reduced to Rs. (4,237) million (down 40% YoY) compared to Rs. (7,014) million in 2024, easing pressure on profitability. In parallel, other income increased sharply to Rs. 5,270 million (up 153% YoY) versus Rs. 2,081 million in 2024, reflecting improved non-operating income and notable gains/adjustments captured during the year. Although other expenses increased to Rs. (568) million (up 39% YoY), the combined impact of lower finance cost and higher other income more than offset operating margin compression.

Taxation

As a result, the Company recorded a strong turnaround in profitability, with profit before taxation improving to Rs. 3,109 million compared to a loss of Rs. (1,696) million in 2024, and profit after taxation improving to Rs. 2,895 million compared to a loss of

Rs. (1,114) million in 2024. Overall, the horizontal analysis indicates that while 2025 benefitted from topline expansion and a major improvement below the operating line (notably finance cost reduction and higher other income), sustaining performance going forward will require continued focus on gross margin protection and operating cost discipline, especially selling and distribution intensity, to ensure that core operating profitability strengthens alongside earnings visibility.

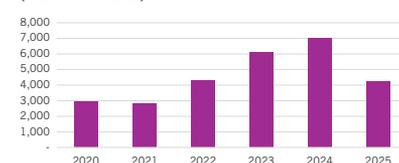
Sales
(Rs. in millions)



Operating Expenses
(Rs. in millions)



Finance Cost
(Rs. in millions)



VERTICAL ANALYSIS OF STATEMENT OF PROFIT OR LOSS

| | 2025 | | 2024 | | 2023 | | 2022 | | 2021 | | 2020 | |
|---|----------|------|----------|------|----------|------|----------|------|---------|------|---------|-------|
| | Rs. M | % | Rs. M | % | Rs. M | % |
| Sales | 35,880 | 100 | 31,307 | 100 | 22,172 | 100 | 17,296 | 100 | 10,101 | 100 | 5,700 | 100 |
| Cost of sales | (29,838) | (83) | (25,041) | (80) | (17,774) | (80) | (15,175) | (88) | (9,691) | (96) | (6,872) | (121) |
| Gross profit/(loss) | 6,043 | 17 | 6,266 | 20 | 4,399 | 20 | 2,122 | 12 | 410 | 4 | (1,173) | (21) |
| Selling and distribution expenses | (2,425) | (7) | (1,186) | (4) | (673) | (3) | (639) | (4) | (352) | (3) | (222) | (4) |
| Administrative and general expenses | (973) | (3) | (819) | (3) | (646) | (3) | (481) | (3) | (370) | (4) | (323) | (6) |
| | (3,398) | (9) | (2,005) | (6) | (1,319) | 6 | (1,120) | (6) | (722) | (7) | (546) | (10) |
| Operating profit/(loss) | 2,645 | 7 | 4,260 | 14 | 3,080 | 14 | 1,002 | 6 | (313) | (3) | (1,719) | (30) |
| Other expenses | (568) | (2) | (410) | (1) | (64) | - | (38) | - | - | - | - | - |
| Finance cost | (4,237) | (12) | (7,014) | (22) | (6,098) | (28) | (4,285) | (25) | (2,805) | (28) | (2,945) | (52) |
| Other income | 5,270 | 15 | 2,081 | 7 | 3,929 | 18 | 105 | 1 | 101 | 1 | 183 | 3 |
| Profit/(loss) before final/minimum taxes and taxation | 3,109 | 9 | (1,083) | (3) | 847 | 4 | (3,216) | (19) | (3,018) | (30) | (4,487) | (79) |
| Final and minimum taxes | - | - | (613) | (2) | (314) | (1) | (216) | (1) | (126) | (1) | (85) | (2) |
| Profit/(loss) before taxation | 3,109 | 9 | (1,696) | (5) | 534 | 2 | (3,432) | (20) | (3,144) | (31) | (4,572) | (80) |
| Taxation for the year | (214) | (1) | 582 | 2 | 552 | 2 | 479 | 3 | 463 | 5 | 275 | 5 |
| Profit/(loss) after taxation | 2,895 | 8 | (1,114) | (4) | 1,086 | 5 | (2,953) | (17) | (2,681) | (27) | (4,297) | (75) |

Gross Profit

Upto 2024 Significant improvement has been observed in the gross profit margins due to consistent gas supply to urea plant. Gross profit declined despite higher sales as margins tightened due to competitive pricing/discounting and market conditions during part of the year.

Operating Profit

The increasing trend in operating profit reversed in 2025, primarily because the benefit of higher sales volumes was offset by lower gross profit and a materially higher operating expense base. As a result, the operating margin came under pressure during the year.

Finance Cost

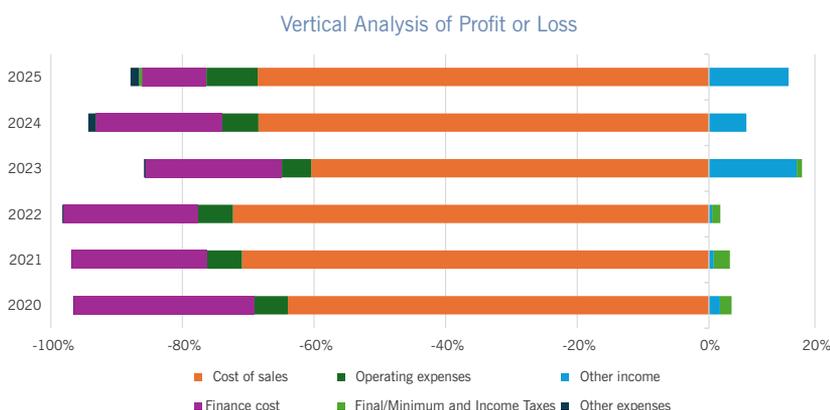
Finance cost declined sharply resulting from decline in policy rate by central bank and reduced borrowing/markup burden during the year. The reduction in finance cost was a major driver of the overall earnings turnaround.

Other Income

Other income increased substantially, driven by significant non-operating income items during the year. Key contributors included one-off gains such as the gain on conversion of convertible preference shares and the reversal of LPS on GIDC.

Profit after Tax

Profit after tax improved significantly, driven mainly by the sharp reduction in finance costs and higher other income.

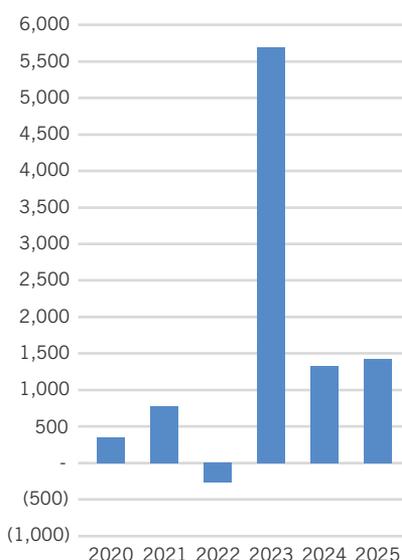


FINANCIAL PERFORMANCE

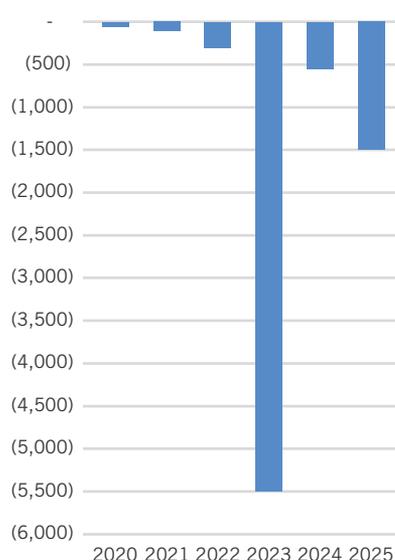
CASH FLOWS

| Rs. in million | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---------|---------|---------|---------|---------|---------|
| Summary of Statement of Cash Flows | | | | | | |
| Cash flow from operating activities | | | | | | |
| Profit/(loss) before taxation | 3,109 | (1,083) | 847 | (3,216) | (3,018) | (4,487) |
| Adjustments for non-cash items | 1,469 | 6,834 | 3,332 | 5,297 | 4,212 | 4,520 |
| Changes in working capital | (2,370) | (3,868) | 1,814 | (2,170) | (263) | 432 |
| Cash generated from/(used in) operations | 2,208 | 1,883 | 5,993 | (89) | 932 | 465 |
| Income tax paid | (742) | (557) | (302) | (158) | (146) | (84) |
| Staff retirement benefits paid | (6) | 11 | (0) | (15) | (3) | (18) |
| Long term loans and advances | (19) | (3) | (7) | (3) | (2) | 2 |
| Long term deposits | - | (6) | (0) | 3 | 1 | (14) |
| Net cash generated from/(used in) operating activities | 1,442 | 1,329 | 5,684 | (262) | 782 | 351 |
| Cash flow from investing activities | | | | | | |
| Capital expenditure incurred | (443) | (396) | (305) | (511) | (36) | (89) |
| Proceeds from disposal | 7 | 1 | 11 | 30 | 10 | - |
| Short term investments | (1,938) | (1,257) | (5,465) | 104 | (104) | - |
| Interest income received | 845 | 1,102 | 268 | 78 | 21 | 31 |
| Net cash used in investing activities | (1,529) | (550) | (5,492) | (300) | (110) | (58) |
| Cash flow from financing activities | | | | | | |
| Long term finances | - | - | (15) | - | (10) | (25) |
| Short term borrowings | 712 | (133) | (15) | (30) | - | (0) |
| Finance cost paid | (16) | (27) | (17) | (56) | (245) | (56) |
| Net cash generated from/(used in) financing activities | 696 | (159) | (47) | (86) | (254) | (82) |
| Net increase/(decrease) in cash and cash equivalents | 609 | 620 | 145 | (648) | 417 | 212 |
| Cash and cash equivalents at beginning of the year | (1,389) | (2,009) | (2,154) | (1,506) | (1,923) | (2,135) |
| Cash and cash equivalents at the end of the year | (780) | (1,389) | (2,009) | (2,154) | (1,506) | (1,923) |
| Free Cash Flows | | | | | | |
| Profit/(loss) before taxation | (3,109) | (1,083) | 847 | (3,216) | (3,018) | (4,487) |
| Adjustments for non-cash items | 1,469 | 6,549 | 3,332 | 5,297 | 4,212 | 4,520 |
| Changes in working capital | 2,370 | (3,584) | 1,814 | (2,170) | (263) | 432 |
| Payments for income tax, staff retirement benefits etc. | (767) | (554) | (310) | (173) | (151) | (114) |
| Cash generated from operating activities | 1,442 | 1,329 | 5,684 | (262) | 782 | 351 |
| Capital expenditure incurred | (443) | (396) | (305) | (511) | (36) | (89) |
| Free Cash Flows | 999 | 932 | 5,378 | (774) | 745 | 262 |

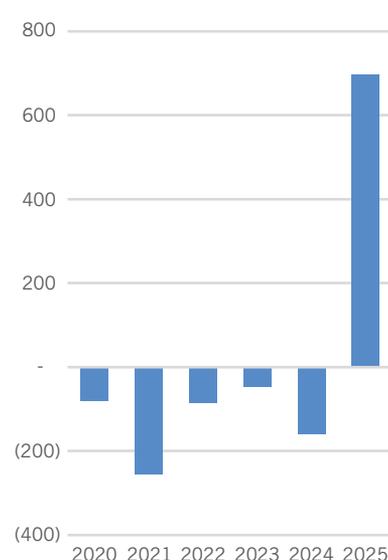
Cash Flows from Operating Activities
(Rs. in millions)



Cash Flows from Investing Activities
(Rs. in millions)



Cash Flows from Financing Activities
(Rs. in millions)



Direct Method Cash Flows

| Rs. in million | 2025 | 2024 |
|--|----------|----------|
| Cash Flows From Operating Activities | | |
| Cash receipts from customers - net | 34,142 | 28,540 |
| Cash paid to suppliers / service providers and employees - net | (31,952) | (26,654) |
| Payment to gratuity fund | (6) | (0) |
| Income tax paid | (742) | (557) |
| Net cash generated from operations | 1,442 | 1,329 |
| Cash Flows From Investing Activities | | |
| Fixed capital expenditure | (443) | (396) |
| Proceeds from disposal of fixed assets | 7 | 1 |
| Interest received | 845 | 1,102 |
| Investment in T.bills | (1,938) | (1,257) |
| Net cash used from investing activities | (1,529) | (550) |
| Cash Flows From Financing Activities | | |
| Finance cost paid | (16) | (27) |
| Repayment of short term loans | 712 | (133) |
| Net cash used in financing activities | 696 | (159) |
| Net decrease in cash and cash equivalents | 609 | 620 |
| Cash and cash equivalents at beginning of the year | (1,389) | (2,009) |
| Cash and cash equivalents at end of the year | (780) | (1,389) |

Cash Flow from Operating Activities

In 2025, operating cash flows remained positive, with net cash generated from operating activities of Rs. 1,442 million (2024: Rs. 1,329 million). The improvement was achieved despite continued working-capital absorption. Profit before taxation improved significantly to Rs. 3,109 million (2024: loss of Rs. 1,083 million), reflecting the turnaround in profitability. However, non-cash adjustments reduced to Rs. 1,469 million (2024: Rs. 6,549 million), indicating a lower level of non-cash charges/credits compared to the prior year.

Working-capital movements remained a key driver, with changes in working capital of Rs. (2,370) million (2024: Rs. (3,584) million), reflecting continued funding needs related to inventory/receivables/other balances, although the absorption was lower than last year. Consequently, cash generated from operations increased to Rs. 2,209 million (2024: Rs. 1,883 million). Outflows increased for income tax paid to Rs. (742) million (2024: Rs. (557) million), consistent with improved taxable profitability and settlement timing. Other operating cash movements remained contained, including staff retirement benefits paid Rs. (6) million and long-term loans and advances Rs. (19) million. Overall, operating cash performance improved modestly, while continued emphasis on working-capital discipline remains important.

Cash Flow from Investing Activities

Net cash used in investing activities increased to Rs. (1,529) million (2024: Rs. (550) million), reflecting higher treasury deployment and continued investment in the asset base. Capital expenditure increased to Rs. (443) million (2024: Rs. (396) million), indicating sustained

spending on operational continuity, reliability and asset integrity. Additionally, short-term investments increased to Rs. (1,938) million (2024: Rs. (1,257) million), demonstrating greater placement of funds into short-term instruments during the year. Interest income received remained strong at Rs. 845 million (2024: Rs. 1,102 million), though lower year-on-year, consistent with lower yields and/or changes in average investible balances. Proceeds from disposal were nominal at Rs. 7 million. Overall, investing outflows reflect a mix of selective capex and increased short-term investment placement.

Cash Flow from Financing Activities

Financing activities shifted to a net inflow in 2025, with net cash generated from financing activities of Rs. 696 million (2024: net outflow Rs. (159) million). The primary driver was due to settlement of running finance facility by related party, the loans have been reclassified from cash & cash equivalents to short term borrowings. Finance cost paid reduced to Rs. (16) million (2024: Rs. (27) million), consistent with improved financing discipline and reduced payment burden. No long-term finance flows were recorded in 2025.

Cash and Cash Equivalents

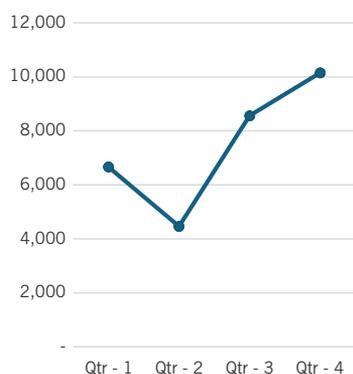
The Company recorded a net increase in cash and cash equivalents of Rs. 609 million during 2025 (2024: Rs. 620 million). Cash and cash equivalents improved from Rs. (1,389) million at the beginning of the year to Rs. (780) million at year-end, reflecting improved liquidity position. This improvement was driven mainly by positive operating cash flows and net financing inflows, partially offset by higher investing outflows, particularly higher short-term investment placements and CAPEX.

FINANCIAL PERFORMANCE

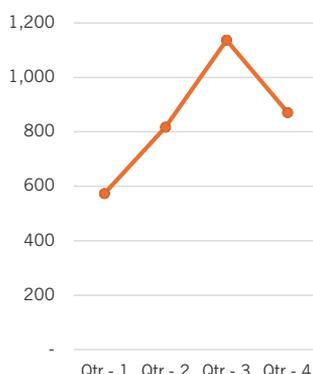
QUARTERLY ANALYSIS

| Rs. in million | 1 st Quarter | 2 nd Quarter | 3 rd Quarter | 4 th Quarter | Annual |
|--|-------------------------|-------------------------|-------------------------|-------------------------|--------------|
| Sales | 7,544 | 5,664 | 10,417 | 12,255 | 35,880 |
| Cost of sales | (6,664) | (4,463) | (8,560) | (10,151) | (29,838) |
| Gross profit/(loss) | 880 | 1,201 | 1,857 | 2,105 | 6,043 |
| Operating expenses | (573) | (817) | (1,137) | (871) | (3,398) |
| Operating profit/(loss) | 307 | 384 | 720 | 1,234 | 2,645 |
| Other expenses | - | (525) | 8 | (51) | (568) |
| Finance cost | (1,023) | (1,000) | (1,046) | (1,168) | (4,237) |
| Other income | 416 | 4,433 | 167 | 254 | 5,270 |
| Profit/(loss) before final/minimum taxes and taxation | (300) | 3,292 | (151) | 268 | 3,109 |
| Final and minimum taxes | (127) | (774) | 6 | 895 | - |
| Profit/(loss) before and taxation | (427) | 2,518 | (145) | 1,163 | 3,109 |
| Taxation for the year | 188 | (39) | 105 | (468) | (214) |
| Profit/(loss) after taxation | (239) | 2,479 | (40) | 695 | 2,895 |
| Earnings/(loss) per share | (0.56) | 4.14 | (0.08) | 1.86 | 5.36 |

Cost of Sales
(Rs. in millions)



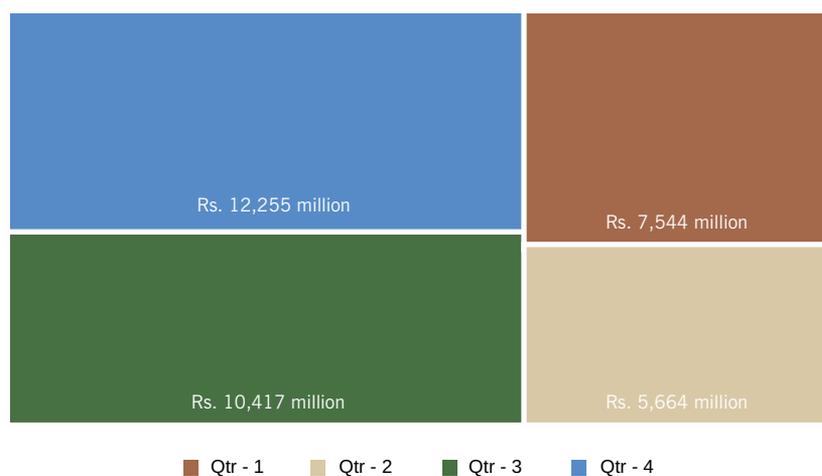
Operating Expenses
(Rs. in millions)



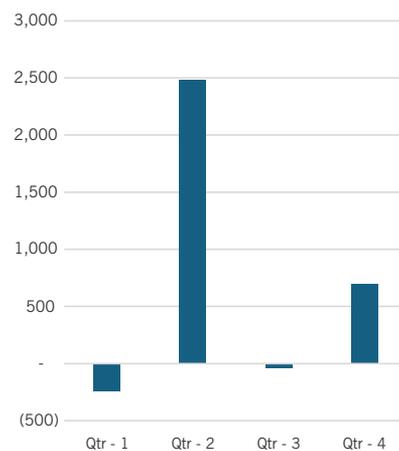
Finance Cost
(Rs. in millions)



Sales
(Rs. in millions)



Profit/(loss) after taxation
(Rs. in millions)





Sales



Operating Profit / Loss



Net Profit / Loss

Quarter 1

Urea production in Q1 2025 was 67K tons compared to higher production in Q1 2024. Urea sales during the quarter were 89K tons. SSP production stood at 17K tons, while SSP sales were 6K tons.

Total production during Q1 2025 was 84K tons, while total sales reached 95K tons, reflecting inventory drawdown.

Sales revenue amounted to Rs. 7,544 million compared to higher sales in Q1 2024 (Rs. 9,241 million). Gross profit stood at Rs. 880 million as compared to higher GP in Q1 2024 (Rs. 1,634 million).

The Company reported an operating profit of Rs. 307 million in Q1 2025, lower than the corresponding quarter of 2024 due to reduced margins.

Other income amounted to Rs. 416 million.

After taxation, the Company reported a net loss of Rs. 239 million in Q1 2025 compared to a significantly lower loss in Q1 2024 (Rs. 173 million).

The improvement is primarily attributable to better operational control, although finance costs continued to weigh on profitability.

Quarter 2

Urea production increased to 101K tons in Q2 2025; however, sales declined to 58K tons. SSP production was 21K tons, while SSP sales were 17K tons.

Total production stood at 122K tons compared to total sales of 75K tons.

Sales revenue amounted to Rs. 5,664 million, higher than Q2 2024 (Rs. 5,065 million). Gross profit improved to Rs. 1,201 million due to better pricing and cost management (2024: Rs. 713 million).

Operating profit stood at Rs. 384 million compared to stronger performance in Q2 2024 (Rs. 305 million).

The quarter benefited from other income of Rs. 4,433 million.

The Company recorded a net profit of Rs. 2,479 million in Q2 2025 compared to a loss in Q2 2024 (Rs. 1,062 million).

The turnaround was mainly driven by substantial non-operating income.

Quarter 3

Urea production during Q3 2025 was 102K tons, while sales increased to 112K tons. SSP production stood at 23K tons, and SSP sales were 30K tons.

Total production reached 125K tons, while total sales amounted to 142K tons.

Sales revenue increased significantly to Rs. 10,417 million compared to Q3 2024 (Rs. 4,172 million). Gross profit stood at Rs. 1,857 million vs Rs. 1,040 for Q3 2024.

Operating profit improved to Rs. 720 million in Q3 2025 compared to Rs. 548 million in Q3 2024.

The improvement is attributable to cost efficiencies and control.

The Company reported a marginal net loss of Rs. 40 million in Q3 2025 compared to a loss of Rs. 850 million in Q3 2024.

The improvement was attributed to lower finance costs.

Quarter 4

Urea production increased to 104K tons in Q4 2025, while sales rose to 131K tons. SSP production stood at 25K tons, and SSP sales were 37K tons.

Total production during the quarter was 129K tons, while total sales reached 168K tons.

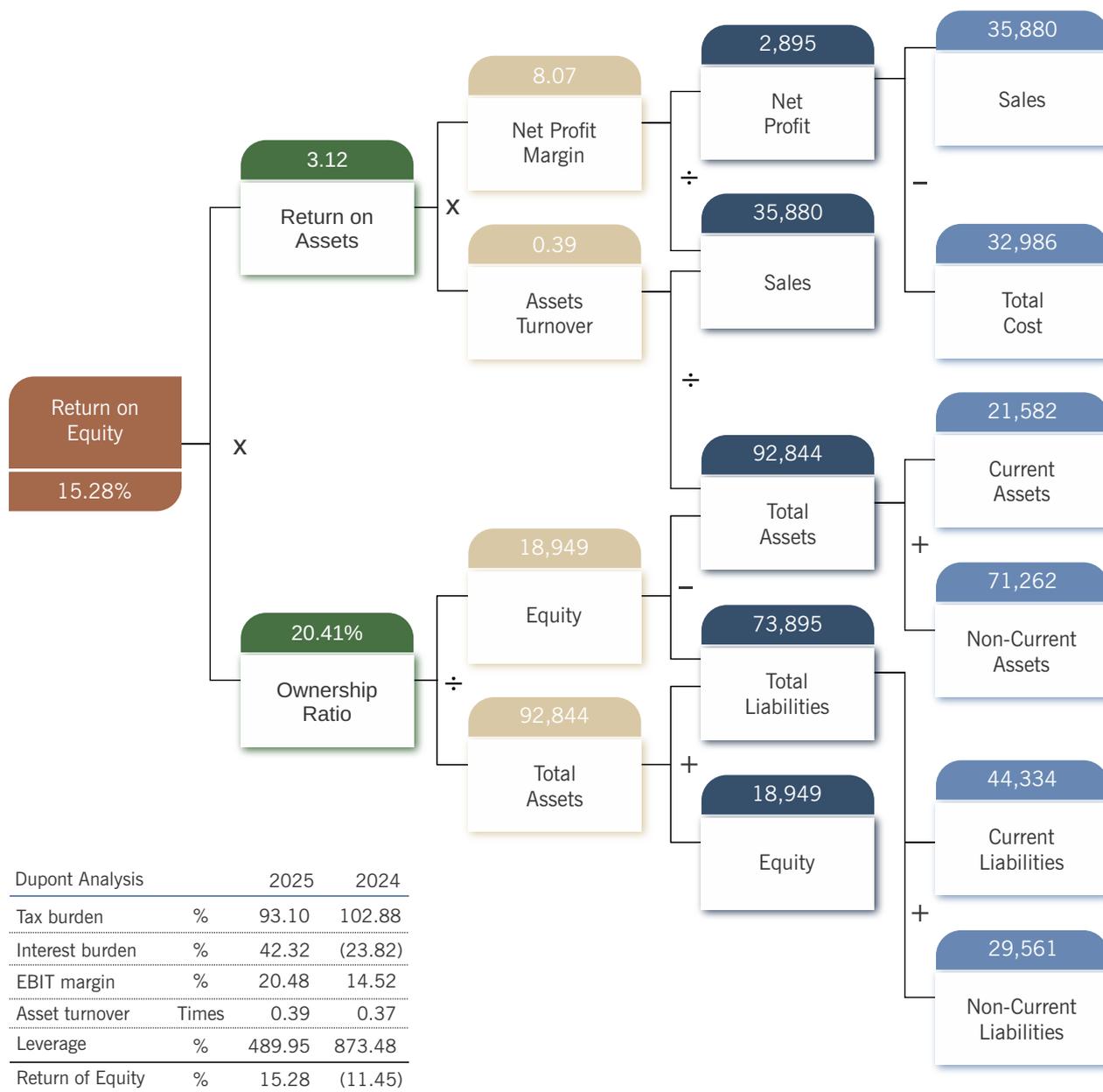
Sales revenue amounted to Rs. 12,255 million compared to Rs. 12,289 million in Q4 2024. Gross profit stood at Rs. 2,105 million as compared to Rs. 2,879 million for Q4, 2024.

Operating profit decreased to Rs. 1,234 million in Q4 2025 compared to Rs. 1,775 million in Q4 2024 attributed to long supply situation and pressure on sales prices.

The Company recorded a net profit of Rs. 695 million in Q4 2025 compared to profit of Rs. 971 million in Q4 2024 due to pressure on operating margins.

FINANCIAL PERFORMANCE

DUPONT ANALYSIS

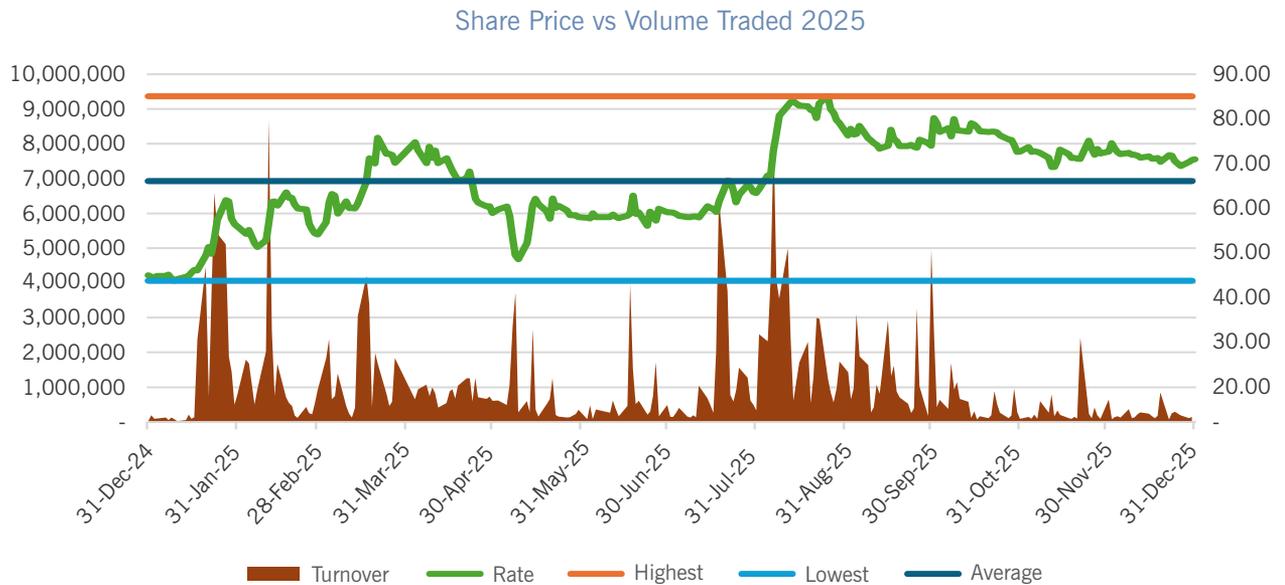


Analysis

During the year under review, sales increased by 15% compared to the previous year, reflecting improved revenue generation and stronger operational performance. The Company reported a net profit of Rs. 2.9 billion. However, it is important to note that profitability was significantly influenced by non-recurring items, including a one-time gain of Rs. 4 billion arising from the reversal of Late Payment Surcharge (LPS) on GIDC and gains on the conversion of convertible preference shares. Total assets increased by 7% during the year. The growth was primarily attributable to higher investment in property, plant and equipment (PPE) resulting from capital expenditure and the recognition of revaluation surplus. In addition, an increase in short-term investments and trade receivables by the end of 2025 contributed to the expansion of the asset base. The increase in sales, coupled with a relatively moderate growth in total assets, led to an improvement in asset turnover from 0.37 times in 2024 to 0.39 times in 2025. This indicates marginally enhanced efficiency in the utilization of assets to generate revenue. From a profitability perspective, EBIT margin improved significantly from 15% to 20% as it also incorporates the impact of non-recurring gains recognized during the year. On the financing side, shareholders' equity increased by 95%, primarily driven by the net profit for the year, recognition of revaluation surplus, and the conversion of convertible preference shares into ordinary shares. The substantial increase in equity strengthened the Company's capital base and reduced financial risk. The combined effect of improved profitability and enhanced asset efficiency resulted in a recovery of Return on Equity (ROE) to 15%, compared to a negative ROE of 11% in the prior year. The improvement in ROE reflects a turnaround in earnings performance; however, the sustainability of this return level will depend on maintaining core operating margins and asset efficiency without reliance on non-recurring income.

SHARE PRICE ANALYSIS

The Company is listed on Pakistan Stock Exchange which is a large and liquid stock exchange, offering orderly and reliable market prices for its investors. As at 31 December 2025, market capitalization of AGL shares stood at Rs. 40,756 million, up by 153% from previous year. AGL share traded at an average of Rs. 62.3 per share. Market price experienced fluctuations, principally, caused by market psychology, speculative investors and material events occurring during the year, between Rs. 36.58 and Rs. 84.32 per share. Total trading volume during the year was 260.31 million shares.



Share Price Sensitivity

AGL share price is directly affected by its performance. However, there are numerous other factors which influence share price of the Company. These factors and the way these influence the share price of the Company are as follows:

General Market Sentiment

The general stock market sentiment prevalent in the country not only affects share price but also the trading volumes. Market sentiment is generally based on political, economical and law and order situation of the Country and any uncertainty regarding these adversely affects share prices.

Shares' Market Perception

Shareholders' perception of the Company's share affects how it is valued on the exchange. A sell behavior induces a fall in share price.

Financial Performance

The Company's financial performance is affected by a number of factors which include, but are not limited to, interest rates, energy crises, currency valuation, supply of gas, fertilizer prices and government policies.

FINANCIAL PERFORMANCE

SEGMENTAL REVIEW

An operating segment is a component of any entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity).
- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- for which discrete financial information is available.

The Company has two reportable segments, as described below, which are the Company's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. Information reported to the Company's chief operating decision maker for the purpose of resource allocation and assessment of segment performance is focused on type of goods supplied. The following summary describes the operations in each of the Company's reportable segments:

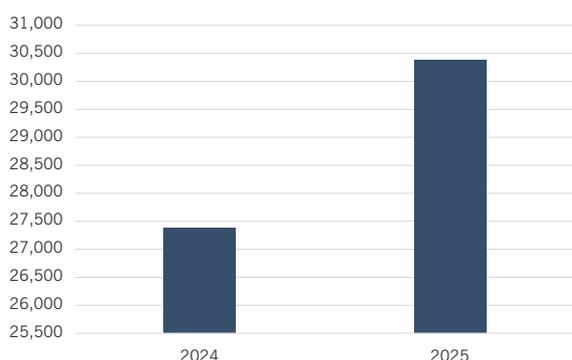
| Reportable Segments | Operation of Reportable Segments |
|------------------------------|--|
| Urea Fertilizer Segment | Production of Urea Fertilizer and Ammonia from Natural Gas |
| Phosphate Fertilizer Segment | Production of Phosphate Fertilizer from Rock Phosphate |

Information regarding the Company's reportable segments is presented below:

| Urea Fertilizer | | | | |
|-----------------------|-------|---------|---------|------|
| | | 2025 | 2024 | YoY% |
| Production | MT | 374,256 | 372,012 | 1 |
| Production Efficiency | % | 86 | 86 | 1 |
| Sales | Rs. M | 30,384 | 27,377 | 11 |
| Profit/(loss) | Rs. M | 1,964 | (1,895) | 204 |

| Phosphate Fertilizer | | | | |
|-----------------------|-------|--------|--------|------|
| | | 2025 | 2024 | YoY% |
| Production | MT | 85,700 | 80,341 | 7 |
| Production Efficiency | % | 106 | 99 | (4) |
| Sales | Rs. M | 5,496 | 3,929 | 40 |
| Profit | Rs. M | 1,149 | 812 | 42 |

Urea Fertilizer Sales
(Rs. in millions)

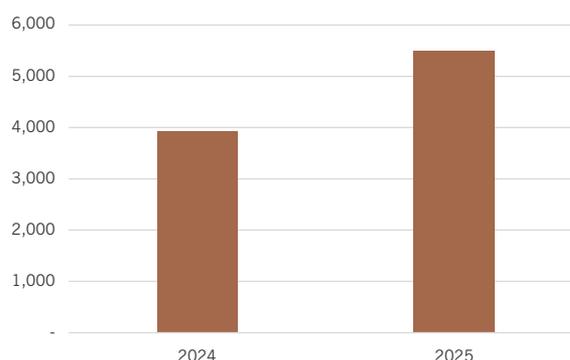


Analysis: Urea Fertilizer

During 2025, the Urea segment delivered stable production and improved commercial performance. Production increased marginally to 374,256 MT (2024: 372,012 MT) and production efficiency remained steady at 86%, reflecting continued operating continuity and disciplined plant performance. Segment sales increased by 11% to Rs. 30,384 million (2024: Rs. 27,377 million), supported by improved offtake and stronger year-end demand momentum (Rabi season), consistent with the Company's overall topline growth.

Most importantly, the Urea segment recorded a turnaround in profitability, with segment profit improving to Rs. 1,964 million compared to a loss of Rs. 1,895 million in 2024.

Phosphate Fertilizer Sales
(Rs. in millions)



Analysis: Phosphate Fertilizer

The GSSP segment demonstrated strong growth in scale and profitability during 2025, reinforcing the expansion of the Company's phosphatic franchise. Production increased to 85,700 MT (2024: 80,341 MT), representing 7% growth, while production efficiency moderated to 106% (2024: 99%). The reduction in efficiency is indicative of operational variability and the need to further optimize production.

Sales increased by 40% to Rs. 5,496 million (2024: Rs. 3,929 million), reflecting stronger market penetration and improved offtake in SSP products. Segment profitability improved by 42%, with profit rising to Rs. 1,149 million (2024: Rs. 812 million), supported by higher volumes, improved commercial execution, and strengthened distribution focus.

SENSITIVITY ANALYSIS

In conducting sensitivity analysis, it is crucial to assess the impact of various factors on key financial metrics such as net profit. The Company sensitizes various financial metrics to assess the impact on net profit, identify potential threats to profitability and take appropriate measures. The following table demonstrates sensitivity of various variables on Net Profit after Tax (NPAT) and Earnings per Share (EPS) of the Company for 2025.

| Sensitivities | NPAT (Rs. M) | EPS (Rs.) |
|------------------------------|--------------|-----------|
| Selling price +/- 1% | 354 | 0.86 |
| Raw material cost +/-1% | 170 | 0.41 |
| Payroll costs +/-5% | 83 | 0.20 |
| Interest/mark-up cost +/- 1% | 38 | 0.09 |

Selling Price

Selling prices are critical in sensitivity analysis as they directly impact revenue and, consequently, net profit. An increase in selling prices can boost revenue and net profit, while a decrease may lead to lower profitability. Sensitivity analysis quantifies this impact, enabling informed decision-making on pricing strategies and risk management. Understanding the sensitivity of net profit to changes in selling prices helps optimize financial performance and mitigate risks in a dynamic market.

Raw Material Costs

Raw material costs are crucial in sensitivity analysis because they directly influence the company's cost of sales and, consequently, its profitability. When raw material costs increase, costs of sales rises, potentially decreasing net profit unless offset by higher selling prices or cost efficiencies. Sensitivity analysis helps quantify this impact, allowing management to assess the company's exposure to price volatility and develop strategies to manage risks effectively. By sensitizing raw material costs, companies can identify cost pressures, evaluate procurement strategies, and explore opportunities for cost optimization. Overall, understanding the sensitivity of net profit to changes in raw material costs guides strategic decision-making to enhance financial performance and resilience.

Payroll Costs

Sensitizing payroll costs is essential because they represent a significant portion of a company's expenses and directly impact its financial health. By assessing the sensitivity of net profit to changes in payroll costs, management can understand the potential impact on profitability and make informed decisions about workforce planning, compensation strategies, and cost management initiatives. Sensitivity analysis helps identify vulnerabilities to labor cost fluctuations, enabling proactive risk mitigation and scenario planning. It also facilitates strategic resource allocation and optimization efforts to enhance operational efficiency and maintain competitiveness in the market. Overall, sensitizing payroll costs in sensitivity analysis is crucial for effective financial planning, risk management, and sustainable business growth.

Interest/Mark-up Costs

Sensitizing interest/mark-up costs is crucial as they significantly affect a company's profitability and cash flow, especially for those with debt financing. By assessing their sensitivity, management can make informed decisions about debt management, refinancing, and investment strategies. This analysis helps identify vulnerabilities to interest rate fluctuations and changes in financing terms, enabling proactive risk mitigation and strategic planning to maintain financial stability and flexibility.

Local vs Imported Raw Material and Exposure to FOREX Fluctuations

The Company has limited reliance on imported raw material and majority of the raw material sourced from within Pakistan. Accordingly, the exposure to FOREX fluctuations is not considered to be material.

NON-FINANCIAL PERFORMANCE

NON-FINANCIAL KEY PERFORMANCE INDICATORS

Manufactured Capital



Energy Efficiency
3%



Warehouses
16

Human Capital



Workforce
873



New Sports
Complex
1



TRIR
0.14



Total Training Hours
3,800



Cultural & Sports Events
10

Natural Capital



Banian Trees Reserve
Protection and
Maintenance



Plantation Drives
3 (37.5 K Trees)



Annual Carbon Offset
616 MT

Social and Relationship Capital



Contribution to National
Exchequer
2,698 M



Community Programmes
7 Schools 3 Medical Facilities



1
New Dialysis
Machine added

756
Dialysis
Sessions

Intellectual Capital



Cybersecurity
SIEM & VAPT Solutions



OSHA Standards
ISO 9001, 14001, 45001
PSQC Authority Certifications
and Trade Marks



Oracle E-Business Suite
HR, EAM and OPM
Modules enhanced

Manufactured Capital



| Objectives | KPI's Monitored | 2025 Performance | Future Relevance |
|--|---|---|---|
| <p>Energy Efficiency</p> <p>Lock in conversion discipline to defend unit economics under energy volatility by reducing avoidable losses and stabilising operating windows.</p> | <ul style="list-style-type: none"> • Energy efficiency • Specific energy/gas per ton • Unit cost/ton; variance-to-standard | <p>Efficiency was sustained at 3, signaling stable process control and predictable conversion outcomes in a sensitive input environment.</p> | <p>Efficiency remains the most durable cost lever; it cushions margins, supports affordability and reduces vulnerability when supply terms tighten.</p> |
| <p>Warehousing Footprint</p> <p>Keep product close to demand to win peaks and prevent regional stock-outs, while reducing replenishment lead time and improving service reliability.</p> | <ul style="list-style-type: none"> • Warehouses • Regional stock cover • On-time delivery; fulfilment rate | <p>A 16-warehouse network strengthened last-mile agility and improved continuity as demand shifted across regions during peak movement.</p> | <p>Footprint strength improves peak capture, reduces service gaps and tightens inventory rotation under climate and seasonal volatility.</p> |
| <p>Continuity and Dispatch Readiness</p> <p>Protect uninterrupted supply and dependable dispatch execution through tighter planning discipline and faster response to bottlenecks.</p> | <ul style="list-style-type: none"> • On-stream factor • Unplanned downtime • Dispatch readiness; backlog/stock-outs | <p>Operational discipline improved dispatch readiness during higher-activity periods, supporting stronger market participation and service dependability.</p> | <p>Continuity drives both margin and market trust, reducing forced costs and protecting share in tight windows.</p> |
| <p>Asset Integrity and PM Discipline</p> <p>Reduce forced outages and protect safety-critical equipment integrity through PM compliance, turnaround governance and critical spares readiness.</p> | <ul style="list-style-type: none"> • PM compliance • Breakdown frequency • Critical equipment health | <p>Maintenance governance remained execution-led, supporting steadier operations and lowering disruption probability.</p> | <p>Integrity lowers unit cost volatility and protects output predictability, strengthening license-to-operate assurance.</p> |
| <p>Product Quality and Consistency</p> <p>Protect brand credibility through zero-compromise quality consistency by tightening QA/QC discipline and accelerating deviation closure.</p> | <ul style="list-style-type: none"> • Conformance rate • Complaints trend • Batch compliance; return/rejection rate | <p>Quality controls stayed tight, protecting farmer trust and dealer confidence during high-movement periods.</p> | <p>Quality is a retention engine, reducing channel friction and defending share when pricing becomes aggressive.</p> |
| <p>Logistics Readiness and Cost-to-Serve</p> <p>Deliver reliably at the lowest practical cost-to-serve via stronger dispatch planning, alternate routes and logistics partner governance.</p> | <ul style="list-style-type: none"> • On-time delivery • Freight/ton • Carrier performance; route disruptions | <p>Dispatch planning and monitoring improved responsiveness through surges and route variability, protecting availability.</p> | <p>Logistics resilience protects availability, cash conversion and reputation under disruption and fuel-cost swings.</p> |

NON-FINANCIAL PERFORMANCE



Human Capital

| Objectives | KPI's Monitored | 2025 Performance | Future Relevance |
|---|--|---|---|
| <p>Workforce Strength</p> <p>Maintain stable execution capacity and critical skills coverage by aligning staffing with operational needs and protecting continuity.</p> | <ul style="list-style-type: none"> • Headcount • Critical role coverage • Attrition in critical roles | <p>Workforce was maintained at 873, sustaining execution continuity across plants and core functions.</p> | <p>Skill stability lowers operational risk and strengthens uptime and safety outcomes in specialised manufacturing.</p> |
| <p>Training Hours</p> <p>Build capability depth and standardise execution quality through structured training across technical, safety and leadership areas.</p> | <ul style="list-style-type: none"> • Training hours • Competency coverage • Certification completion | <p>3,800 training hours strengthened technical discipline, safety behaviour and operating consistency.</p> | <p>Capability depth supports reliability, reduces incident probability and strengthens governance readiness.</p> |
| <p>Safety Culture and Prevention</p> <p>Maintain a zero-compromise safety standard through proactive behaviours, hazard identification and disciplined closure of actions.</p> | <ul style="list-style-type: none"> • TRIR/LTI • Near-miss reporting • Corrective action closure | <p>Safety remained embedded through continuous reinforcement and structured corrective action governance.</p> | <p>Strong safety culture prevents high-consequence disruptions and strengthens license-to-operate resilience.</p> |
| <p>Employee Engagement</p> <p>Strengthen morale, cohesion and retention through employee experience initiatives that support sustained performance.</p> | <ul style="list-style-type: none"> • Events • Participation rate • Retention indicators | <p>10 events plus a new sports complex strengthened engagement stability and workforce cohesion.</p> | <p>Engagement supports retention and productivity, especially important for consistent high-integrity execution.</p> |
| <p>Leadership Continuity and Succession</p> <p>Reduce key-person dependency by strengthening succession planning and leadership bench depth for critical roles.</p> | <ul style="list-style-type: none"> • Succession coverage • Pipeline readiness • Critical role backups | <p>Succession discipline remained active through capability development and coverage planning.</p> | <p>Bench strength improves resilience during transitions and strengthens decision speed under stress.</p> |



Natural Capital

| Objectives | KPI's Monitored | 2025 Performance | Future Relevance |
|--|---|--|---|
| <p>Plantation Drives</p> <p>Deliver visible, measurable stewardship with community linkage by strengthening biodiversity outcomes and responsible footprint actions.</p> | <ul style="list-style-type: none"> • Drives • Trees planted • Survival/maintenance tracking | <p>Three drives delivered 37,500 trees (Neem, Avocado, Olives), reinforcing stewardship credibility through scale.</p> | <p>Measurable stewardship supports license-to-operate strength as ESG scrutiny rises and climate risks intensify.</p> |
| <p>Annual Carbon Offset</p> <p>Strengthen footprint discipline through quantification and credible reporting to build momentum toward intensity improvements.</p> | <ul style="list-style-type: none"> • Offset • Emissions intensity direction • Disclosure readiness | <p>Carbon offset was recorded at 616 MT, strengthening measurement discipline and sustainability transparency.</p> | <p>Carbon metrics readiness supports evolving expectations on disclosure and intensity trajectories.</p> |
| <p>Baniam Reserve Protection</p> <p>Protect ecological assets through disciplined conservation stewardship and sustained site-level responsibility.</p> | <ul style="list-style-type: none"> • Maintenance adherence • Inspection readiness • Corrective actions closure | <p>Protection and maintenance were sustained, reinforcing ecological responsibility and on-ground stewardship credibility.</p> | <p>Conservation anchors community trust and reduces environmental controversy risk.</p> |
| <p>Environmental Compliance and Monitoring</p> <p>Sustain license-to-operate through audit-ready compliance execution and disciplined monitoring of parameters.</p> | <ul style="list-style-type: none"> • Audits • Non-compliance events • Corrective action closure | <p>Compliance monitoring remained embedded with disciplined follow-through, supporting predictable regulatory readiness.</p> | <p>Tightening standards increase the cost of non-compliance; discipline protects continuity and reputation.</p> |
| <p>Waste Management and Disposal</p> <p>Control environmental risk through compliant waste handling, documentation integrity and strengthened disposal governance.</p> | <ul style="list-style-type: none"> • Handling compliance • Disposal documentation • Incident trend | <p>Waste controls remained integrated into operating discipline, reducing incident exposure and improving control assurance.</p> | <p>Strong waste governance reduces regulatory risk and protects ESG credibility.</p> |
| <p>Climate Resilience and Disruption Readiness</p> <p>Protect continuity under flood/drought disruption and route volatility through stronger planning and response capability.</p> | <ul style="list-style-type: none"> • Disruption events • Recovery time • Service continuity indicators | <p>Planning discipline strengthened readiness to sustain supply and rebalance service execution under climate variability.</p> | <p>Resilience readiness becomes a competitive edge by protecting availability and reducing disruption-driven costs.</p> |

NON-FINANCIAL PERFORMANCE



Social and Relationship Capital

| Objectives | KPI's Monitored | 2025 Performance | Future Relevance |
|--|--|---|--|
| <p>Economic Contribution</p> <p>Demonstrate responsible fiscal conduct through disciplined statutory compliance, timely payments and transparent contribution behaviour.</p> | <ul style="list-style-type: none"> • Exchequer contribution • Payment timeliness • Compliance status | <p>Contribution to the national exchequer was 2,698, reflecting disciplined compliance and economic participation scale.</p> | <p>Strong fiscal discipline strengthens stakeholder confidence and reduces regulatory friction.</p> |
| <p>Community Investment</p> <p>Build durable social license through structured education-led community development strengthening human capital outcomes.</p> | <ul style="list-style-type: none"> • Programs • Institutes supported incl. college • Coverage footprint | <p>Seven programs supported seven institutes (incl. one college), deepening community partnership depth through visible contribution.</p> | <p>Education investments deepen trust, reduce social disruption risk and strengthen license-to-operate durability.</p> |
| <p>Medical Facilities</p> <p>Improve community wellbeing through reliable healthcare access and consistent service delivery around operating sites.</p> | <ul style="list-style-type: none"> • Facilities • Utilisation • Service continuity | <p>Three medical facilities continued delivering community health outcomes, reinforcing trust through stable service support.</p> | <p>Health support stabilises the operating environment and strengthens relationship capital.</p> |
| <p>Dialysis Support</p> <p>Deliver high-impact healthcare through scaled dialysis access with measurable outcomes that reinforce community partnership.</p> | <ul style="list-style-type: none"> • Machines • Sessions • Service uptime | <p>Four machines delivered 756 sessions, creating visible community health impact and strengthening trust through outcomes.</p> | <p>Sustained healthcare impact reinforces social license and strengthens reputation resilience.</p> |
| <p>Farmer Outreach and Education</p> <p>Strengthen farmer trust and responsible product use through structured engagement and advisory support linked to demand conversion.</p> | <ul style="list-style-type: none"> • Outreach footprint • Farmer interactions • Complaint resolution time | <p>Outreach remained execution-linked, supporting stewardship and improved customer confidence in guidance and availability.</p> | <p>Farmer education becomes higher value under affordability pressure and climate volatility.</p> |
| <p>Dealer/channel Strength and Service Reliability</p> <p>Protect market reach by reducing channel friction and improving service predictability through disciplined availability and delivery.</p> | <ul style="list-style-type: none"> • Dealer service levels • Availability • On-time delivery; dispute frequency | <p>Service discipline supported better responsiveness during peaks and reduced friction through improved predictability.</p> | <p>Strong channel trust protects share and improves cash conversion quality during competitive cycles.</p> |



Intellectual Capital

| Objectives | KPI's Monitored | 2025 Performance | Future Relevance |
|---|---|--|--|
| <p>Enterprise Systems Uplift</p> <p>Improve control visibility and execution speed by strengthening systems supporting planning, maintenance, procurement, finance and HR.</p> | <ul style="list-style-type: none">• Module adoption• System uptime• Dashboard availability• Process compliance | <p>Oracle EBS strengthened through OPM, EAM, inventory enhancements, sourcing, self-service HR & payroll; dashboards improved visibility.</p> | <p>Strong systems reduce manual leakage, tighten working-capital control and strengthen auditability.</p> |
| <p>Cybersecurity Maturity</p> <p>Protect continuity and data trust through layered cyber resilience, stronger monitoring and assured recovery capability.</p> | <ul style="list-style-type: none">• SIEM coverage• VAPT cadence• DR success rate• Incident readiness | <p>Cyber posture strengthened via SIEM, periodic VAPT, firewall upgrades and cloud DR for Oracle EBS, improving detection & recovery confidence.</p> | <p>Cyber resilience is a continuity requirement as IT/OT threats rise; it protects planning, dispatch and reporting integrity.</p> |

COMPILING KEY PERFORMANCE INDICATORS

Methods and Assumptions used in Compiling Key Performance Indicators

The Company sets budgetary targets for various financial and non-financial indicators on an annual basis which are approved by the Board of Directors. Key Performance Indicators are identified based on how effectively these reflect the Company's performance and position. Various factors, including but not limited to, general market conditions, the Company's market positioning, competitors are taken into account while compiling these indicators. Actual performance is analyzed against budgetary targets by monitoring key performance indicators on a regular basis.

The Company's financial performance and position are the most basic financial indicators. The Company analyses revenue, gross profit, profit after taxation, earnings per share and return on equity to assess its performance. Total equity, total assets and break-up value per share are analyzed to gauge the Company's financial position. Market share price is also a very important financial indicator as the Company's market perception is measured directly with reference to its market share price. Non-financial indicators are set for business objectives associated with various forms of capital including those pertaining business growth and expansion, product development, human resource development and relationships with key stakeholders etc.

Changes in Indicators and Performance Measures

There were no major changes in indicators and performance measures from the previous years, except for the following new KPIs introduced during 2025.

| KPI Introduced | Capital | Rationale |
|------------------------------|----------------------|---|
| Energy Efficiency | Manufactured Capital | Introduced to track conversion/energy losses that drive unit cost and emissions under volatile fuel supply. |
| Total Reported Incident Rate | Human Capital | Introduced to make performance measurable against the stated objective and improve decision-making. |
| Cybersecurity Solutions | Intellectual Capital | Introduced to track systems adoption and control visibility for faster execution and assurance. |

PATTERN OF SHAREHOLDING

AS REQUIRED UNDER SECTION 227 (2) (F) OF THE COMPANIES ACT, 2017

The pattern of holding of shares held by the shareholders as at 31 December 2025 is as follows:

| Number of shareholders | Shareholding | | Total shares held |
|------------------------|--------------|------------|-------------------|
| | From | To | |
| 800 | 1 | 100 | 17,985 |
| 653 | 101 | 500 | 239,962 |
| 370 | 501 | 1,000 | 327,685 |
| 496 | 1,001 | 5,000 | 1,340,744 |
| 147 | 5,001 | 10,000 | 1,172,252 |
| 67 | 10,001 | 15,000 | 822,367 |
| 29 | 15,001 | 20,000 | 543,753 |
| 24 | 20,001 | 25,000 | 578,261 |
| 15 | 25,001 | 30,000 | 430,528 |
| 5 | 30,001 | 35,000 | 166,805 |
| 6 | 35,001 | 40,000 | 227,000 |
| 5 | 40,001 | 45,000 | 218,500 |
| 7 | 45,001 | 50,000 | 343,200 |
| 2 | 55,001 | 60,000 | 120,000 |
| 5 | 60,001 | 65,000 | 312,701 |
| 2 | 65,001 | 70,000 | 139,150 |
| 1 | 70,001 | 75,000 | 75,000 |
| 1 | 75,001 | 80,000 | 80,000 |
| 2 | 80,001 | 85,000 | 161,172 |
| 2 | 85,001 | 90,000 | 178,894 |
| 9 | 95,001 | 100,000 | 899,811 |
| 1 | 100,001 | 105,000 | 105,000 |
| 1 | 120,001 | 125,000 | 123,000 |
| 1 | 125,001 | 130,000 | 129,500 |
| 1 | 130,001 | 135,000 | 132,345 |
| 3 | 135,001 | 140,000 | 413,405 |
| 1 | 140,001 | 145,000 | 140,588 |
| 2 | 145,001 | 150,000 | 299,532 |
| 1 | 155,001 | 160,000 | 156,877 |
| 1 | 160,001 | 165,000 | 160,500 |
| 1 | 170,001 | 175,000 | 172,500 |
| 1 | 180,001 | 185,000 | 181,000 |
| 1 | 190,001 | 195,000 | 195,000 |
| 2 | 195,001 | 200,000 | 397,500 |
| 1 | 220,001 | 225,000 | 225,000 |
| 1 | 245,001 | 250,000 | 250,000 |
| 2 | 250,001 | 255,000 | 508,484 |
| 1 | 320,001 | 325,000 | 323,207 |
| 1 | 410,001 | 415,000 | 413,567 |
| 1 | 430,001 | 435,000 | 432,895 |
| 1 | 665,001 | 670,000 | 665,944 |
| 1 | 695,001 | 700,000 | 699,032 |
| 1 | 850,001 | 855,000 | 851,519 |
| 1 | 1,175,001 | 1,180,000 | 1,179,605 |
| 1 | 1,745,001 | 1,750,000 | 1,745,863 |
| 1 | 2,120,001 | 2,125,000 | 2,124,564 |
| 1 | 3,025,001 | 3,030,000 | 3,025,688 |
| 1 | 3,330,001 | 3,335,000 | 3,333,333 |
| 1 | 3,345,001 | 3,350,000 | 3,346,506 |
| 1 | 3,580,001 | 3,585,000 | 3,581,005 |
| 1 | 17,765,001 | 17,770,000 | 17,768,902 |
| 1 | 38,670,001 | 38,675,000 | 38,670,001 |

PATTERN OF SHAREHOLDING

| Number of shareholders | From | Shareholding To | Total shares held |
|------------------------|-------------|-----------------|-------------------|
| 1 | 41,395,001 | 41,400,000 | 41,397,892 |
| 1 | 42,035,001 | 42,040,000 | 42,039,867 |
| 1 | 201,660,001 | 201,665,000 | 201,663,428 |
| 1 | 223,835,001 | 223,840,000 | 223,835,405 |
| 2,688 | | | 599,084,224 |

Categories of Shareholders

| Name | Shares held | Percentage |
|--|-------------|------------|
| Directors, Chief Executive Officer and their spouse and minor children | 4,070 | 0.0007% |
| Associated Companies, undertakings and related parties, (Parent Company) | 547,606,593 | 91.4073% |
| NIT and ICP | - | 0.0000% |
| Banks Development Financial Institutions, Non Banking Financial Institutions | 22,655,603 | 3.7817% |
| Insurance Companies | - | 0.0000% |
| Modarabas and Mutual Funds | 2,279,230 | 0.3805% |
| Share holders holding 10% or more | 425,498,833 | 71.0249% |
| General Public | | |
| a. Local | 11,531,190 | 1.9248% |
| b. Foreign | - | 0.0000% |

Others (to be specified)

| Name | Shares held | Percentage |
|--|-------------|------------|
| Public Sector Companies & Corporations | 6,359,021 | 1.0615% |
| Pension Funds | 20,000 | 0.0033% |
| Other Companies | 184,321 | 0.0308% |
| Investment Companies | 323,207 | 0.0540% |
| Foreign Companies | 5,705,569 | 0.9524% |
| Joint Stock Companies | 2,415,420 | 0.4032% |

Categories of Shareholding required under Code of Corporate Governance (CCG) As on December 31, 2025

Associated Companies, Undertakings and Related Parties (Name Wise):

| Sr.# | Name | No. of shares held | Percentage |
|------|--|--------------------|------------|
| 1. | COMMITTEE OF ADMIN. FAUJI FOUNDATION (CDC) | 42,039,867 | 7.0174 |
| 2. | ASKARI BANK LIMITED (CDC) | 41,397,892 | 6.9102 |
| 3. | FAUJI FERTILIZER COMPANY LTD (CDC) | 223,835,405 | 37.3629 |
| 4. | MAPLE LEAF CAPITAL LIMITED (CDC) | 38,670,001 | 6.4549 |
| 5. | MAPLE LEAF CEMENT FACTORY LTD (CDC) | 201,663,428 | 33.6619 |

Mutual Funds (Name Wise Detail)

| Sr.# | Name | No. of shares held | Percentage |
|------|---|--------------------|------------|
| 1. | CDC - TRUSTEE AFVF-ALFALAH FINANCAIL VALUE PLAN-I (CDC) | 8,000 | 0.0013 |
| 2. | CDC - TRUSTEE ALFALAH GHP ALPAH FUND (CDC) | 413,567 | 0.0690 |
| 3. | CDC - TRUSTEE ALFALAH GHP STOCK FUND (CDC) | 1,745,863 | 0.2914 |
| 4. | CDC - TRUSTEE FAYSAL STOCK FUND (CDC) | 89,800 | 0.0150 |
| 5. | CDC - TRUSTEE NBP SARMAYA IZAFI FUND (CDC) | 22,000 | 0.0037 |

Directors, CEO and their Spouse and Minor Children (Name Wise):

| Sr.# | Name | No. of shares held | Percentage |
|------|------------------------------------|--------------------|------------|
| 1. | MR. MUHAMMAD FAISAL MUZAMMIL (CEO) | 500 | 0.0001 |
| 2. | SYED ZIBBER MOHIUDDIN (CDC) | 1,001 | 0.0002 |
| 3. | MS. SIMA KAMIL (CDC) | 2,001 | 0.0003 |
| 4. | MR. HASAN AHMED (CDC) | 50 | 0.0000 |
| 5. | MR. JAHANGIR PIRACHA | 100 | 0.0000 |
| 6. | SYED MOHSIN RAZA NAQVI (CDC) | 218 | 0.0000 |
| 7. | SYED BAKHTIAR KAZMI (CDC) | 100 | 0.0000 |
| 8. | MR. ANWAR ALI HYDER (CDC) | 100 | 0.0000 |

Executives:

10 0.0000

Public Sector Companies & Corporations:

6,359,021 1.0615

Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:

22,675,603 3.7850

Shareholders holding five percent or more voting interest in the listed company (Name Wise)

| Sr.# | Name | No. of shares held | Percentage |
|------|--|--------------------|------------|
| 1. | FAUJI FERTILIZER COMPANY LTD (CDC) | 223,835,405 | 37.3629 |
| 2. | MAPLE LEAF CEMENT FACTORY LTD (CDC) | 201,663,428 | 33.6619 |
| 3. | COMMITTEE OF ADMIN. FAUJI FOUNDATION (CDC) | 42,039,867 | 7.0174 |
| 4. | ASKARI BANK LIMITED (CDC) | 41,397,892 | 6.9102 |
| 5. | MAPLE LEAF CAPITAL LIMITED (CDC) | 38,670,001 | 6.4549 |

All trades in the shares of the listed company, carried out by its Directors, CEO, CFO, Company Secretary and their spouses and minor children:

| Sr.# | Name | Sale | Purchase |
|------|------|------|----------|
|------|------|------|----------|

OTHER MATTERS

Corporate Governance and Financial Reporting Framework

As required by the Code of Corporate Governance, the Directors are pleased to report that:

- The financial statements prepared by the management present accurate state of the Company's financial position, operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards as applicable in Pakistan have been followed in the preparation of financial statements.
- The system of internal controls is sound and has been effectively implemented and monitored.
- The Board is satisfied that the Company is performing well as going concern.
- There has been no material departure from the best practices of corporate governance as detailed in the listing regulations of the Pakistan Stock Exchange.
- There is no statutory payment on account of taxes, duties levies and charges which are outstanding as on 31 December 2025, except as those disclosed in the financial statements.
- No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year to which this relates and the date of the Directors' report.

Dividend

The Board of Directors, after due consideration, has decided not to recommend any dividend. The Board will continue to review the dividend payment in line with the Company's performance, cash flows, and strategic requirements.

Board of Directors

The Board of Directors comprises eight (8) male and one (1) female director and is structured as follows:

| | |
|--------------------------|---|
| Independent Directors: | 3 |
| Non-executive Directors: | 6 |
| Executive Directors: | 0 |

Detailed information regarding the Board of Directors including individual profiles of members, terms of reference of Board's Committees, meetings of the Board and its and other governance related matters is provided in Section D "Governance" from Page 63 to 100 of this report.

Investment in Retirement Benefits

The value of investments made by the employees' retirement benefits funds operated by the Company as on 31 December 2025 are as follows:

| | |
|----------------|-----------------|
| Provident Fund | Rs. 394 million |
| Gratuity Fund | Rs. 189 million |

Rational for Capital Expenditure

Capital expenditure incurred during the year was primarily aimed at sustaining operations, enhancing asset reliability, and improving efficiency. Investments in replacement and upgrades of aging equipment have reduced the risk of breakdowns, minimized downtime, ensured compliance, and optimized operational performance. Overall, the expenditure has strengthened operational continuity, lowered maintenance risks, and supported long-term value creation.

Directors' Remuneration

All members on the Board are Non-executive Directors and are not entitled to any remuneration with the exception of meeting fee. These directors were paid meeting fee aggregating to Rs. 29.812 million during the year.

Particulars of remuneration of Chief Executive, a deemed director in terms of Section 188(3) of the Companies Act, 2017, are as follows:

| | Rs. (millions) |
|--------------------------|----------------|
| Managerial remuneration | 23.342 |
| House rent allowance | 7.003 |
| Utility allowance | 2.334 |
| Post employment benefits | 1.944 |
| Bonus | 18.236 |
| Total | 52.859 |

Chief Executive is also provided with company-maintained vehicle and medical facility in accordance with the Company's policy.

Risks and Opportunities

Information on the Company's Risk Management Framework including Risk and Control Policy, Risk Governance Structure, Sources of Uncertainty and Risks and Opportunities report of the Company, explaining Key Risks and Opportunities (internal and external) affecting availability, quality and affordability of Capitals, has been presented in Section C "Risks and Opportunities" from Page 47 to 62 of this report.

New standards, interpretations and amendments applicable to financial statements

There are certain amendments to approved accounting and reporting standards which are mandatory for the Company's annual accounting period beginning on 01 January 2025. However, there is no significant implications of such amendments, except as disclosed in note 3.24 of the annexed financial statements (See Section I).

Review of Related Party Transactions

All related party transactions were placed before the Audit Committee and upon recommendations of the Audit Committee, the same were placed before the Board for review and approval in accordance with requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019. Details of related party transactions are presented on page 94.

Future Outlook

A detailed Forward Looking Statement is presented in Section F "Future Outlook" from page 159 to 168 of this report.

Internal Financial Controls

The Board of Directors and management are responsible for establishing, maintaining, and monitoring an effective system of internal controls, safeguarding the Company's assets and ensuring the accuracy and reliability of financial reporting.

The system of internal control is sound in design for ensuring achievement of Company's objectives and operational effectiveness and efficiency, reliable financial reporting and compliance with laws, regulations and policies.

Internal controls are designed to provide reasonable assurance, rather than absolute assurance, regarding the achievement of operational, reporting, and compliance objectives.

The Board and the Audit Committee regularly review reports issued by the internal audit function relating to the Company's control framework to satisfy internal control requirements. The internal audit function evaluates the integrity and effectiveness of control activities and submits periodic reports to the Audit Committee and the Board.

In addition, the Company has outsourced its internal audit function to EY Ford Rhodes Consulting (Private) Limited, a leading consulting firm, for coverage of the entire Audit Universe under a two-year engagement from March 2025 to March 2027.

Appointment of Auditors

The Board of Directors has recommended, as suggested by Audit Committee, the appointment of Grant Thornton Anjum Rahman, Chartered Accountants, the retiring auditors who being eligible, have offered themselves for re-appointment as external auditors of the Company for the ensuing Financial Year, subject to approval of the members in the forthcoming Annual General Meeting.

Trading in Shares by Directors and Executives

No trading was conducted by directors, executives, their spouses and minor children in the shares of Agritech during the year except as reported on PSX.

Pattern of Shareholding

The pattern of shareholding as on December 31, 2025 and its disclosure according to the requirement of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) is presented on page 142.

Subsequent Events

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.

Promoting Diversity, Equity, and Inclusion (DEI)

The Company is dedicated to fostering an environment where equal opportunities are accessible to all. As an equal opportunity employer, we strive to create a safe and productive workplace where every team member feels valued and included. Our company cultivates a culture that celebrates diversity, respects individuality, and emphasizes the unique ideas, perspectives, experiences, and talents of each person.

While diversity is often viewed through the lenses of gender, race, sexual orientation, or cultural background, we also recognize the growing importance of diversity of thoughts. The company embraces this form of diversity in hiring and performance evaluations, bringing fresh perspectives to the workplace and expanding our talent pool. We also value diversity of opinion, drawing from varied backgrounds and life experiences to encourage diverse thinking and create a more demographically diverse workforce.

Inclusion is at the heart of our culture. We strive to create an environment where people from all walks of life can come to work, feel comfortable and confident to be themselves, and work in ways that suit their needs while meeting business objectives. In our organization, every individual is valued, and we firmly believe that everyone connected to us contributes to achieving our organizational goals.

Sustainability: A Core Priority

Agritech's mission to evolve into an innovative partner for the farming community through the provision of quality products and services that contribute to national food security is reinforced by its commitment to responsible operations, care for adjoining communities, and its contribution towards protection of the planet.

The Company aims to pursue sustainable value growth by reducing emissions, improving energy efficiency, and embedding sustainability considerations into its operational and investment decisions. As a proactive safety and sustainability initiative, construction of a new ammonia storage tank has been initiated to enhance long-term operational safety, reliability, and environmental stewardship.

During the year, the Board of Directors constituted a Sustainability Committee to provide focused oversight and direction to the Company's sustainability agenda. The Committee is mandated to guide sustainability strategies, monitor performance, and ensure measurable progress against defined objectives.

The Company's sustainability initiatives, performance, and contributions are presented in detail in the presented in Section J "Sustainability and Corporate Social Responsibility".

Corporate Social Responsibility

Disclosure regarding Corporate Social Responsibility has been made in Section J "Sustainability and Corporate Social Responsibility".

Board's Statement on Gender Pay Gap

Workplace equity is a fundamental principle of Agritech's work ethos. "Equal Pay for Work of Equal Value" is a cornerstone of the compensation philosophy and it ensured that all human resource related decisions including pay fixation, promotions, increments and career progression are based strictly on merit, equity and fairness, ensuring elimination of

OTHER MATTERS

any gender discrimination or bias.

In line with Circular 10 of the Securities & Exchange Commission of Pakistan (SECP) dated 17 April 2024, following is the gender pay gap data calculated for the year 2025.

| | |
|-----------------------|------|
| Mean Gender Pay Gap | 100% |
| Median Gender Pay Gap | -7% |

These percentages reflect the pay equity that exists in the organization.

This information will be available on Company's website.

Market Position and Share

During 2025, AGL maintained its presence in Pakistan's fertilizer market across both Urea and phosphatic fertilizers. Based on industry production and offtake statistics for the year, the Company's market shares are summarized below:

Urea

AGL offtake was 390K tons against total industry offtake of 6,730K tons, representing an offtake market share of 5.8%.

AGL production was 374K tons against total industry production of 6,677K tons, representing a production share of 5.6%.

SSP (Phosphatic Fertilizer)

In 2025, total phosphate offtakes (as P2O5 nutrient) stood at 806K tons, while Tara SSP offtakes (as P2O5 nutrient) were 16K tons, representing an offtake market share of about 2%.

Achievements and Other Highlights

Several other key milestones and highlights that underscore our continued progress and commitment to excellence are:

- **Best Corporate and Sustainability Report Awards:** The Company's commitment to transparent, high-quality corporate reporting has been consistently recognized at the Best Corporate Report Awards, and we have now been winning awards back-to-back for the last two years. Notably, our 2024 Corporate Report earned 4th position in the sector, reflecting our sustained dedication to excellence in financial and non-financial disclosures, strong governance, and continuous improvement in reporting practices.
- **Contribution to Economy:** Deposited a substantial amount of taxes, duties and levies, Rs. 5.27 billion, (2024: Rs. 4.38 billion), reflecting our unwavering commitment to fulfilling our fiscal responsibilities as a responsible corporate entity. This significant contribution underscores our dedication to supporting national economic growth and development.
- **Distribution Network:** Enhanced our distribution channels in support of the new sponsors, ensuring timely delivery of fertilizers to farmers across Pakistan.

- **Farmer Education:** Outreach significantly enhanced to farmers across the Country with the support of new sponsors and both Tara Urea and SSP were made part of the extended outreach farmers programs.

CEO's Video Presentation

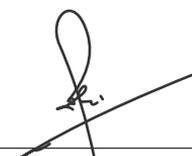
CEO's video presentation on the Company's business performance for the year covering the Company business strategy to improve and future outlook has been placed on the Company's website.

Acknowledgement

The Board takes this opportunity to express its deep sense of gratitude and thanks to the shareholders, employees, customers, bankers and other stakeholders for the confidence and faith they have always reposed in us.



Muhammad Faisal Muzammil
Chief Executive Officer



Lt. Gen. Anwar Ali Hyder, HI(M) (Retd)
Chairman

29 January 2026

ڈائیکٹر ز رپورٹ

مارکیٹ میں مقام اور حصہ

سال 2025 کے دوران ایگری ٹیک لمیٹڈ نے پاکستان کی کھاد کی منڈی میں یوریا اور فاسفیٹ کھاد دونوں میں اپنی موجودگی برقرار رکھی۔ سال کے صنعتی پیداواری اور فروخت کے اعداد و شمار کی بنیاد پر کمپنی کے مارکیٹ شیئر کی تفصیل درج ذیل ہے:

یوریا

کمپنی کی فروخت 390 ہزار ٹن رہی جبکہ صنعت کی مجموعی فروخت 6,730 ہزار ٹن تھی، یوں فروخت کی بنیاد پر کمپنی کا حصہ 5.8 فیصد بنتا ہے۔

کمپنی کی پیداوار 374 ہزار ٹن رہی جبکہ صنعت کی مجموعی پیداوار 6,677 ہزار ٹن تھی، یوں پیداوار کی بنیاد پر کمپنی کا حصہ 5.6 فیصد بنتا ہے۔

ایس ایس پی (فاسفیٹ کھاد)

2025 میں فاسفیٹ کی مجموعی فروخت (پی ٹو او فائیو غذائی جز کے حساب سے) 806 ہزار ٹن رہی، جبکہ تارا ایس ایس پی کی فروخت (پی ٹو او فائیو غذائی جز کے حساب سے) 16 ہزار ٹن رہی، جو فروخت کی بنیاد پر 2 فیصد حصے کے برابر ہے۔

مجموعی طور پر کمپنی نے یوریا کے شعبے میں مستحکم حصہ برقرار رکھا (پیداوار اور فروخت دونوں کی بنیاد پر تقریباً 6 فیصد) جبکہ فاسفیٹ (پی ٹو او فائیو غذائی جز کے حساب سے) میں نسبتاً کم مقام رہا، جہاں تارا ایس ایس پی نے سال کے دوران فروخت کی بنیاد پر 2 فیصد حصہ حاصل کیا۔

نمایاں کامیابیاں اور دیگر جھلکیاں

ہماری مسلسل پیش رفت اور عمدگی کے عزم کو اجاگر کرنے والے چند اہم سنگ میل درج ذیل ہیں:

- بہترین کارپوریٹ اور پائیداری رپورٹ ایوارڈز: شفاف اور اعلیٰ معیار کی ادارتی رپورٹ نگاری کے لیے کمپنی کی کوششوں کو مسلسل تسلیم کیا گیا ہے اور ہم گزشتہ دو برس سے مسلسل ایوارڈز حاصل کر رہے ہیں۔ نمایاں طور پر، ہماری 2024 کی کارپوریٹ رپورٹ نے شعبے میں چوتھی پوزیشن حاصل کی، جو مالی و غیر مالی انکشافات میں عمدگی، مضبوط حکمرانی اور

رپورٹنگ میں مسلسل بہتری کے لیے ہماری وابستگی کی عکاس ہے۔

- قومی خزانے میں شراکت: ٹیکس، ڈیوٹیاں اور عائدات کی مد میں 5.27 ارب روپے (2024: 4.38 ارب روپے) جمع کروائے گئے، جو ایک ذمہ دار ادارے کے طور پر ہماری مالی ذمہ داریوں کی ادائیگی کے پختہ عزم کو ظاہر کرتا ہے۔ یہ نمایاں شراکت قومی معاشی نمو اور ترقی کی معاونت کے لیے ہماری وابستگی کو اجاگر کرتی ہے۔
- ترسیلی و تقسیماتی نظام: نئے سرپرستانہ شراکت داروں کی معاونت میں تقسیماتی ذرائع کو بہتر بنایا گیا، تاکہ پاکستان بھر میں کسانوں تک کھاد بروقت پہنچ سکے۔
- کسانوں کی تربیت و آگاہی: نئے سرپرستانہ شراکت داروں کی معاونت سے ملک بھر میں کسانوں تک رسائی نمایاں طور پر بہتر کی گئی اور تارا یوریا اور ایس ایس پی توسیع یافتہ کسان پروگراموں کا حصہ بنایا گیا۔

چیف ایگزیکٹو کی وڈیو پیشکش

سال کے دوران کمپنی کی کاروباری کارکردگی، کاروباری حکمت عملی میں بہتری اور آئندہ منظر نامے پر مشتمل چیف ایگزیکٹو کی وڈیو پیشکش کمپنی کی ویب سائٹ پر موجود ہے۔

اظہار تشکر

مجلس ہدایت کاران اس موقع پر حصص داران، ملازمین، صارفین، بینکاروں اور دیگر فریقین مفاد کا دلی شکریہ ادا کرتی ہے کہ انہوں نے ہم پر ہمیشہ اعتماد اور یقین رکھا۔

Pais

محمد فیصل مزمل

چیف ایگزیکٹو آفیسر

لیفٹیننٹ جنرل انور علی حیدر، ہلال امتیاز (ملٹری) (ریٹائرڈ)

چیئرمین

کی مؤثر نگرانی اور سمت کے لیے ایک پائیداری کمیٹی تشکیل دی۔ کمیٹی کو یہ اختیار دیا گیا ہے کہ وہ پائیداری کی حکمت عملیوں کی رہنمائی کرے، کارکردگی کی نگرانی کرے اور متعین اہداف کے مقابلے میں قابل پیمائش پیش رفت یقینی بنائے۔

کمپنی کے پائیداری اقدامات، کارکردگی اور معاونت کی تفصیل اس رپورٹ کے حصہ "پائیداری اور کارپوریٹ سماجی ذمہ داری" (سیکشن ل) میں پیش کی گئی ہے۔ کارپوریٹ سماجی ذمہ داری کارپوریٹ سماجی ذمہ داری سے متعلق انکشافات اس رپورٹ کے حصہ "پائیداری اور کارپوریٹ سماجی ذمہ داری" (سیکشن ل) میں فراہم کیے گئے ہیں۔

جنس کی بنیاد پر اجرت کے فرق سے متعلق مجلس کا بیان

کام کی جگہ پر مساوات ایگری ٹیک کے کام کے اصولوں کا بنیادی حصہ ہے۔ ہم برابر قدر کے کام کے لیے برابر اجرت پر مضبوط یقین رکھتے ہیں اور اس بات کو یقینی بناتے ہیں کہ انسانی وسائل سے متعلق تمام فیصلے بشمول اجرت، ترقی، اضافے اور کیریئر کی پیش رفت صرف اہلیت، مساوات اور انصاف کی بنیاد پر ہوں، تاکہ کسی بھی صنفی امتیاز یا تعصب کا خاتمہ ہو۔ سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے سرکلر 10 مورخہ 17 اپریل 2024 کے مطابق، 2025 کے لیے جنس کی بنیاد پر اجرت کے فرق کے اعداد و شمار درج ذیل ہیں:

• اوسط اجرتی فرق: 100 فیصد

• اوسط وسطانی اجرتی فرق: 7-فیصد

یہ اعداد و شمار ظاہر کرتے ہیں کہ اوسطاً خواتین ملازمین کو مرد ساتھیوں کے مقابلے میں زیادہ معاوضہ ملتا ہے، جس کی بنیادی وجہ یہ ہے کہ تنظیم میں خواتین ملازمین کا نمایاں حصہ انتظامی عہدوں پر فائز ہے۔ یہ معلومات کمپنی کی ویب سائٹ پر دستیاب ہیں۔

تنظیم ایسے کلچر کو فروغ دیتی ہے جو تنوع کو سراہتا ہے، انفرادیت کا احترام کرتا ہے اور ہر فرد کے منفرد خیالات، زاویہ ہائے نظر، تجربات اور صلاحیتوں کو اہمیت دیتا ہے۔ اگرچہ تنوع کو عموماً جنس، نسل، یا ثقافتی پس منظر جیسے زاویوں سے دیکھا جاتا ہے، تاہم ہم خیالات کے تنوع کی بڑھتی اہمیت کو بھی تسلیم کرتے ہیں۔ کمپنی بھرتیوں اور کارکردگی کے جائزوں میں اس قسم کے تنوع کو اپناتی ہے، جس سے کام کی جگہ پر نئی سوچ اور وسیع تر صلاحیتیں میسر آتی ہیں۔ ہم رائے کے تنوع کو بھی قدر کی نگاہ سے دیکھتے ہیں اور مختلف پس منظر اور تجربات سے متنوع سوچ کی حوصلہ افزائی کرتے ہیں تاکہ زیادہ متنوع افرادی قوت تشکیل دی جاسکے۔

شمولیت ہماری تنظیمی ثقافت کا مرکز ہے۔ ہم ایسا ماحول بنانا چاہتے ہیں جہاں ہر پس منظر سے تعلق رکھنے والے افراد کام پر آئیں، خود کو پُر اعتماد اور پُر سکون محسوس کریں، اور کاروباری مقاصد کے مطابق اپنی ضروریات کے مطابق کام کر سکیں۔ ہماری تنظیم میں ہر فرد قیمتی ہے اور ہم پختہ یقین رکھتے ہیں کہ ہم سے منسلک ہر شخص ہمارے ادارہ جاتی اہداف کے حصول میں اپنا کردار ادا کرتا ہے۔

پائیداری: ایک بنیادی ترجیح

کسان برادری کے لیے ایک جدت پسند شراکت دار بننے، معیاری مصنوعات و خدمات فراہم کرنے اور قومی غذائی تحفظ میں کردار ادا کرنے کا ایگری ٹیک کا مقصد ذمہ دارانہ آپریشنز، ہمسایہ برادریوں کی دیکھ بھال اور کرہ ارض کے تحفظ میں حصے داری کے عزم سے مزید مضبوط ہوتا ہے۔ کمپنی اخراج میں کمی، توانائی کی کارکردگی بہتر بنانے اور پائیداری کے پہلوؤں کو عملیاتی اور سرمایہ کاری فیصلوں میں شامل کر کے پائیدار قدر کی نمو حاصل کرنے کی کوشش کرتی ہے۔ محفوظتی اور پائیداری کے فعال اقدام کے طور پر ایک نئے امونیا ذخیرہ ٹینک کی تعمیر کا آغاز کیا گیا ہے تاکہ طویل المدتی عملیاتی تحفظ، بھروسہ مندی اور ماحولیات کی نگہبانی بہتر ہو۔

سال کے دوران مجلس ہدایت کاران نے پائیداری کے ایجنڈا

ڈائیکٹرز رپورٹ

ڈائیکٹرز کا معاوضہ

مزید برآں، کمپنی نے مارچ 2025 سے مارچ 2027 تک دو سالہ معاہدے کے تحت اپنے اندرونی آڈٹ کی خدمات ای وائی فورڈ روڈز کنسلٹنگ (پرائیویٹ) لمیٹڈ کو آؤٹ سورس کی ہیں، جو ایک معروف مشاورتی ادارہ ہے، تاکہ پورے آڈٹ دائرہ کار کا احاطہ کیا جاسکے۔

آڈیٹرز کی تقرری

آڈٹ کمیٹی کی سفارش پر مجلس ہدایت کاران نے یہ سفارش کی ہے کہ گرانٹ تھورنٹن انجم رحمن، چارٹرڈ اکاؤنٹنٹس (ریٹائر ہونے والے آڈیٹرز) چونکہ اہل ہیں اور انہوں نے دوبارہ تقرری کی پیش کش کی ہے، اس لیے آئندہ مالی سال کے لیے کمپنی کے بیرونی آڈیٹرز کے طور پر ان کی دوبارہ تقرری (آنے والے سالانہ عام اجلاس میں اراکین کی منظوری سے مشروط) کی جائے۔

ڈائیکٹرز اور انتظامی عہدیداران کی جانب سے حصص میں کاروبار

سال کے دوران ڈائیکٹرز، انتظامی عہدیداران، ان کے شریک حیات اور کم سن بچوں نے ایگری ٹیک کے حصص میں کوئی کاروبار نہیں کیا۔ ماہ سوائے جو پی ایس ایکس پر رپورٹڈ ہیں۔

حصص داری کا انداز

31 دسمبر 2025 تک حصص داری کا انداز اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے مطابق اس کی انکشافات صفحہ 142 پر پیش کیے گئے ہیں۔

بعد ازاں واقعات

مالی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت کو متاثر کرنے والی کوئی مادی تبدیلی یا اہم ذمہ داری سامنے نہیں آئی۔

تنوع، مساوات اور شمولیت (ڈی ای آئی) کا فروغ

کمپنی ایک ایسا ماحول تشکیل دینے کے لیے پُر عزم ہے جہاں سب کے لیے مساوی مواقع دستیاب ہوں۔ مساوی مواقع فراہم کرنے والے ادارے کے طور پر ہم ایک محفوظ اور نتیجہ خیز کام کی جگہ بنانے کی کوشش کرتے ہیں جہاں ہر رکن خود کو قدر و منزلت اور شمولیت کے ساتھ محسوس کرے۔ ہماری

مجلس ہدایت کاران کے تمام اراکین غیر عامل (نون ایگزیکٹو) ڈائیکٹرز ہیں اور میٹنگ فیس کے علاوہ کسی معاوضے کے حق دار نہیں۔ سال کے دوران ان تمام متعلقہ فریقین کے لین دین آڈٹ کمیٹی کے سامنے پیش کیے گئے اور آڈٹ کمیٹی کی سفارشات کی روشنی میں انہیں لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تقاضوں کے مطابق مجلس ہدایت کاران کے سامنے جائزے اور منظوری کے لیے پیش کیا گیا۔ متعلقہ فریق لین دین کی تفصیلات صفحہ 159 تا 168 پر پیش کی گئی ہیں۔

آئندہ منظر نامہ

تفصیلی مستقبل بیان اس رپورٹ کے حصہ "مستقبل کا منظر نامہ" (سیکشن F) میں صفحہ 159 تا 168 پر پیش کیا گیا ہے۔

اندرونی مالی کنٹرولز

مجلس ہدایت کاران اور انتظامیہ ایک مؤثر اندرونی کنٹرول نظام قائم کرنے، برقرار رکھنے اور مانیٹر کرنے، کمپنی کے اثاثوں کے تحفظ اور مالی رپورٹنگ کی درستگی و بھروسا مندی کو یقینی بنانے کی ذمہ دار ہیں۔

اندرونی کنٹرولز کا نظام کمپنی کے مقاصد کے حصول، عملیاتی مؤثریت و کارکردگی، قابل اعتماد مالی رپورٹنگ اور قوانین، ضوابط و پالیسیوں کی تعمیل کے لیے مضبوط بنیاد رکھتا ہے۔

اندرونی کنٹرولز کا مقصد معقول یقین دہانی فراہم کرنا ہے، قطعی/مطلق یقین دہانی نہیں، کہ عملیاتی، رپورٹنگ اور عملی اہداف حاصل ہو رہے ہیں۔

مجلس ہدایت کاران اور آڈٹ کمیٹی اندرونی آڈٹ کے شعبے کی جانب سے جاری کردہ رپورٹس کا باقاعدہ جائزہ لیتے ہیں تاکہ اندرونی کنٹرول تقاضوں کی تکمیل پر اطمینان حاصل کیا جاسکے۔ اندرونی آڈٹ کنٹرول سرگرمیوں کی دیانت اور مؤثریت کا جائزہ لے کر آڈٹ کمیٹی اور مجلس ہدایت کاران کو وقفے وقفے سے رپورٹس پیش کرتا ہے۔

دیگر امور

ادارہ جاتی نظم و نسق اور مالی رپورٹنگ کا فریم ورک

ضابطہ کارپوریٹ گورننس کے مطابق، ڈائریکٹرز اطمینان کے ساتھ رپورٹ کرتے ہیں کہ:

- انتظامیہ کی جانب سے تیار کردہ مالی بیانات کمپنی کی مالی حالت، کاروباری نتائج، نقدی بہاؤ اور حقوق ملکیت میں تبدیلیوں کی درست تصویر پیش کرتے ہیں۔
- کمپنی کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- مالی بیانات کی تیاری میں مناسب حساسی پالیسیاں مسلسل طور پر اختیار کی گئی ہیں اور حساسی اندازے معقول اور محتاط رائے کی بنیاد پر قائم کیے گئے ہیں۔
- پاکستان میں قابل اطلاق بین الاقوامی مالی رپورٹنگ معیارات کی تعمیل کی گئی ہے۔
- اندرونی کنٹرول کا نظام مضبوط ہے اور اسے مؤثر طور پر نافذ اور دیکھا گیا ہے۔
- مجلس ہدایت کاران مطمئن ہے کہ کمپنی بطور جاری کاروبار بہتر کارکردگی دکھا رہی ہے۔
- پاکستان اسٹاک ایکسچینج کے لسٹنگ ضوابط میں درج بہترین طریقہ کار حکمرانی سے کوئی بنیادی انحراف نہیں ہوا۔
- 31 دسمبر 2025 تک ٹیکس، ڈیوٹی، عائدات اور چارجز کے حساب سے کوئی قانونی واجب الادا ادائیگی بقایا نہیں، سوائے ان کے جو مالی بیانات میں ظاہر کی گئی ہیں۔
- زیر رپورٹ مالی سال کے اختتام اور ڈائریکٹرز کی رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت کو متاثر کرنے والی کوئی بنیادی تبدیلی یا اہم ذمہ داری سامنے نہیں آئی۔

ڈیوڈنڈ (منافع حصص)

مجلس ہدایت کاران نے مناسب غور و فکر کے بعد کسی منافع کی سفارش نہ کرنے کا فیصلہ کیا ہے۔ مجلس ہدایت کاران کمپنی کی کارکردگی، نقدی بہاؤ اور اسٹریٹجک ضروریات کے مطابق منافع کی پالیسی کا مسلسل جائزہ لیتی رہے گی۔

مجلس ہدایت کاران

مجلس ہدایت کاران آٹھ (8) مرد اور ایک (1) خاتون ڈائریکٹر پر مشتمل ہے، جس کی ساخت درج ذیل ہے:

- آزاد ڈائریکٹرز: 3
 - غیر عامل (نون ایگزیکٹو) ڈائریکٹرز: 6
 - عامل (ایگزیکٹو) ڈائریکٹرز: 0
- مجلس ہدایت کاران سے متعلق تفصیلی معلومات، بشمول اراکین کے تعارف، کمیٹیوں کی حدود اختیار، اجلاسوں کی تفصیل اور دیگر گورننس سے متعلق امور، اس رپورٹ کے حصہ "گورننس" (سیکشن D) میں صفحہ 63 تا 100 پر فراہم کیے گئے ہیں۔

بعد از ملازمت فوائد میں سرمایہ کاری

31 دسمبر 2025 تک کمپنی کے زیر انتظام ملازمین کے بعد از ملازمت فوائد فنڈز میں سرمایہ کاری کی مالیت درج ذیل ہے:

- بی ایف فنڈ: 394 ملین روپے
- گریچوٹی فنڈ: 189 ملین روپے

سرمایہ جاتی اخراجات کی توجیہ

سال کے دوران کیے گئے سرمایہ جاتی اخراجات کا بنیادی مقصد آپریشنز کا تسلسل برقرار رکھنا، اثاثوں کی بھروسا مندی بڑھانا اور کارکردگی بہتر بنانا تھا۔ پرانے آلات کی جگہ نئے آلات اور اپ گریڈز میں سرمایہ کاری سے خرابی کے خطرات کم ہوئے، بندش کے اوقات کم ہوئے، تعمیل بہتر ہوئی اور عملیاتی کارکردگی میں بہتری آئی۔ مجموعی طور پر ان اخراجات نے آپریشنز کی تسلسل پذیری کو مضبوط کیا، نگہداشت کے خطرات کم کیے اور طویل المدتی قدر آفرینی میں مدد دی۔

مارکیٹ شیئر سے متعلق انکشافات

ڈائیکٹر ز رپورٹ

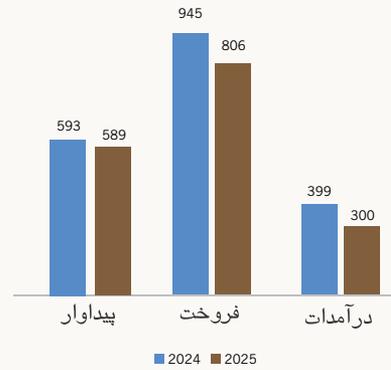
مجلس ہدایت کاران فریقین مفاد کو یہ بتاتے ہوئے خوش ہے کہ کمپنی کی یوریا تیاری کے لیے گیس کی دستیابی سے متعلق دیرینہ تشویشات کو جامع طور پر دور کر دیا گیا ہے۔ جنوری 2026 میں حکومت پاکستان نے سندھ کے ضلع گھوٹکی (ڈاہرکی) میں ماری فیلڈ کی غازیج/شوال دریافتوں سے ایگری ٹیک لمیٹڈ کے داؤد خیل واقع یوریا کارخانے کے لیے گیس مختص کرنے کی منظوری دی۔

مختص شدہ گیس ماری فیلڈ کے ڈیلیوری پوائنٹ پر اوگرا کی جانب سے وقتاً فوقتاً نوٹیفائی کردہ قابل اطلاق ویل ہیڈ قیمت پر فراہم کی جائے گی۔ کمپنی ماری انرجیز لمیٹڈ کے ساتھ گیس کی خرید و فروخت کے معاہدے (جی ایس پی اے) میں داخل ہوگی، جس کے تحت ایگری ٹیک لمیٹڈ دیگر فریقین مفاد کے ساتھ مل کر گیس کی صفائی/پروسیسنگ، کمپریشن اور پروسیس شدہ گیس کی ترسیل کے انتظامات تیسری فریق رسائی کے ذریعے کرے گی، جو تیسری فریق کی رسائی کے فوائد، 2018 اور پاکستان گیس نیٹ ورک کوڈ کے مطابق ہوں گے۔

ان منظوریوں سے یوریا پیداوار کے لیے بلا تعطل گیس کی دستیابی سے متعلق واضح صورتحال اور یقین دہانی میسر آتی ہے اور یہ کمپنی کے لیے ایک اہم سنگ میل ہے۔ مجلس ہدایت کاران کے نزدیک اس پیش رفت سے آپریشنز کی پائیداری مضبوط ہوتی ہے اور آئندہ کھاد سازی کے لیے خام مال (فیڈ اسٹاک) کی فراہمی سے جڑی غیر یقینی ختم ہوتی ہے۔

کمپنی کی یوریا فیکٹری پورے سال فعال رہی اور 374 ہزار ٹن یوریا (2024: 372 ہزار ٹن) پیدا کی، جبکہ نصب شدہ پیداواری صلاحیت 433 ہزار ٹن ہے۔ زیر جائزہ مدت میں کمپنی نے 390 ہزار ٹن یوریا فروخت کی (2024: 325 ہزار ٹن)، جو فروخت کے حجم میں 20 فیصد اضافہ ظاہر کرتی ہے اور یہ کمپنی کی اب تک کی سب سے زیادہ یوریا فروخت ہے۔ کمپنی فاسفیٹک زمرے میں سنگل سپر فاسفیٹ کی بڑی تیار کنندگان میں شامل ہے؛ 2025 میں کمپنی نے 86 ہزار ٹن (2024: 80 ہزار ٹن) پیدا کی اور 90 ہزار ٹن (2024: 71 ہزار ٹن) فروخت کی، جو 27 فیصد حجمی نمو کو ظاہر کرتی ہے۔

فاسفیٹ (000 ٹن P205 غذائی اجزاء)



بین الاقوامی منڈی میں ڈی اے پی قیمتوں میں اتار چڑھاؤ جاری رہا۔ سال کے آغاز میں ڈی اے پی کی قیمت تقریباً 625 امریکی ڈالر فی ٹن (سی ایف آر کراچی) تھی، سال کے وسط میں یہ تقریباً 820 امریکی ڈالر فی ٹن تک پہنچی اور بعد ازاں کم ہو کر تقریباً 670 امریکی ڈالر فی ٹن (سی ایف آر کراچی) رہی۔

ایگری ٹیک کا جائزہ

کمپنی کا بنیادی کاروبار کھاد کی تیاری اور فروخت ہے۔ کمپنی پنجاب کے ضلع میانوالی میں یوریا فیکٹری کی مالک ہے اور اسے چلاتی ہے۔ کمپنی خیبر پختونخوا کے ضلع ہری پور ہزارہ میں واقع اپنے پیداواری یونٹ میں گرانولر سنگل سپر فاسفیٹ (جی ایس ایس پی) بھی تیار کرتی ہے۔

ناٹروجنی اور فاسفیٹک دونوں اقسام کی کھاد تیار کرنے والی متنوع کمپنی بننے کے اسٹریٹجک ہدف کے حصول کے بعد، کمپنی کی مصنوعات کھاد کی منڈی کے معروف اور قابل اعتماد نشان تجارتی TARA کے تحت فروخت کی جاتی ہیں۔ سال 2025 نے پوری صنعت میں چستی اور نظم و ضبط کو آزمایا، اور ایگری ٹیک لمیٹڈ نے محفوظ آپریشنز، قابل بھروسہ رسد اور صارفین کے اعتماد پر واضح توجہ کے ساتھ اس کا جواب دیا۔

ایگری ٹیک لمیٹڈ کے مالیاتی نتائج سال اختتام

| ملین روپے | 2024 | 2025 | |
|-----------------------------|---------|--------|--|
| خالص فروخت | 31,307 | 35,880 | |
| آپریٹنگ منافع | 4,261 | 2,645 | |
| مالیاتی لاگت | 7,014 | 4,237 | |
| قبل از ٹیکس منافع (نقصان) | (1,083) | 3,190 | |
| بعد از ٹیکس منافع (نقصان) | (1,114) | 2,895 | |
| فی حصص منافع (نقصان) - روپے | (2.71) | 5.86 | |

6,577 ہزار ٹن) کی ریکارڈ سطح پر رہی، جو گزشتہ سال کے مقابلے میں 2.3 فیصد اضافہ ہے۔ زرعی معیشت اور خرید میں سیلابی صورتحال نے کسانوں کی قیمت کی استطاعت اور یوریا کی فروخت کو متاثر کیا، جس کے باعث سال کے بڑے حصے میں زائد رسد کی کیفیت رہی۔ تاہم ملک بھر میں گندم کی بہتر کاشت، پانی کی بہتر دستیابی اور تمام کارخانوں کے مکمل صلاحیت پر چلنے کے باعث یوریا کی دستیابی وسیع رہی اور سال کے اختتام پر فروخت ریکارڈ سطح 6,730 ہزار ٹن تک پہنچ گئی۔



یوریا کی پیداوار 6,677 ہزار ٹن (2024: 6,687 ہزار ٹن) رہی جس میں 0.14 فیصد کمی معمولی کمی دیکھی گئی۔ تمام یوریا کارخانوں کو باقاعدہ گیس کی فراہمی کے باعث سال بھر زیادہ تر پیداواری یونٹس فعال رہے اور رسد اطمینان بخش رہی۔

فاسفیٹ کی صنعت

فاسفیٹ کی اٹھان گزشتہ سال کے مقابلے میں 15 فیصد کم ہوئی اور فاسفیٹ (P2O5 غذائی جزو) کے لحاظ سے فروخت 806 ہزار ٹن (2024: 945 ہزار ٹن) رہی۔ فاسفیٹ کے استعمال میں مجموعی کمی کی بنیادی وجہ کمزور فصلوں کی معاشی کیفیت اور ڈی اے پی کی بلند درآمدی قیمتوں کے باعث کسانوں کی کم قیمت برداشت تھی۔ ملکی فاسفیٹ پیداوار 2025 میں 1 فیصد کم ہو کر 589 ہزار ٹن (P2O5 غذائی جزو) رہی (2024: 593 ہزار ٹن)۔ فاسفیٹ مصنوعات کی درآمدات غذائی جزو کی بنیاد پر 25 فیصد کم ہو کر 300 ہزار ٹن رہیں (2024: 399 ہزار ٹن)، تاہم سال بھر فاسفیٹ کھادوں کی دستیابی برقرار رہی۔

و ضبط اور بیرون ملک پاکستانیوں کی ترسیلات زر کے مسلسل بہاؤ پر رہی۔ اگرچہ تجارتی توازن درآمدی انحصار کے باعث ساختی طور پر دباؤ میں رہا، تاہم بیرونی مالیاتی حالات میں بہتری نے شرح مبادلہ اور بیرونی کھاتوں پر دباؤ کو قابو میں رکھنے میں مدد دی۔

مالیاتی استحکام کو پالیسی کی ترجیح برقرار رکھا گیا۔ وفاقی بجٹ 2025-26 میں محصولات میں اضافہ، اخراجات کی معقولیت اور ساختی اصلاحات کو اجاگر کیا گیا تاکہ مالی پائیداری بہتر ہو۔ ٹیکس نیٹ کے پھیلاؤ، تعمیل کو مضبوط بنانے اور ڈیجیٹائزیشن کے فروغ سے محصولات کی وصولی میں گزشتہ برسوں کے مقابلے میں بہتری آئی۔ سرمایہ کاروں کے اعتماد کو برقرار رکھنے اور طویل المدتی میکرو معاشی استحکام کے لیے اصلاحات کا تسلسل نہایت ضروری ہے۔ عالمی سطح پر معاشی نمو معتدل رہی اور بین الاقوامی اداروں نے 2025 میں عالمی جی ڈی پی میں تقریباً 3 فیصد اضافے کی پیش گوئی کی، جو

گزشتہ سال کے قریب تھی۔ اجناس کی منڈیوں میں، بالخصوص توانائی اور غذائی اشیا میں، وقفے وقفے سے اتار چڑھاؤ دیکھا گیا جس نے پاکستان سمیت ابھرتی معیشتوں میں درآمدی لاگت اور افراط زر کے رجحانات کو متاثر کیا۔ جغرافیائی سیاسی کشیدگیوں، موسمیاتی نوعیت کی رکاوٹیں اور عالمی مالیاتی سختی بیرونی ماحول کی تشکیل میں مؤثر رہیں۔

مجموعی طور پر مالی سال 2025 محتاط استحکام اور معاشی بنیادوں میں بتدریج بہتری کا سال رہا۔ افراط زر میں کمی، زر مبادلہ کے ذخائر میں بہتری، اصلاحات کی رفتار اور اہم شعبوں نے ایک زیادہ مستحکم کلی / وسیع تر معاشی منظر نامہ فراہم کیا۔ آگے بڑھتے ہوئے، ساختی اصلاحات، بہتر حکمرانی اور محتاط کلی / وسیع تر معاشی نظم و نسق پائیدار اور ہمہ گیر معاشی نمو کے لیے بنیادی اہمیت رکھتے ہیں۔

صنعتی جائزہ

یوریا کی صنعت

سال 2025 کے دوران یوریا کی فروخت 6,730 ہزار ٹن (2024:

ڈائیکٹر ز رپورٹ

معاشی اور صنعتی جائزہ

مجلس ہدایت کاران کو یہ اعزاز حاصل ہے کہ وہ 31 دسمبر 2025 کو اختتام پذیر سال کے لیے سالانہ رپورٹ، ہمراہ آڈٹ شدہ مالی بیانات، پیش کر رہے ہیں، جس میں ہماری کارکردگی، اہم پیش رفت اور آئندہ سال کے لیے رہنما ترجیحات کا خلاصہ شامل ہے۔

وسیع تر معاشی جائزہ

مالی سال 2025 کے دوران پاکستان کی معیشت نے اصلاحات کے تسلسل اور بیرونی معاونت میں بہتری کے پس منظر میں اہم کلی/وسیع تر معاشی اشاریوں میں بتدریج بہتری کے ساتھ استحکام کے سفر کو جاری رکھا۔ حقیقی مجموعی قومی پیداوار میں مالی سال 2025 کے دوران تقریباً 2.68 فیصد اضافہ ہوا (مالی سال 2024 میں 2.51 فیصد تھی) جو مجموعی معاشی سرگرمی میں معتدل مگر مسلسل بحالی کی عکاسی کرتا ہے۔ اس نمو کو افراط زر کے دباؤ میں نسبتاً کمی، شرح مبادلہ میں نسبتی استحکام اور سرمایہ کاروں کے اعتماد میں بہتری سے تقویت ملی، جو کثیرالجہتی شراکت داروں کے ساتھ مسلسل روابط اور مالی نظم و ضبط کے اقدامات کے نفاذ کے بعد سامنے آئی۔

زرعی شعبہ معیشت کا مرکزی ستون برقرار رہا، تاہم گزشتہ سال کی غیر معمولی بحالی کے مقابلے میں اس کی نمو قدرے کم رہی۔ مالی سال 2025 کے دوران مجموعی زرعی نمو تقریباً 2 فیصد رہی، کیونکہ موسمی تغیر، پانی کی دستیابی کی پابندیاں اور زرعی لوازمات کی بلند لاگت کے باعث بڑی فصلوں کی کارکردگی ملی جلی رہی۔ گندم کی پیداوار مجموعی طور پر مستحکم رہی جبکہ کپاس میں بتدریج بہتری دیکھی گئی اور چاول کی پیداوار موسمی حالات سے حساس رہی۔ مویشیوں کے شعبے نے دیہی آمدنی اور اندرونی کھپت کو سہارا دے کر زرعی شعبے میں استحکام پیدا کیا۔ زراعت قومی پیداوار میں تقریباً پانچواں حصہ ڈالتی ہے اور افرادی قوت کے بڑے حصے کو روزگار فراہم کرتی ہے، لہذا یہ معاشی استحکام اور غذائی تحفظ کے لیے نہایت اہم ہے۔ تاہم موسمیاتی خطرات، پیداوار کی بڑھتی لاگت اور پانی کے

انتظام کے مسائل پائیدار نمو کے لیے ساختی نوعیت کے مسائل ہیں۔

صنعتی شعبے میں گزشتہ سالوں میں کمی والی کیفیت کے بعد بحالی کی ابتدائی علامات نمایاں ہوئیں۔ بڑی سطح کی صنعتی پیداوار میں معمولی بہتری آئی جسے نسبتی طور پر مستحکم کرنسی، رسد کی رکاوٹوں میں نرمی اور درآمدی خام مال کی بہتر دستیابی نے سہارا دیا۔ تاہم بلند توانائی نرخ، مہنگا قرضہ اور محتاط اندرونی طلب زیادہ مضبوط توسیع میں رکاوٹ بنے رہے۔ کان کنی اور پتھر نکاسی کی سرگرمیاں دباؤ میں رہیں جبکہ تعمیرات میں بتدریج استحکام آیا کیونکہ سرکاری ترقیاتی اخراجات محدود مگر دوبارہ جاری ہوئے۔ اس کے برعکس خدمات کا شعبہ معتدل رفتار سے بڑھتا رہا، جس کی قیادت تھوک و پرچون تجارت، نقل و حمل و ذخیرہ اندوزی، معلومات و مواصلات اور مالی خدمات نے کی، جو کاروباری اعتماد اور صارفین کی سرگرمی میں بتدریج بہتری کی عکاسی کرتی ہے۔

افراط زر، جو گزشتہ برسوں میں بڑا مسئلہ رہا تھا، مالی سال 2025 کے دوران نمایاں طور پر کم ہوا۔ اوسط صارف افراط زر تقریباً 4.5 فیصد تک محدود رہا جبکہ مالی سال 2024 میں یہ دو عددی سطح پر تھا۔ اس کمی کی وجوہ میں محتاط مالیاتی نظم، غذائی رسد میں بہتری اور شرح مبادلہ کا نسبتی استحکام شامل ہیں۔ اسٹیٹ بینک آف پاکستان نے سال کے بیشتر حصے میں محتاط مالیاتی حکمت عملی برقرار رکھی اور افراط زر کے دباؤ میں کمی کے ساتھ بتدریج پالیسی شرح میں ردوبدل کا آغاز کیا۔ کم افراط زر نے قوت خرید بہتر بنائی، کاروبار کے لیے غیر یقینی کم کی اور مجموعی معاشی پیش بینی کو مضبوط کیا۔

بیرونی محاذ پر پاکستان نے بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) کے توسیعی فنڈ سہولت پروگرام کے تحت روابط جاری رکھے۔ مالی سال 2025 کے دوران پروگرام کے کامیاب جائزوں اور طے شدہ اصلاحاتی اہداف کی تعمیل کے بعد مزید رقوم کی ادائیگیاں ہوئیں، جن میں تقریباً 1.2 ارب امریکی ڈالر شامل تھے۔ زر مبادلہ کے ذخائر بحران کی سطح کے مقابلے میں بہتر ہوئے، جس کی بنیاد کثیرالجہتی آمدن، جاری کھاتے کے نظم

تاثر ہماری نمو کے سفر کو جاری رکھنے کے لیے ضروری
مواقع فراہم کرتا ہے۔

میں اپنے تمام فریقین مفاد بالخصوص ہمارے حصص داران کی
اسٹریٹیجک رہنمائی کے لیے، ملازمین کی محنت و لگن کے
لیے، صارفین کے اعتماد کے لیے اور فراہم کنندگان کے
مسلسل تعاون کے لیے شکریہ ادا کرتا ہوں۔

خلوص کے ساتھ،



محمد فیصل مزمل
چیف ایگزیکٹو آفیسر

سی ای او کے تاثرات

کرتے ہیں۔

معاهدے کے تحت فراہم کی جائے گی، جبکہ ترسیل اوگرا کے

تیسری فریق رسائی (ٹی بی اے)

انتظامات اور قابل اطلاق قواعد اور پاکستان گیس نیٹ ورک

کوڈ (بی جی این سی) کے تحت سوئی ناردرن گیس لمیٹڈ کی

ترسیلی پائپ لائن کے ذریعے ہوگی۔

ہم اسے عملیاتی پائیداری کی جانب ایک اہم قدم سمجھتے

ہیں جو قابل اعتماد پیداواری منصوبہ بندی اور رسد کی یقین

دہانی میں بہتری کی بنیاد فراہم کرے گا۔

قومی خزانے میں شراکت

ہم 2025 کے دوران بھی قومی خزانے میں مستقل شراکت دار

رہے، اور 5.27 ارب روپے بطور محاصل، ڈیوٹیاں اور عائدات جمع

کروائے۔

اس کے علاوہ، کسانوں کے لیے قابل برداشت نرخوں پر

مستلسل یوریا پیداوار جو بین الاقوامی معیاری پیمانے کے مقابلے

میں نمایاں طور پر کم رہی، درآمدی متبادل کو ممکن بنایا اور

مہنگی درآمدات کے مقابلے میں قابل ذکر زرمبادلہ بچانے میں

مدد دی۔

پائیداری اور تحفظ: طویل المدتی استحکام کی تعمیر

سال کے دوران کاروباری عمل میں پائیداری کی نگرانی پر

مزید توجہ دی گئی۔ عملیاتی ٹیموں کو پائیدار پیداواری عمل

کے لیے ضابطہ جاتی تقاضوں کی آگاہی، وسائل اور تربیت

فراہم کی گئی تاکہ صنعتی معیارات حاصل کیے جاسکیں۔

رپورٹ نگاری کے متعلقہ پیمانے اس رپورٹ میں پائیداری کے

اہداف اور کامیابیوں کے حصے میں مزید واضح کیے گئے ہیں۔

مستقبل کی جانب پیش رفت

ہم 2026 میں خام مال/فیڈ اسٹاک کی دستیابی سے متعلق

زیادہ واضح صورت حال، مضبوط ترسیلی و تقسیماتی توجہ، اور

قابل اعتماد کارکردگی، صارف اعتماد اور نظم و ضبط پر مبنی

نمو کے ساتھ تیار کردہ عملی منصوبے کے تحت داخل ہو رہے

ہیں، تاکہ زرعی شعبے کے غیر یقینی ماحول میں بھی مؤثر انداز

میں نتائج دے سکیں۔ کسانوں کی فلاح و بہبود اور نئے سال

میں فصلوں کی بہتر معاشی کیفیت کے بارے میں مجموعی

پاکستان کی کھاد منڈی 2025 میں قیمت کی استطاعت اور

موسمیاتی نوعیت کی رکاوٹوں کے ملے جلے تاثر سے گزری،

جس کے بعد سال کے آخر میں توازن (ازسرنو توازن) دیکھا گیا۔

2025 میں صنعت کی یوریا اٹھان 6,730 ہزار ٹن (بمقابلہ

2024 میں 6,577 ہزار ٹن) کی ریکارڈ سطح پر پہنچی، جبکہ

یوریا کی پیداوار مجموعی طور پر 6,677 ہزار ٹن کے ساتھ

تقریباً مستحکم رہی۔ سیلابی اثرات اور زرعی معیشت کی

کیفیت نے سال کے بڑے حصے میں قیمت کی استطاعت کو

کمزور کیا، تاہم بہتر گندم کی بوائی اور پانی کی بہتر

دستیابی نے سال کے دوران رفتار کو سہارا دیا۔

ایگری ٹیک کی عملیاتی کارکردگی: قابل بھروسہ رسد اور

یوریا کے ریکارڈ حجم

2025 میں ہم نے محفوظ اور مسلسل آپریشنز کو ترجیح دی۔

ہماری یوریا فیکٹری پورا سال فعال رہی اور 374 ہزار ٹن

(گزشتہ سال 365 ہزار ٹن) یوریا پیدا کی، یعنی 2 فیصد اضافہ

کے ساتھ۔ ہم نے 390 ہزار ٹن یوریا فروخت کی یہ کمپنی کی

تاریخ میں سب سے زیادہ سالانہ یوریا فروخت ہے۔ جو 2024

کے مقابلے میں 20 فیصد نمو کی عکاس ہے۔

فاسفیٹک مصنوعات کے حصے میں، منڈی کو قیمت کی

استطاعت کے دباؤ اور درآمدی قیمتوں کے اثرات کے باوجود،

کمپنی نے 86 ہزار ٹن سنگل سپر فاسفیٹ (ایس ایس پی) پیدا

کی اور 90 ہزار ٹن فروخت کی، جو گزشتہ سال کے مقابلے

میں 27 فیصد حجمی نمو کو ظاہر کرتی ہے۔

ایک ساختی سنگ میل: گیس کی دستیابی سے متعلق واضح

پیش رفت

کمپنی کی یوریا فیکٹری کے لیے مستحکم گیس کی فراہمی

کا دیرینہ مسئلہ اب حل کی سمت بڑھ گیا ہے، کیونکہ جنوری

2026 میں حکومت پاکستان نے ایگری ٹیک کی داؤد خیل

واقع یوریا فیکٹری کے لیے ماری فیلڈ کی غازیج/شوال دریافتوں

سے گیس کی الاٹمنٹ کی منظوری دی۔ یہ الاٹمنٹ اوگرا

کی جانب سے نوٹیفائی کردہ قابل اطلاق ویل ہیڈ قیمت پر،

ماری انرجیز لمیٹڈ کے ساتھ گیس کی خرید و فروخت کے

سی ای او کے تاثرات

معزز حصص داران

ایگری ٹیک لمیٹڈ کی انتظامیہ کی جانب سے، مجھے 31 دسمبر 2025 کو اختتام پذیر سال کے لیے اپنے تاثرات پیش کرتے ہوئے مسرت محسوس ہو رہی ہے۔ یہ سال ایک بار پھر زرعی شعبے اور زرعی لوازمات کی صنعتوں میں لچک و استقامت کو آزمانے والا ثابت ہوا، تاہم اس کے ساتھ نظم و ضبط کے ساتھ کام کرنے والے اداروں کے لیے ایسے مواقع بھی پیدا ہوئے جن کے ذریعے وہ اپنی قابل اعتماد کارکردگی، صارفین کے اعتماد اور مستقبل کی تیاری کو مزید مضبوط بنا سکیں۔

2024 میں جس سفر نے ایک پُر امید سمت (امید نو) اختیار کی، وہ 2025 کے دوران (آگے بڑھو) کے طور پر مثبت انداز میں آگے بڑھتا رہا، جس کی جھلک اس رپورٹ میں پیش کی گئی مقدار اور معیاری کامیابیوں سے نمایاں ہوتی ہے۔

صحت، تحفظ اور ماحولیات - طرز زندگی

صحت، تحفظ اور ماحولیات (ایچ ایس ای) بطور بنیادی قدر اختیار کیا گیا "طرز زندگی" ہمارے ہر اقدام کے مرکز میں ہے اور کمپنی کے ہر عمل میں سرایت کیے ہوئے ہے۔ مختلف کاروباری مقامات پر محفوظ کارروائیوں کے انعقاد پر ہماری توجہ سال کے دوران صفر کے ذریعے ظاہر ہوئی، جبکہ مسلسل بہتری (سلسلہ اصلاح) کا طریقہ کار محفوظتی تربیت، مشقوں اور ٹیموں کے درمیان محفوظتی گفتگو کے ذریعے اپنایا گیا۔

ادارہ جاتی نظم و نسق اور رپورٹ نگاری میں عمدگی

دو بڑے صنعتی گروپس، یعنی فوجی گروپ (فوجی فرٹیلائزر لمیٹڈ) اور میپل لیف گروپ کے ذریعے کمپنی کے حصول ملکیت کے بعد، ضابطہ جاتی تقاضوں کے مطابق نئے حصص داران کی متناسب نمائندگی کے ساتھ کمپنی کی مجلس انتظامیہ کی مئی 2025 میں ازسرنو تشکیل کی گئی۔ نئی مجلس انتظامیہ باضابطہ کارپوریٹ گورننس (سی سی جی) کی مکمل روح اور لفظ کے مطابق تعینات کے عزم کے ساتھ کمپنی کو اسٹریٹجک سمت فراہم کرنے کے لیے پُر عزم ہے۔ شفافیت اور رپورٹ نگاری کے معیار پر ہماری توجہ کو

مسلسل سرابا جاتا رہا ہے۔ ہماری ادارتی رپورٹ نگاری کو بہترین ادارہ جاتی اور پائیداری رپورٹ ایوارڈز میں تسلیم کیا گیا، جہاں ہماری 2024 کی کارپوریٹ رپورٹ نے شعبے میں چوتھی پوزیشن حاصل کی یہ معیاری انکشافات اور گورننس میں پختگی کے لیے ہمارے مسلسل عزم کا مظہر ہے۔

سرپرستانہ معاونت اور حکمت عملی کی ہم آہنگی

کمپنی کو ملک کی بڑی کھاد ساز کمپنیوں میں سے ایک، یعنی بطور حصص دار فوجی فرٹیلائزر لمیٹڈ (ایف ایف سی) کا حصہ بننے سے نمایاں فائدہ ہوا۔ اس سے ہمیں ایف ایف سی کی تکنیکی مہارت تک رسائی ملی، جس میں عالمی معیار کے مطابق کھاد سازی میں عملیاتی عمدگی شامل ہے۔ فیلڈ میں عمل کی بہتری، قابل اعتماد آپریشنز، نگہداشت و مرمت میں نظم و ضبط، پیداواری یونٹ کی خرابیوں کا ازالہ، اور ایچ ایس ای ہم آہنگی کے حوالے سے تعاون نے عملیاتی کنٹرول کو بہتر بنایا، جس کے نتیجے میں پیداواری عمل کی قابل اعتماد کارکردگی میں اضافہ اور پیداوار میں بہتری سامنے آئی۔

ایف ایف سی کے وسیع اور ملک کے سب سے بڑے ترسیلی و فروخت کے نیٹ ورک اور تجارتی مہارت نے مارکیٹ میں ہماری موجودگی کو بہتر بنایا، جس سے پاکستان بھر میں TARA نشان تجارتی کے تحت کمپنی کی مصنوعات کی رسائی میں اضافہ ہوا یعنی زیادہ مارکیٹ رسائی، بہتر دستیابی، اور مضبوط صارف اعتماد۔ مزید وسیع تقسیماتی ذرائع میں بہتر دستیابی نے فروخت میں بہتری اور نقدی بہاؤ کے پائیدار تسلسل کو یقینی بنایا۔

تکنیکی اور تجارتی دونوں سطحوں پر یہ معاونتی نظام سی سی جی کے تقاضوں کے تحت اور غیر جانب دارانہ بنیاد پر برقرار رکھا گیا ہے۔

آپریٹنگ ماحول: اتار چڑھاؤ برقرار رہا، مگر سال کے آخر میں

طلب متوازن ہوئی

عالمی کھاد سازی کا قدر و رسد کا سلسلہ توانائی کی منڈی کی تبدیلیوں، ترسیل و رسد کی حرکیات، اور کسانوں کے لیے قیمت کی استطاعت میں اتار چڑھاؤ کے باعث مسلسل متاثر رہا۔ بین الاقوامی معیاری پیمانے اس عدم استحکام کی تصدیق

چیئرمین کا جائزہ

معزز حصص داران

زیرِ جائزہ سال ایگری ٹیک لمیٹڈ (کمپنی) کے لیے مسلسل پیش رفت اور استحکام کا سال رہا، جس کی نمایاں خصوصیات منظم عمل درآمد، عملیاتی استقامت اور محتاط مالی نظم و نسق تھیں۔ ایک مشکل اور تغیر پذیر کاروباری ماحول میں کام کرنے کے باوجود، کمپنی نے استحکام برقرار رکھنے، بنیادی عملی سرگرمیوں کو مضبوط بنانے اور اپنے فریقین مفاد کے لیے طویل المدتی قدر کے تحفظ پر توجہ مرکوز رکھی۔

سال بھر کے دوران انتظامیہ نے کارکردگی میں بہتری، اخراجات میں نظم و ضبط اور آپریشنز کی بھروسہ مندی کو ترجیح دی۔ ان کوششوں کے نتیجے میں ادارہ جاتی استقامت میں اضافہ ہوا اور کمپنی کی مالی حالت کو سہارا ملا۔ کمپنی نے نقدی کی دستیابی برقرار رکھنے اور اہم فریقین مفاد کے ساتھ تعلقات مضبوط بنانے پر بھی توجہ جاری رکھی، جن میں قرض دہندگان، شراکت دار اور فراہم کنندگان شامل ہیں۔

مجلسِ ہدایت کاران کی رہنمائی چند واضح اقدار کے تحت جاری رہی جن کا محور ذمہ داری، استقامت، امید پسندی اور پائیداری ہے۔ یہی اصول فیصلہ سازی اور طویل المدتی منصوبہ بندی کے حوالے سے کمپنی کے طرزِ عمل کی بنیاد ہیں، تاکہ ترقی کے اقدامات ماحول کے تحفظ اور سماجی ذمہ داری کے ساتھ متوازن رہیں۔

اسٹریٹجک شراکت داروں اور فریقین مفاد کی جانب سے دلچسپی کمپنی کی عملیاتی صلاحیتوں اور طویل المدتی امکانات پر بڑھتے ہوئے اعتماد کی عکاس ہے۔ مجلسِ ہدایت کاران اس اعتماد کو اب تک کی پیش رفت کی توثیق سمجھتی ہے اور اسے پائیدار قدر آفرینی میں تبدیل کرنے کے لیے پُر عزم ہے۔

سال کے دوران مجلسِ ہدایت کاران اپنی نگرانی کی ذمہ داریوں میں پوری طرح سرگرم رہی۔ اس نے حکمتِ عملی، خطرات کے نظم و نسق، مالی سرپرستی اور ادارہ جاتی نظم و نسق پر توجہ دی، اور یہ یقینی بنایا کہ حصص داران، ملازمین،

صارفین، قرض خواہوں اور وسیع تر برادری کے مفادات میں مناسب توازن قائم رہے۔ مجلسِ ہدایت کاران نے کمپنی کی مسابقتی حیثیت اور مستقبل کی تیاری کو مضبوط بنانے کے لیے اہم حکمتِ عملی اقدامات کی منظوری بھی دی۔

سال بھر میں ادارہ جاتی نظم و نسق (کارپوریٹ گورننس) کے اعلیٰ معیار کو برقرار رکھا گیا۔ کارکردگی کے جائزے، پالیسیوں کی منظوری، اور قابلِ اطلاق قوانین و بہترین عملی طریقوں کے مطابق تعمیل کو یقینی بنانے کے لیے مجلسِ ہدایت کاران اور متعلقہ کمیٹیوں کے باقاعدہ اجلاس منعقد کیے گئے۔ آڈٹ کمیٹی اور انسانی وسائل و اجرت/معاوضہ کمیٹی نے جواب دہی، شفافیت اور مؤثر نگرانی کو مضبوط بنانے میں اپنا اہم کردار جاری رکھا۔

مستقبل کی جانب پیش رفت کرتے ہوئے، کمپنی نئے سال میں مضبوط بنیاد اور واضح حکمتِ عملی سمت کے ساتھ داخل ہو رہی ہے۔ عملیاتی عمدگی، ادارہ جاتی نظم و نسق اور پائیداری پر مسلسل توجہ کے ساتھ، مجلسِ ہدایت کاران کو یقین ہے کہ کمپنی آئندہ مسائل سے مؤثر طور پر نمٹ سکے گی، ابھرتے مواقع سے فائدہ اٹھا سکے گی، اور تمام فریقین مفاد کے لیے طویل المدتی قدر فراہم کرے گی۔

مجلسِ ہدایت کاران انتظامیہ، ملازمین، شراکت داروں اور فریقین مفاد کے مسلسل تعاون اور وابستگی پر دلی قدردانی کا اظہار کرتی ہے۔



لیفٹیننٹ جنرل انور علی حیدر، ہلال امتیاز (ملٹری) (ریٹائرڈ)
چیئرمین



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FORWARD LOOKING STATEMENT

GLOBAL OUTLOOK

“Energy sets the tone. Food security sets the floor.”

Fertilizer in 2026 remains an energy-linked input into food security—stable in purpose, reactive in price. Global markets are expected to remain sensitive to three fast-moving drivers: energy direction, freight/logistics friction, and policy-driven trade flows. While food demand remains structurally supportive, affordability cycles are likely to persist—particularly across emerging markets where purchasing power and credit conditions can shift rapidly with inflation and FX pressure.

Global Fertilizer industry is witnessing both strong demands, soaring raw material prices and geo-political developments. A bullish natural-gas market on both sides of the Atlantic could see urea costs soar, with the potential for domestic nitrogen production in the US to be scaled back in favour of more lucrative LNG exports. Volatility in Ammonia price is likely to continue with the start of the year increasing and likely to ease off during the year. Global Urea demand is expected to support prices in the short term, primarily driven by purchasing from India and Australia and anticipated return of Chinese exports in the later part of the year is forecasted to cause a price correction.

Global phosphate prices show uncertainty amid the affordability concerns from major consuming markets, soaring Sulphur prices, export restrictions kicked-in by China and strong non-fertilizer demand. Supply disruptions, absence of Russian export and strong market demand continued to keep Sulphur prices at historically record levels and continued trend in the future likely to increase the phosphates production costs and increase in phosphate prices.

What it implies:

- Benchmarks act as the “import-parity compass,” shaping local price expectations.
- Energy and freight influence delivered cost and buying speed.

- Timing (when the market buys) can move faster than fundamentals (why the market buys).

PAKISTAN OUTLOOK

“Demand is structural. Timing is tactical.”

Pakistan's fertilizer market remains one of structural demand—supported by recurring crop cycles and national food security priorities. However, the market operates in windows, not straight lines: sowing timings & climate change impacts water availability, farmer affordability & liquidity, and policy direction shape both the intensity and timing of demand.

Food Security for a population base of more than 250 million growing at about 1.6% per annum shall be at the heart of the policy making at the Government level. Agriculture sector recovery at the farm gate levels is likely to show progress that shall improve upon the farmers' economics, maximum land utilization for sowing and increasing farm liquidity at favorable terms boosting liquidity.

In the near term, urea is expected to remain the anchor nutrient due to essentiality and relative affordability. Urea demand is likely to remain strong as the improved farm economics, particularly wheat crops at the start of the year, is likely to provide positive direction for the Kharif crops investments in the inputs that shall add positively to the overall agriculture sector growth. Installed urea capacity in the country shall be fully utilized and can meet the likely growing demand.

Phosphate demand remains more elastic - often responding sharply to global volatility, likely to keep at elevated levels and liquidity conditions. Provincial Government sponsored liquidity drives through the Kissan cards with intervention at the sowing time shall be an important cash injection driver for the phosphate demand which shall be supported by the improved perceived farms economics of major Rabi and Kharif crops.

Downside risks in the form of water availability, severe weather patterns amid climate change challenges, rains pattern moving from rainless periods to flash floods can affect the farm cycle patterns and yield declines.

What it implies for fertilizer demand and pricing:

- Demand recovery continuity to prevail for Urea but constrained by the liquidity & affordability particularly for phosphates.
- Supply side strengthens with the consistent supply of gas for the plants connecting with Mari sources, and supply remained above demand with markets adequately supplied.
- Phosphate prices to be governed with the changes in the global DAP prices and local FX rates volatility, if any. Improved farm economics likely to improve the phosphate demand comparing previous years.

AGRITECH OUTLOOK

“Reliability → Availability → Share.”

Agritech's forward strategy is anchored in continuity, disciplined economics, and peak-season execution—converting operating capability into dependable market supply, protecting cash flows through working-capital discipline, and strengthening long-run resilience through safety and sustainability-led improvements. Operational continuity shall be based on the gas supply under the recently approved supply arrangement from Ghazij/Shawal sources duly transported through SNGPL transmission pipelines. A practical sustainability program targeting safety and long-term reliability improvements, supported by structured oversight and enhancements in safety-critical systems.

Structurally, post implementation of the sanctioned Scheme of Arrangement and the completion of the acquisition by the major shareholders, the balance sheet of the Company is likely to be rationalized

for financial strengthening and risk reduction which induced the required financial capability of the Company to plan for the reliability, capacity expansion, and energy efficiency projects in future.

In the short term, the focus of the Company to remain on plants reliability initiatives and streamlining the flow of gas under the third-party access arrangement. In the medium term, resources are allocated to improve the energy efficiency of plants that shall reflect in improved margins and profitability. Long term thrust is to undertake capacity expansion projects at plants for higher production.

Research & Development (R&D) shall remain on producing higher nutrient SSP variants utilizing the indigenous raw material sources, improving the production processes & raw material mix to bring in significant efficiency in the production processes.

Agritech's forward view remains directionally consistent with earlier disclosures: urea demand resilience, improving operational and financial stability, and easing finance costs under a more supportive monetary environment. The latest year strengthens this trajectory through record urea sales, improved SSP traction, materially lower finance cost, and a return to profitability—while recognizing that quarter-to-quarter outcomes remain sensitive to cycle timing and market expectations.

Key sensitivities

- Feedstock availability & pricing
- Policy and regulation
- Climate change and water availability
- Inventory and competitive behavior
- FX volatility
- Interest-rate path
- Logistics continuity.

SOURCES OF INFORMATION AND ASSUMPTIONS USED FOR PROJECTIONS /FORECASTS

This forward-looking statement is constructed using a blended framework, internal operating

evidence paired with real-time market signals and global publications and reflects management's judgment as of the reporting cut-off.

Inputs used (internal anchors)

- Capacity utilization
- Production stability
- Dispatch execution
- Sales volumes
- Finance cost direction
- Profitability trend
- Reliability and risk management actions.

Inputs used (external real-time indicators)

- Policy rate
- Interbank benchmarks (KIBOR)
- Inflation
- Exchange Rate
- Reserves
- Growth and external balance signals
- Global urea benchmark
- Brent crude direction

Core assumptions used

- Seasonal demand cycles remain intact and continue to drive offtake windows
- Urea retains baseline demand strength due to essentiality and affordability dynamics
- Phosphates remain more price-elastic and liquidity-sensitive
- Financial performance remains responsive to interest rates and working-capital cycles
- Operational continuity remains dependent on feedstock security and plant reliability

FUTURE PLANS FOR AI ADOPTION AND ITS POTENTIAL IMPACT ON THE COMPANY'S LONG TERM STRATEGY

As part of its long-term digital transformation strategy, Agritech Ltd. has begun a structured roadmap for Artificial Intelligence (AI) adoption in alignment with initiatives led by the ICT Division of FFC. ICT FFC has taken the lead in driving AI enablement across group entities, with IT AGL actively participating to

support deployment, awareness, and capability-building within Agritech.

In the first phase, AI awareness and orientation sessions were launched across Agritech locations. A full-day training session titled "Unlocking AI Potential" was conducted at the SSP Plant, Haripur on 2nd February 2026, initiated by ICT FFC and arranged in collaboration with IT AGL and SSP Management. The session equipped employees with a practical understanding of AI concepts, their business relevance, and real-world industrial applications. Interactive discussions and examples demonstrated how AI can enhance operational efficiency, strengthen data-driven decision-making, and optimize plant processes. Similar orientations were conducted at the Head Office, while the session for the Urea Plant is scheduled for April 2026.

In the second phase, FFC ICT and AGL IT plans to collaborate with different business functions along with subject matter experts (SMEs) from the industry to identify areas where AI can deliver measurable business value. This assessment will help prioritize AI use cases and ensure that future adoption aligns with operational needs and strategic priorities.

Agritech recognizes AI as a key driver of long-term competitiveness. Its structured adoption is expected to enhance plant reliability, improve resource utilization, streamline workflows, and enable insight-driven decision-making. By collaborating with ICT FFC and investing in organizational readiness, Agritech aims to position AI as a catalyst for sustainable growth and operational excellence in the years ahead.

FUTURE RESEARCH AND DEVELOPMENT INITIATIVES

Agritech's innovation agenda is centered on applied improvement, initiatives that enhance reliability, efficiency, safety, sustainability, and market relevance, translating operational progress into sustained competitiveness.

FORWARD LOOKING STATEMENT

OPERATIONAL EXCELLENCE & EFFICIENCY

Sustainable Reliability over the next year shall be the main direction, Agritech's resource allocation will be purpose-built around sustainability with safety, and sustenance with reliability. The Company expects to deploy capital into safety-critical infrastructure, asset-integrity programs, and reliability upgrades that materially reduce operational risk, strengthen plant availability, and improve predictability of output across peak demand windows. This forward program will prioritize high-impact interventions — modernization of critical systems, HSE-aligned enhancements, selective debottlenecking, and reliability-driven maintenance capability—designed to protect uptime and enhance long-run operating control. Collectively, these investments are intended to translate into tangible forward-looking achievements: more consistent production continuity, stronger safety and environmental stewardship, and a more resilient operating platform that supports sustainable, nationally relevant growth.

SAFETY & SUSTAINABILITY

Ammonia handling and storage safety improvements stronger stewardship governance resilience upgrades aligned with responsible operations and long-term continuity.

Product and market development

- Strengthening distribution execution and regional availability planning
- Scaling offerings aligned with farmer affordability and crop needs
- Continued focus on balanced nutrient outcomes through market development.

COMPANY'S PERFORMANCE V/S LAST YEAR'S FORWARD LOOKING DISCLOSURES

Urea demand & sales volumes

In 2024, the Company guided that 2025 urea demand would remain robust due to structural demand and

government support. This materialized as industry urea offtake reached 6,730K tons (vs 6,577K in 2024). The Company delivered record results with urea sales of 390K tons (+20% YoY) and production of 374K tons, reflecting improved reliability and market share gains.

Gas supply continuity (urea)

The Company expected better gas supply continuity but highlighted supply/pricing risks. In 2025, the urea plant ran on a full-year basis, indicating improved operational continuity. After year-end, the Government approved gas allocation from Ghazij/Shawal (Mari Field) for Agritech (approved Jan 2026), strengthening feedstock visibility.

Phosphate/SSP demand, pricing & affordability

Management expected stronger phosphate demand but flagged international price volatility and affordability concerns. In 2025, the Company produced 86K tons SSP and sold 90K tons (+27% YoY). However, industry phosphate (P2O5) offtake fell to 806K tons (from 945K in 2024), suggesting affordability pressures despite the Company's volume growth.

Finance cost reduction & profitability

With lower policy rates, the Company expected finance costs to decline and profitability to improve. In 2025, net sales rose to Rs. 35,880m (vs Rs. 31,307m), while finance cost dropped to Rs. 4,237m (from Rs. 7,014m). The Company posted PAT Rs. 2,895m (vs loss Rs. 1,114m) and EPS Rs. 5.36 (vs -Rs. 2.71).

Strategic sponsors & value addition

The Company anticipated value addition from new strategic sponsors via operational excellence and stronger outcomes. In 2025, Fauji Group (FFC) and Maple Leaf Group's entry led to Board reconstitution and technical/commercial support. Leveraging FFC's network supported "TARA" brand expansion and improved reliability, availability, and market reach.

Projects / SOA progress

The Company disclosed SOA instruments (PPTFC/Preference Shares) were being processed after

sanction. In 2025, major steps were executed through Court-sanctioned SOA implementation, a clean audit outcome, and conversion of preference shares into ordinary shares. Paid-up ordinary share capital increased to Rs. 5,991m, and convertible preference shares were eliminated.

Modernization, efficiency & HSE focus

The Company emphasized modernization, energy efficiency, and environmentally friendly optimization in 2024. In 2025, it highlighted reliability initiatives and strengthened HSE culture, reporting zero incidents and a forward plan for safety-critical infrastructure and efficiency. It also contributed Rs. 2.69 bn to the national exchequer through taxes and levies.

مستقبل پر مبنی بیان

حصص میں تبدیل کیا گیا۔ عام حصص کا ادا شدہ سرمایہ بڑھ کر 5,991 ملین روپے ہو گیا، جبکہ قابل تبدیلی ترجیحی حصص ختم کر دیے گئے۔

جدید کاری، کارکردگی اور صحت، حفاظت و ماحول پر توجہ 2024 میں کمپنی نے جدید کاری، توانائی کی بچت اور ماحول دوست بہتری پر زور دیا تھا۔ 2025 میں اس نے بھروسا مندی بڑھانے کے اقدامات اور صحت، حفاظت و ماحول کی ثقافت کو مزید مضبوط بنانے کو نمایاں کیا، اور بتایا کہ کوئی حادثہ پیش نہیں آیا۔ ساتھ ہی، حفاظتی لحاظ سے اہم ڈھانچے اور کارکردگی میں بہتری کے لیے آئندہ منصوبہ بھی دیا گیا۔ کمپنی نے ٹیکس اور محصولات کی مد میں قومی خزانے میں 2.69 ارب روپے جمع کرائے۔

اضافہ، اور عروج طلب کے موسموں میں پیداوار کی پیش بینی بہتر ہو گی۔ یہ پروگرام اہم نظاموں کی جدید کاری، تحفظ و ماحول کے مطابق بہتری، منتخب مقامات پر رکاوٹیں کم کرنے، اور بھروسا مندی پر مبنی نگہداشت کی صلاحیت جیسے اقدامات کو ترجیح دے گا تاکہ کارخانے کے چلنے کے اوقات محفوظ رہیں اور طویل المدتی عملیاتی کنٹرول مضبوط ہو۔ ان سرمایہ کاریوں سے متوقع نتائج میں زیادہ مستقل پیداواری تسلسل، مضبوط تحفظ و ماحول کی نگہبانی، اور ایک زیادہ مستحکم عملیاتی پلیٹ فارم شامل ہے جو پائیدار اور قومی ضروریات سے ہم آہنگ نمو کو سہارا دے۔

تحفظ اور پائیداری

امونیا کو محفوظ طریقے سے سمبھالنا اور ذخیرہ کاری میں تحفظاتی بہتری، مضبوط نگہبان حکمرانی، ذمہ دارانہ آپریشنز اور طویل المدتی تسلسل سے ہم آہنگ لچک میں اضافہ۔ مصنوعات اور منڈی کی ترقی تقسیمی عمل درآمد اور علاقائی دستیابی کی منصوبہ بندی کو مضبوط کرنا، کسان کی قیمت برداشت کرنے کی صلاحیت اور فصلوں کی ضروریات کے مطابق پیشکشوں میں توسیع، اور منڈی کی ترقی کے ذریعے متوازن غذائیت کے نتائج پر مسلسل توجہ۔

کمپنی کی کارکردگی بمقابلہ گزشتہ سال کے مستقبل سے متعلق انکشافات

یوریا کی طلب اور فروخت کی مقدار

2024 میں کمپنی نے رہنمائی دی تھی کہ 2025 میں ساختی طلب اور حکومتی معاونت کے باعث یوریا کی طلب مضبوط رہے گی۔ یہ اندازہ درست ثابت ہوا اور صنعت کی یوریا فروخت 6,730 ہزار ٹن تک پہنچ گئی (2024 میں 6,577 ہزار ٹن)۔ کمپنی نے ریکارڈ کارکردگی دکھائی: یوریا کی فروخت 390 ہزار ٹن رہی (سال بہ سال 20٪ اضافہ) اور پیداوار 374 ہزار ٹن رہی، جو بہتر بھروسا مندی اور حصص بازار میں بہتری کی عکاسی کرتی ہے۔

گیس کی فراہمی میں تسلسل (یوریا)

کمپنی نے گیس کی فراہمی میں بہتر تسلسل کی توقع ظاہر کی تھی مگر فراہمی اور قیمت سے متعلق خدشات بھی بیان کیے تھے۔ 2025 میں یوریا پلانٹ پورا سال چلتا رہا، جس سے عملیاتی تسلسل میں واضح بہتری ظاہر ہوتی ہے۔ سال کے اختتام کے بعد حکومت نے غازیچ/شوال (ماری فیلڈ) سے ایگری

ٹیک کے لیے گیس کی تخصیص کی منظوری دی (منظوری جنوری 2026)، جس سے خام مال کی دستیابی کے حوالے سے وضاحت اور اعتماد میں اضافہ ہوا۔

فاسفیٹ / ایس ایس بی کی طلب، قیمت اور استطاعت

انتظامیہ نے فاسفیٹ کی طلب میں بہتری کی توقع کی تھی، مگر عالمی قیمتوں میں اتار چڑھاؤ اور استطاعت کے مسائل کی نشاندہی بھی کی تھی۔ 2025 میں کمپنی نے 86 ہزار ٹن ایس ایس بی تیار کی اور 90 ہزار ٹن فروخت کی (سال بہ سال 27 فیصد اضافہ)۔ تاہم صنعت کی فاسفیٹ فروخت (بی ٹو او فائیو کے حساب سے) کم ہو کر 806 ہزار ٹن رہ گئی (2024 میں 945 ہزار ٹن)، جو اس بات کی طرف اشارہ کرتی ہے کہ کمپنی کی مقدار میں اضافے کے باوجود استطاعت کے دباؤ موجود رہے۔

مالیاتی لاگت میں کمی اور منافع میں بہتری

پالیسی شرحوں میں کمی کے ساتھ کمپنی نے مالیاتی لاگت گھٹنے اور منافع میں بہتری کی توقع ظاہر کی تھی۔ 2025 میں خالص فروخت بڑھ کر 35,880 ملین روپے ہو گئی (31,307 ملین روپے کے مقابلے میں)، جبکہ مالیاتی لاگت کم ہو کر 4,237 ملین روپے رہ گئی (7,014 ملین روپے سے کم)۔ کمپنی نے بعد از ٹیکس منافع 2,895 ملین روپے رپورٹ کیا (گزشتہ سال 1,114 ملین روپے کا نقصان) اور فی حصص آمدن 5.36 روپے رہی (گزشتہ سال 2.71 روپے فی حصص نقصان)۔

حکمت عملی کے سرپرست اور قدر میں اضافہ

کمپنی نے توقع ظاہر کی تھی کہ نئے حکمت عملی کے سرپرست عملیاتی برتری اور بہتر نتائج کے ذریعے قدر میں اضافہ کریں گے۔ 2025 میں فوجی گروپ (ایف ایف سی) اور میپل لیف گروپ کی شمولیت کے نتیجے میں منتظمین مجلس کی تشکیل نو ہوئی اور تکنیکی و تجارتی معاونت فراہم کی گئی۔ ایف ایف سی کے نیٹ ورک سے استفادہ کرتے ہوئے "تارا" برانڈ کی توسیع میں مدد ملی اور بھروسا مندی، دستیابی اور بازار تک رسائی میں بہتری آئی۔

منصوبہ جات / مفاہمی انتظام کی پیش رفت

کمپنی نے بتایا تھا کہ مفاہمی انتظام کے مالیاتی ذرائع (مثلاً بانڈ/اسلامی بانڈ/ترجیحی حصص) منظوری کے بعد عمل درآمد کے مراحل میں ہیں۔ 2025 میں عدالت سے منظور شدہ مفاہمی انتظام کے نفاذ کے ذریعے بڑے اقدامات مکمل کیے گئے، آڈٹ کا نتیجہ شفاف رہا، اور ترجیحی حصص کو عام

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استعمال شدہ بیرونی حقیقی وقت اشاریے

پالیسی شرح، بین ال بنکی معیاری شرحیں، افراط زر، شرح مبادلہ، زر مبادلہ کے ذخائر، نمو اور بیرونی توازن کے اشارے، عالمی یوریا معیاری قیمت، برینٹ خام تیل کی سمت۔

بنیادی مفروضات

موسمی طلب کے چکر برقرار رہیں گے اور اٹھان کی کھڑکیوں کو چلاتے رہیں گے۔

یوریا اپنی ضرورت اور قیمت برداشت کرنے کی حرکیات کے باعث بنیادی طلب مضبوط رکھے گی۔

فاسفیٹ قیمت کے لحاظ سے زیادہ حساس اور نقدی دستیابی کے لحاظ سے زیادہ متاثر ہوگا۔

مالی کارکردگی شرح سود اور گردشی سرمایہ کے چکروں کے ساتھ حساس رہے گی۔

عملیاتی تسلسل خام مال کی سلامتی اور کارخانے کی بھروسا مندی پر منحصر رہے گا۔

کمپنی کے مصنوعی ذہانت اپنانے کے آئندہ منصوبوں اور طویل مدتی حکمت عملی پر اس کے ممکنہ اثرات سے متعلق

انکشافات

طویل مدتی ڈیجیٹل تبدیلی کی حکمت عملی کے تحت ایگری ٹیک لمیٹڈ نے ایف ایف سی کے اطلاعاتی و مواصلاتی شعبہ کی قیادت میں چلنے والی کاوشوں کے ساتھ ہم آہنگی رکھتے ہوئے مصنوعی ذہانت اپنانے کے لیے ایک منظم رہنما نقشہ شروع کر دیا ہے۔ ایف ایف سی کے اطلاعاتی و مواصلاتی شعبہ نے گروپ کی تمام اکائیوں میں مصنوعی ذہانت کو ممکن بنانے کی قیادت سنبھالی ہے، جبکہ ایگری ٹیک کے اطلاعاتی ٹیکنالوجی شعبہ نے ایگری ٹیک کے اندر نفاذ، آگاہی اور صلاحیت سازی کی سرگرمیوں میں فعال طور پر معاونت کی ہے۔

پہلے مرحلے میں ایگری ٹیک کے مختلف مقامات پر مصنوعی ذہانت سے متعلق آگاہی اور تعارفی نشستوں کا آغاز کیا گیا۔ "مصنوعی ذہانت کی صلاحیت کو اجاگر کرنا" کے عنوان سے ایک بھرپور تربیتی نشست 2 فروری 2026 کو ایس ایس بی پلانٹ، ہری پور میں منعقد کی گئی، جس کی ابتدا ایف ایف سی کے اطلاعاتی و مواصلاتی شعبہ نے کی اور اسے ایگری ٹیک کے اطلاعاتی ٹیکنالوجی شعبہ اور ایس ایس بی انتظامیہ کے اشتراک سے ترتیب دیا گیا۔ اس نشست نے ملازمین کو مصنوعی ذہانت کے تصورات، کاروباری اہمیت اور صنعت میں عملی استعمال کے بارے میں عملی نوعیت کی سمجھ

فراہم کی۔ باہمی گفتگو اور مثالوں کے ذریعے یہ دکھایا گیا کہ مصنوعی ذہانت کس طرح عملیاتی کارکردگی بڑھا سکتی ہے، حقائق پر مبنی فیصلوں کو مضبوط بنا سکتی ہے اور پلانٹ کے عمل کو بہتر بنا سکتی ہے۔ اسی نوعیت کی تعارفی نشستیں مرکزی دفتر میں بھی منعقد کی گئیں، جبکہ یوریا پلانٹ کے لیے نشست اپریل 2026 میں طے پائی ہے۔

دوسرے مرحلے میں ایف ایف سی کے اطلاعاتی و مواصلاتی شعبہ اور ایگری ٹیک کے اطلاعاتی ٹیکنالوجی شعبہ کا منصوبہ ہے کہ وہ مختلف کاروباری شعبوں اور صنعت کے ماہرین کے ساتھ مل کر ان مواقع کی نشاندہی کریں جہاں مصنوعی ذہانت قابل پیمائش کاروباری فائدہ فراہم کر سکے۔ یہ جائزہ مصنوعی ذہانت کے استعمال کے معاملات کو ترجیح دینے میں مدد دے گا اور اس امر کو یقینی بنائے گا کہ آئندہ نفاذ عملیاتی ضروریات اور حکمت عملی کی ترجیحات کے مطابق ہو۔

ایگری ٹیک مصنوعی ذہانت کو طویل مدتی مسابقت کا ایک اہم محرک سمجھتی ہے۔ اس کے منظم نفاذ سے توقع ہے کہ پلانٹس کی بھروسا مندی میں اضافہ ہوگا، وسائل کے استعمال میں بہتری آئے گی، طریقہ کار سادہ اور مؤثر ہوں گے، اور بصیرت پر مبنی فیصلہ سازی کو فروغ ملے گا۔ ایف ایف سی کے اطلاعاتی و مواصلاتی شعبہ کے ساتھ تعاون اور ادارہ جاتی تیاری میں سرمایہ کاری کے ذریعے ایگری ٹیک کا ہدف ہے کہ آنے والے برسوں میں مصنوعی ذہانت کو پائیدار ترقی اور عملیاتی برتری کے لیے ایک محرک کے طور پر مضبوط بنیاد فراہم کی جائے۔

مستقبل کی تحقیق و ترقی کے اقدامات

ایگری ٹیک کا اختراعی ایجنڈا عملی بہتری پر مرکوز ہے ایسے اقدامات پر جو بھروسا مندی، کارکردگی، حفاظت، پائیداری اور منڈی سے مطابقت میں اضافہ کریں اور یوں عملی پیش رفت کو مسلسل مسابقتی برتری میں تبدیل کریں۔

عملیاتی عمدگی اور کارکردگی

آئندہ سال میں پائیدار بھروسا مندی مرکزی سمت رہے گی۔ کمپنی کے وسائل پائیداری اور تحفظ کے ساتھ، اور بھروسا مندی کے تسلسل کے گرد ترتیب دیے جائیں گے۔ کمپنی توقع رکھتی ہے کہ وہ تحفظ سے متعلق بنیادی ڈھانچے، اثاثوں کی سالمیت کے پروگراموں، اور بھروسا مندی کے لیے اپ گریڈز میں سرمایہ کاری کرے گی، جس سے عملیاتی خطرات میں نمایاں کمی، کارخانے کی دستیابی میں

ہن سکتی ہے خصوصاً جب ربیع اور خریف کی بڑی فصلوں کی متوقع معاشی کیفیت بہتر نظر آئے۔

منفی خدشات میں پانی کی دستیابی، موسمیاتی تبدیلی کے باعث سخت موسم، بارشوں کے انداز میں تبدیلی (طویل خشک وقفوں کے بعد اچانک سیلابی کیفیت)، زرعی ادوار میں بگاڑ اور پیداوار میں کمی شامل ہیں۔

کھاد کی طلب اور قیمتوں کے لیے مفہوم کیا ظاہر کرتا ہے۔ یورپا کی طلب میں بحالی کا تسلسل متوقع ہے، مگر فاسفیٹ کے لیے تقدی اور قیمت برداشت کرنے کی صلاحیت رکاوٹ بن سکتی ہے۔

رسدی پہلو مضبوط ہو گا کیونکہ کارخانوں کو ماری کے ذرائع سے منسلک گیس کی مسلسل فراہمی متوقع ہے؛ منڈی میں رسد مناسب رہے گی۔

فاسفیٹ کی قیمتیں عالمی ڈائی امونیم فاسفیٹ کی قیمتوں اور مقامی زر مبادلہ کی ممکنہ بے یقینی کے تابع رہیں گی۔ بہتر زرعی معاشی کیفیت سے گزشتہ برسوں کی نسبت فاسفیٹ کی طلب بہتر ہونے کا امکان ہے۔

ایگری ٹیک کا تناظر۔ بھروسا مندی دستیابی حصہ داری

ایگری ٹیک کی آئندہ حکمت عملی تسلسل، منضبط معاشی نظم، اور عروج موسم میں مؤثر عمل درآمد پر مبنی ہے۔ تاکہ عملیاتی صلاحیت کو قابل اعتماد رسد میں بدلا جائے، گردشی سرمایہ کے نظم کے ذریعے تقدی بہاؤ محفوظ رہے، اور تحفظ و پائیداری کی بنیاد پر طویل المدتی لچک مضبوط ہو۔ عملیاتی تسلسل کی بنیاد حال ہی میں منظور شدہ انتظام کے تحت غازیج/شوال کے ذرائع سے گیس کی فراہمی ہے، جسے سوئی ناردرن گیس کی ترسیلی پائپ لائنوں کے ذریعے پہنچایا جائے گا۔ ایک عملی پائیداری پروگرام بھی اختیار کیا گیا ہے جو تحفظ اور طویل المدتی بھروسا مندی میں بہتری پر مرکوز ہے، اور اہم تحفظاتی نظاموں میں بہتری اور منظم نگرانی سے تقویت پاتا ہے۔

ساختی طور پر منظور شدہ انتظامی اسکیم پر عمل درآمد اور بڑے حصص داران کے ذریعے حصول ملکیت کی تکمیل کے بعد توقع ہے کہ کمپنی کے مالیاتی گوشوارے بہتر ہوں گے مالی مضبوطی بڑھے گی، اور خطرات کم ہوں گے۔ اس سے کمپنی کو آئندہ بھروسا مندی صلاحیت میں اضافے اور توانائی کی کارکردگی کے منصوبوں کے لیے بہتر مالی گنجائش حاصل ہو گی۔

قلیل مدت میں توجہ کارخانوں کی بھروسا مندی کے اقدامات اور تیسرے فریق کی رسائی کے انتظام کے تحت گیس کے بہاؤ کو ہموار بنانے پر رہے گی۔ اوسط مدت میں توانائی کی کارکردگی بڑھانے کے لیے وسائل مختص کیے جائیں گے، جس سے منافع کے حاشیے اور منافعیت بہتر ہونے کی توقع ہے۔ طویل مدت میں زیادہ پیداوار کے لیے صلاحیت میں توسیع کے منصوبے زیر توجہ رہیں گے۔

تحقیق و ترقی کا محور مقامی خام مال کے ذرائع استعمال کرتے ہوئے سنگل سپر فاسفیٹ کی زیادہ غذائیت والی اقسام تیار کرنا، پیداواری طریقہ کار بہتر بنانا، اور خام مال کے امتزاج میں بہتری لا کر نمایاں کارکردگی حاصل کرنا ہو گا۔

ایگری ٹیک کا آئندہ نقط نظر سابقہ انکشافات کے ساتھ عمومی طور پر ہم آہنگ ہے: یورپا کی مضبوط طلب، عملیاتی و مالی استحکام میں بہتری، اور نسبتاً معاون مالیاتی ماحول میں مالی لاگت میں کمی ہے۔ تازہ سال نے اس سمت کو مزید تقویت دی ہے: یورپا کی ریکارڈ فروخت، سنگل سپر فاسفیٹ کی بہتر رفتار، مالی لاگت میں نمایاں کمی اور منافع کی واپسی تاہم یہ تسلیم کرتے ہوئے کہ سہ ماہی نتائج اب بھی ادوار کی وقت بندی اور منڈی کی توقعات کے لحاظ سے حساس رہیں گے۔

کلیدی حساس پہلو (حساس عوامل)

خام مال کی دستیابی اور قیمتیں، پالیسی اور ضابطہ کاری، موسمیاتی تبدیلی اور پانی کی دستیابی، ذخائر اور مسابقتی رویہ، زر مبادلہ میں اتار چڑھاؤ، شرح سود کی سمت، ترسیل و رسد کا تسلسل ہے۔

مفروضات، معلومات اور طریقہ کار کی بنیاد

یہ مستقبل بین بیان ایک مرکب طریقہ کار کے تحت تیار کیا گیا ہے اندرونی عملی شواہد کو حقیقی وقت کے منڈی اشاریوں اور عالمی اشاعتوں کے ساتھ ملا کر اور یہ رپورٹ کی قطع تاریخ تک انتظامیہ کی رائے کی عکاسی کرتا ہے۔

استعمال شدہ اندرونی بنیادیں

صلاحیت کا استعمال، پیداواری استحکام، ترسیل/روانگی پر عمل درآمد، فروخت کے حجم، مالی لاگت کی سمت منافعیت کا رجحان، بھروسا مندی اور خطرات کے نظم کے اقدامات۔

مستقبل پر مبنی بیان

مستقبل کا منظر نامہ اور سمت

عالمی تناظر- توانائی رخ متعین کرتی ہے، اور غذائی تحفظ بنیاد فراہم کرتا ہے۔

سن 2026 میں کھاد بدستور غذائی تحفظ کے لیے توانائی سے جڑا ایک بنیادی زرعی وسیلہ رہے گی اپنے مقصد میں ثابت قدم مگر قیمت کے لحاظ سے حساس- توقع ہے کہ عالمی منڈیاں ان تین تیز رفتار عوامل کے زیر اثر رہنے کی توقع ہے:

- 1- توانائی کی قیمتوں کی سمت،
- 2- ترسیل و رسد میں رگڑ/ کاوٹیں،
- 3- پالیسیوں کے زیر اثر تجارتی بہاؤ۔

اگرچہ خوراک کی طلب اپنی ساخت کے لحاظ سے معاون رہے گی، تاہم قیمت برداشت کرنے کی صلاحیت کے ادوار غالباً برقرار رہیں گے بالخصوص ابھرتی معیشتوں میں جہاں قوت خرید اور زرعی قرض کی صورتحال افراط زر اور زر مبادلہ کے دباؤ کے ساتھ تیزی سے بدل سکتی ہے۔

عالمی کھاد صنعت میں ایک طرف طلب مضبوط ہے، تو دوسری طرف خام مال کی قیمتیں بلند اور جغرافیائی سیاسی حالات متحرک ہیں۔ بحر اوقیانوس کے دونوں اطراف قدرتی گیس کی تیز ہوتی منڈی یورپا کی لاگت میں نمایاں اضافہ کر سکتی ہے، اور اس امکان کو بھی تقویت دے سکتی ہے کہ امریکہ میں اندرون ملک نائٹروجن کی پیداوار نسبتاً کم ہو اور قدرتی گیس کو زیادہ نفع بخش مائع قدرتی گیس کی برآمدات کی جانب منتقل کیا جائے۔ امونیا کی قیمتوں میں اتار چڑھاؤ کے جاری رہنے کا امکان ہے: سال کے آغاز میں اضافے کے بعد سال کے دوران بتدریج نرمی آ سکتی ہے۔ عالمی سطح پر یورپا کی طلب قلیل مدت میں قیمتوں کو سہارا دے سکتی ہے، خصوصاً بھارت اور آسٹریلیا کی خریداری کے باعث؛ تاہم سال کے آخری حصے میں چین کی برآمدات کی واپسی کے امکان سے قیمتوں میں اصلاح (کم/درستگی) متوقع ہے۔

عالمی فاسفیٹ کی قیمتوں میں بھی یہ یقینی برقرار رہ سکتی ہے، کیونکہ بڑی صارف منڈیوں میں قیمت برداشت کرنے کی صلاحیت سے متعلق خدشات، گندھک کی بڑھتی قیمتیں، چین کی برآمدی پابندیاں، اور کھاد کے علاوہ دیگر صنعتوں کی مضبوط طلب، سب مل کر دباؤ پیدا کرتے ہیں۔ رسدی تعطل، روسی برآمدات کی عدم موجودگی اور مضبوط طلب کے باعث گندھک کی قیمتیں تاریخی بلند سطحوں پر رہیں؛ یہی رجحان برقرار رہا تو فاسفیٹ کی پیداواری لاگت بڑھے گی اور

فاسفیٹ کی قیمتوں میں اضافہ متوقع ہو گا۔

اس کا مفہوم کیا ہے؟

عالمی معیاری قیمتیں مقامی توقعات کے لیے درآمدی برابری کا قطب نمائنتی ہیں۔

توانائی اور ترسیل و رسد پہنچی ہوئی لاگت اور خریداری کی رفتار پر براہ راست اثر ڈالتی ہیں۔

خریداری کا وقت (یعنی مارکیٹ کب خریدتی ہے) یعنی بعض اوقات بنیادی عوامل (مارکیٹ کیوں خریدتی ہے) کے مقابلے میں زیادہ تیزی سے بدل سکتی ہے۔

پاکستان کا تناظر- طلب ساختی ہے، اور وقت بندی حکمت عملی ہے۔

پاکستان کی کھاد منڈی میں طلب کی بنیاد مضبوط اور ساختی ہے جسے فصلوں کے تسلسل اور قومی غذائی تحفظ کی ترجیحات سہارا دیتی ہیں۔ تاہم یہ منڈی سیدھی لکیر میں نہیں چلتی؛ بلکہ ہوائی کے اوقات اور موسمیاتی تبدیلی کے اثرات کے تحت پانی کی دستیابی، کسان کی قیمت برداشت کرنے کی صلاحیت اور نقدی دستیابی، حکومتی پالیسی کی سمت، یہ سب مل کر طلب کی شدت اور وقت بندی طے کرتے ہیں۔

250 ملین سے زائد آبادی اور سالانہ تقریباً 1.6 فیصد آبادیاتی اضافہ، حکومتی سطح پر غذائی تحفظ کو پالیسی سازی کا مرکزی موضوع بنائے رکھے گا۔ زرعی شعبہ اگر کھیت کی سطح پر بتدریج بحالی دکھاتا ہے تو کسان کی معاشی حالت بہتر ہو گی، زمین کا زیادہ سے زیادہ استعمال ممکن ہو گا، اور مناسب شرائط پر نقدی دستیابی میں اضافہ ہو گا، جس سے زرعی سرگرمی میں تیزی آ سکتی ہے۔

قریب المدت میں یورپا اپنی ضرورت اور نسبتاً کم لاگت کے باعث مرکزی غذائی جزو کے طور پر برقرار رہنے کی توقع ہے۔ سال کے آغاز میں خصوصاً گندم کی بہتر معاشی کیفیت،

خریفے کے لیے زرعی لوازمات میں سرمایہ کاری کی سمت مثبت کر سکتی ہے، اور مجموعی زرعی نمو میں مدد دے سکتی ہے۔ ملک میں نصب شدہ یورپا صلاحیت غالباً مکمل طور پر استعمال ہو گی اور بڑھتی طلب پوری کی جا سکے گی۔

فاسفیٹ کی طلب نسبتاً زیادہ حساس ہے اور عالمی اتار چڑھاؤ اور نقدی دستیابی کے حالات پر زیادہ تیزی سے ردعمل دیتی ہے۔ صوبائی حکومتوں کے کسان کارڈز کے ذریعے ہوائی کے وقت نقدی کی فراہمی، فاسفیٹ طلب کے لیے ایک اہم محرک





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STAKEHOLDERS
RELATIONSHIP
AND ENGAGEMENT

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STAKEHOLDERS ENGAGEMENT



The stakeholders of the Company play a crucial role as indispensable business partners, actively contributing to the ongoing progress and enduring sustainability of our organization. Recognizing their immense importance, we place a high priority on fostering dynamic engagement with them. Our approach is firmly grounded in upholding transparency standards and complying with all relevant legal requirements across every communication channel. This unwavering commitment not only nurtures an environment of openness but also cultivates harmonious relationships built on trust and mutual respect.

Through our dedication to transparency and adherence to legal guidelines, we aim to cultivate an atmosphere conducive to meaningful dialogue and collaboration with our stakeholders. This approach ensures that our interactions are not only effective but also conducive to maintaining a deep understanding of their concerns and priorities. By actively listening and remaining attuned to their needs, we address key issues and make informed decisions that align with their interests and contribute to the long-term success of our collective endeavors.

STAKEHOLDERS ENGAGEMENT POLICY

The Board of Directors has established a robust policy regarding communication with stakeholders, recognizing the significance of transparent and effective engagement to foster trust, accountability, and long-term relationships. This policy outlines the principles and procedures guiding communication practices to ensure alignment with the Company's objectives and values.

The Board emphasizes the importance of open and transparent communication with stakeholders, including shareholders, employees, customers, suppliers, bankers, regulators, and the broader community. This entails providing timely and relevant information on the Company's performance, strategy, governance practices, and material developments. The Board commits to facilitating two-way communication channels that enable stakeholders to express their concerns, provide feedback, and seek clarification on matters of interest.

Furthermore, the policy mandates adherence to principles of integrity, accuracy, and confidentiality in all communications with stakeholders. Information shared must be factual, complete, and free from bias or misleading statements. Confidential information is handled with the utmost care and discretion, ensuring compliance with legal and regulatory requirements, as well as ethical standards.

The Board recognizes the diversity of stakeholder interests and preferences and tailors communication strategies and channels accordingly. This includes annual reports, shareholder meetings, press releases, management reports, analyst briefings and direct engagement sessions. The Board ensures that communication materials are accessible, understandable, and culturally sensitive to reach a broad audience effectively.

Regular assessment and review of communication practices are conducted to evaluate effectiveness,

identify areas for improvement, and ensure continuous alignment with stakeholder expectations and evolving needs. The Board remains committed to fostering a culture of transparency, accountability, and stakeholder engagement, recognizing that meaningful communication is essential for building and maintaining trust, enhancing organizational reputation, and driving sustainable long-term value.

STAKEHOLDERS IDENTIFICATION PROCESS

The Company identifies its stakeholders through a comprehensive process that involved assessing the various individuals,

groups, and entities impacted by its operations and decisions. This identification is based on recognizing the significance of each party's involvement in the Company's activities and their potential influence on its success and sustainability.

Firstly, the Company conducts thorough stakeholder mapping exercises to identify and categorize different stakeholder groups. This involves analyzing internal and external factors to determine the relevance and impact of each stakeholder group on the Company's objectives and operations.

Secondly, the Company engages in active communication and consultation with these identified stakeholder groups to gain insights into their perspectives, expectations, and concerns.

Thirdly, the Company assesses the level of influence and interest of each stakeholder group in the Company's activities and decisions. This helps prioritize engagement efforts and allocate resources effectively to ensure meaningful interactions with key stakeholders.

The Company has identified the following key stakeholder groups:

- Shareholders and Investors
- Dealers, Customers and Transporters
- Suppliers and Vendors

- Bankers and Lenders
- Government and Regulators
- Employees
- Analysts
- Society

Overall, the Company's stakeholder identification process is guided by a commitment to understanding and responding to the diverse needs and interests of all parties involved. By recognizing the importance of stakeholders in its operations and decision-making processes, the Company strives to foster mutually beneficial relationships and achieve sustainable outcomes.

STAKEHOLDERS ENGAGEMENT PROCESS

The Company has implemented a comprehensive stakeholder engagement process aimed at fostering collaborative relationships and gathering valuable insights from its diverse stakeholders. This process begins with the establishment of clear objectives and goals for engagement, ensuring alignment with the Company's overall mission and values. Through various communication channels such as meetings, forums, and online platforms, the Company actively seeks input and feedback from stakeholders, including investors/shareholders, customers, employees, suppliers, bankers etc. These engagements provide opportunities for stakeholders to voice their perspectives, concerns, and expectations, allowing the Company to better understand their needs and preferences. Additionally, the Company is committed to transparency and accountability throughout the engagement process, providing regular updates on key decisions and actions taken in response to stakeholder feedback. By fostering open and inclusive dialogue, the Company builds trust, strengthens relationships, and ultimately drives positive outcomes for all stakeholders involved.

STAKEHOLDERS ENGAGEMENT

SHAREHOLDERS AND INVESTORS



Engagement Process

We effectively engage with our shareholders, including minority shareholders, through general meetings and statutory reporting since their support and confidence is pivotal in achieving the Company goals. All modes of communication including general meetings contribute towards seamless addressal of shareholders concerns.

To maintain transparency in the relationship between the Company and its shareholders, the Company has placed all material information vital to the shareholders'/investors' interests and decision making in a separate dedicated section "Investor Relations".

Engagement Frequency
Periodic

Mode of Engagement
General Meetings, Statutory Reporting

Effect and Value to the Company
Shareholders and investors provide capital which gives the Company means to achieve its vision.

CUSTOMERS, DEALERS AND TRANSPORTERS



Engagement Process

We strive to achieve sustainability by developing long-lasting relationships with our customers, dealers, and transporters as they are critical to our business sustainability and success. Our sales and marketing function constantly engages with these key stakeholders through market visits, meetings and regular communication for timely and effective resolution of issues and to meet their expectations regarding quality product, pricing and service delivery. These stakeholders are brand loyal and contribute to the success, growth and sustainability of the Company.

Engagement Frequency
Regular

Mode of Engagement
Market visits, One-to-one meetings

Effect and Value to the Company
These stakeholders are brand loyal and contribute to the success, growth and sustainability of the Company.

SUPPLIERS AND VENDORS



Engagement Process

Our Company has an efficient supplier and vendor network and we liaise very closely with them through meetings, correspondence and conducting market surveys to resolve all issues in an effective manner.

These stakeholders are an asset of the Company since they partner with the Company to effectively allocate resources for meeting the Company's objectives successfully by ensuring a strong and reliable supply chain.

Engagement Frequency
Regular

Mode of Engagement
One-to-one meetings

Effect and Value to the Company
Our suppliers and vendors are key to ensuring strong and reliable supply chain.

GOVERNMENT AND REGULATORY BODIES



Engagement Process

We are committed to ensuring a culture of good corporate governance practices and our corporate and legal team is dedicated to implement effective compliances in alignment with the legal and regulatory requirements.

We are actively engaged with the regulators to keep abreast with the new regulatory and legal requirements and compliances. The engagement includes timely submission of periodic returns/reports, responding to enquiries and conducting meetings as deemed necessary.

Engagement Frequency
Regular

Mode of Engagement
Meetings, Compliance Reporting

Effect and Value to the Company
Laws and regulations and other factors, such as price controls, have significant affects on the Company's activities.



ANALYSTS

Engagement Process

To attract potential investors, the Company frequently engages with analysts to provide insights into its operations and performance. This engagement is conducted with careful consideration of regulatory limitations regarding insider information/trading to prevent any adverse effects on the Company's reputation or stock value.

Furthermore, these interactions aim to enhance transparency and build trust with stakeholders, fostering long-term partnerships and investment opportunities.

Engagement Frequency
Periodic

Mode of Engagement
Meetings, Corporate/Analyst Briefings

Effect and Value to the Company
Furnishing analysts with all necessary information aids in dispelling any market misconceptions or rumors.



BANKERS AND LENDERS

Engagement Process

Regularly collaborating with bankers and debt finance providers, who are essential stakeholders in our financial operations, ensures comprehensive support across a spectrum of needs. This includes securing short-term and long-term financing, optimizing debt pricing strategies, managing investments, and facilitating deposits.

Moreover, our consultation with banks extends to managing letters of credit, streamlining supplier payments, and overseeing operational disbursements, fostering efficient financial management and operational excellence.

Engagement Frequency
Regular

Mode of Engagement
Meetings, Corporate/Analyst Briefings

Effect and Value to the Company
Collaborating with banks and lenders ensures access to cost-effective loans, continuous supply chain and effective future planning.



EMPLOYEES

Engagement Process

Employee engagement improves the level of their commitment.

Our employees are the lifeline of the Company. We provide a healthy and conducive work environment by encouraging work life balance, employee get togethers and regular training and development sessions.

Further, we consistently solicit input from our employees to prioritize their perspectives and resolve any issues they may have to nurture a constructive workplace atmosphere.

Engagement Frequency
Regular

Mode of Engagement
Appraisals, Get together, Trainings

Effect and Value to the Company
Our workforce serves as our ambassadors and execute each strategic and operational decision by management.



SOCIETY

Engagement Process

Realizing its duties as a responsible corporate citizen, Agritech continues its effort for a greener environment, planting trees in its neighboring communities, providing scholarships for needy students and arranging many activities for the well being of its employees and communities.

We constantly strive to maintain a leadership role in this area and wholeheartedly support and fund outreach programs which have a beneficial impact on our environment and the communities we live and work in.

Engagement Frequency
Regular

Mode of Engagement
Seminars, One-on-one Engagements

Effect and Value to the Company
Interacting with society enables us to discern necessary interventions for the community upliftment.

INVESTOR RELATIONS

REGISTERED OFFICE

Askari Corporate Tower,
4th Floor, 75-76 Block D-1, Main
Boulevard, Gulberg-III, Lahore.
Ph: +92 (0) 42 3640 1000-3,
Fax: +92 (0) 42 3640 7691

SHARE REGISTRAR

Corplink (Private) Limited
Wings Arcade, 1-K Commercial
Model Town, Lahore.
Tel: 042-35839182, 35887262
Fax: 042-35869037

LISTING ON STOCK EXCHANGES

Ordinary shares of Agritech Limited are listed on Pakistan Stock Exchange Limited.

STOCK CODE / SYMBOL

The stock code / symbol for trading in ordinary shares of Agritech Limited at Pakistan Stock Exchange Limited is AGL.

STATUTORY COMPLIANCE

During the year, the Company has complied with all applicable provisions, filed all returns/forms and furnished all the relevant particulars as required under the Companies Act, 2017 and allied rules, the Securities and Exchange Commission of Pakistan Regulations and the listing requirements.

DIVIDEND

In view of the future strategic plans for 2026, requiring retention of profits, the Board of Directors did not propose any dividend for the year 2025.

ANNUAL GENERAL MEETING

The Annual General Meeting of Shareholders of Agritech Limited will be held on Friday, March 13, 2026 at 10:30 A.M. at Park Lane Hotel, 107-B3, M.M. Alam Road, Gulberg III, Lahore

BOOK CLOSURE DATES

Share Transfer Books of the Company will remain closed from March 06, 2026 to March 13, 2026 (both days inclusive).

DIVIDEND REMITTANCE

Ordinary dividend, if declared and approved at the Annual General Meeting is paid within the statutory time limit of 30 days.

- (i) For shares held in physical form: to shareholders whose names appear in the Register of Members of the Company after entertaining all requests for transfer of shares lodged with the Company on or before the book closure date.
- (ii) For shares held in electronic form: to shareholders whose names appear in the statement of beneficial ownership furnished by CDC as at end of business on book closure date.

WITHHOLDING OF TAX AND ZAKAT ON ORDINARY DIVIDEND

As per the provisions of the Income Tax Ordinance, 2001, income tax is deductible at source by the Company at the applicable rates.

Zakat is also deductible at source from the ordinary dividend at the rate of 2.5% of the face value of the share, other than corporate holders or individuals who have provided an undertaking for non-deduction.

GENERAL MEETINGS & VOTING RIGHTS

Pursuant to section 132 of the Companies Act, 2017) Agritech holds a General Meeting of shareholders at least once a year. Every shareholder has a right to attend the General Meeting. The notice of such meeting is sent to all the shareholders at least 21 days before the meeting and also advertised in at least one English and one Urdu newspaper having circulation in Karachi, Lahore and Islamabad.

Shareholders having holding of at least 10% of voting rights may also apply to the Board of Directors to call for meeting of shareholders, and if the Board does not take action on such application within 21 days, the shareholders may themselves call the meeting.

All ordinary shares issued by the Company carry equal voting rights, Generally, matters at the general meetings are decided by a show of hands in the first instance. Voting by show of hands operates on the principle of "One Member-One Vote". If majority of shareholders raise their hands in favor of a particular resolution, it is taken as passed, unless a poll is demanded.

Since the fundamental voting principle in the Company is "One Share-One Vote", voting takes place by a poll, if demanded. On a poll being taken, the decision arrived by poll is final, overruling any decision taken on a show of hands.

PROXIES

Pursuant to section 137 of the Companies Act, 2017 and according to the Memorandum and Articles of Association of the Company, every shareholder of the Company who is entitled to attend and vote at a general meeting of the Company can appoint another member as his/her proxy to attend and vote instead of him/her. Every notice calling a general meeting of the Company contains a statement that a shareholder entitled to appoint a proxy. The instrument appointing a proxy (duly signed by the shareholder appointing that proxy) should be deposited at the office of the Company not less than forty-eight hours before the meeting.

DIVIDEND PAYMENTS

Cash dividends are paid through electronic mode directly in to the bank account designated by the entitled shareholders whose names appear in the Register of Shareholders at the date of book closure.

SERVICE STANDARDS

Listed below are various investor services and the maximum time limits set for their execution:

| | For requests received through post | For requests received over the counter |
|--|------------------------------------|--|
| Transfer and transmission of shares | 30 days after receipt | 30 days after receipt |
| Issue of duplicate share certificates | 30 days after receipt | 30 days after receipt |
| Issue of duplicate dividend warrants | 5 days after receipt | 5 days after receipt |
| Issue of revalidated dividend warrants | 5 days after receipt | 5 days after receipt |
| Change of address | 2 days after receipt | 1 day after receipt |

Well qualified personnel of the Shares Registrar have been entrusted with the responsibility of ensuring that services are rendered within the set time limits.

WEB PRESENCE

Updated information regarding the Company can be accessed at its website, www.agritech.com.pk The website contains the latest financial results of the Company together with the Company's profile.

Fundamental knowledge and understanding of financial market is crucial for the general public and lack of financial literacy or capability makes them vulnerable to frauds. SECP recognizes the importance of investor education and therefore initiated this investor education program, called 'JamaPunji', an investor training program, to promote financial literacy in Pakistan.

www.jamapunji.pk

INVESTOR RELATIONS

ENCOURAGING MINORITY SHAREHOLDERS TO ATTEND AGM

Equitable treatment of all shareholders, including minority shareholders is ensured by the management of the Company by encouraging them to attend, speak and vote at the Annual General Meeting and appoint another member as his / her proxy in compliance with legal and regulatory requirements. The Notice of the AGM is published in Urdu and English language in one issue of a daily newspaper of respective language having a nationwide circulation. Such notice is also placed on the Company's website at www.agritech.com.pk

INVESTORS' RELATIONS SECTION ON THE CORPORATE WEBSITE

The Company's website (www.agritech.com.pk) contains a separate section namely; "Investor Relations" which exhibits all major financial information needed for investor's decision making in order to maintain a transparent relationship between the Company and its shareholders.

ISSUES RAISED IN THE LAST AGM

The last AGM was conducted at Parklane Hotel, Lahore on April 28, 2025 and attended by shareholders. Shareholders approved the Financial Statements and also gave approval for appointment of M/s. Grant Thornton Anjum Rahman, Chartered Accountants as external auditors.

CORPORATE BRIEFING SESSIONS

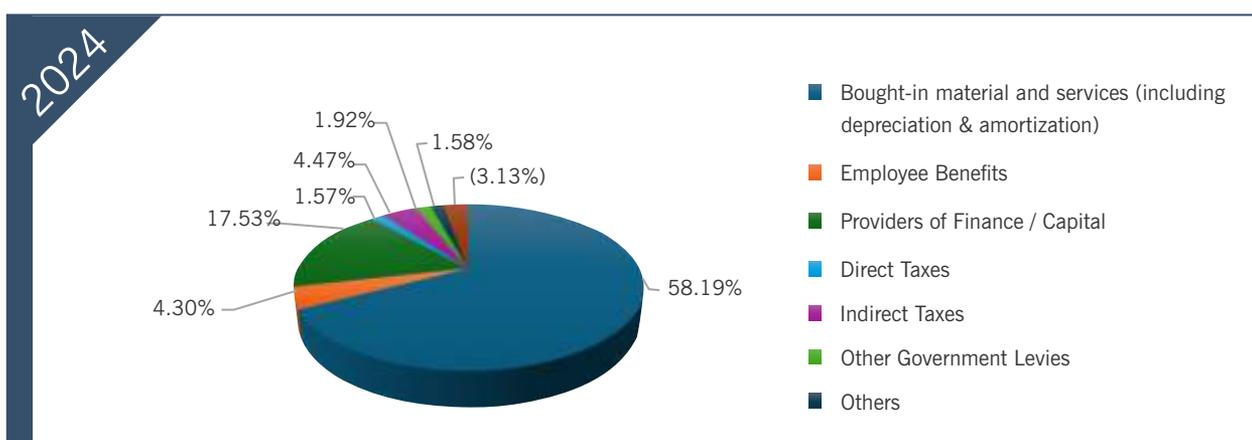
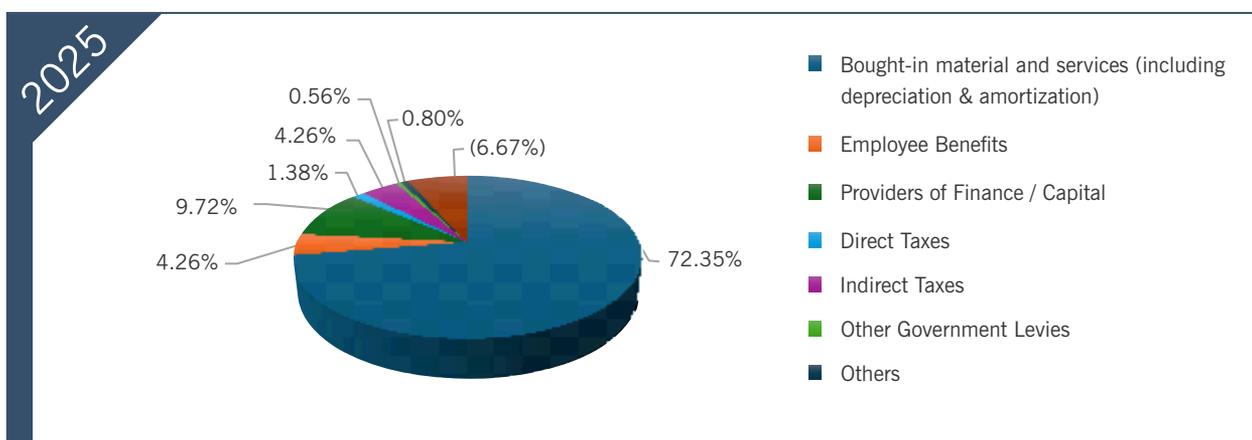
The Company holds regular meetings with investors and financial analysts on yearly and accounting reporting basis as defined by the PSX Rules. Company's ability to provide information to the individual market participants, including investors, stock brokers and analysts is, however, limited by the regulations applicable to the listed companies, including the rules on good stock exchange practices and the general requirement of equal treatment. The most recent Corporate Briefing Session was held on November 25, 2025. The briefing comprised various matters of interest to the investors and analysts including the Company's profile and history, industry overview, financial position and performance of the Company, future outlook etc. The briefing was followed by an interactive session with the attendees.

REDRESSAL OF INVESTORS' COMPLAINTS

The Company has established a robust mechanism dedicated to addressing and managing investors' complaints and grievances effectively. Investors are encouraged to voice their concerns by submitting written correspondence to the corporate department or by emailing corporate@agritech.com.pk. Additionally, the Company has facilitated convenient feedback channel through a designated form accessible in the 'Investor Relations' section of its website, www.agritech.com.pk. This proactive approach underscores our commitment to transparency, accountability, and maintaining positive investor relations. All investor feedback is addressed timely. However, no significant complaints were received during the year.

STATEMENT OF VALUE ADDITION

| | 2025 | | 2024 | |
|---|-----------------------|---------------|-----------------------|---------------|
| | Rupees | %age | Rupees | %age |
| Wealth Generated | | | | |
| Revenue | 37,729,466,836 | 86.97 | 32,897,661,892 | 92.51 |
| Other income | 5,651,915,010 | 13.03 | 2,662,511,904 | 7.49 |
| Total Wealth Generated | 43,381,381,846 | 100.00 | 35,560,173,796 | 100.00 |
| Wealth Distributed | | | | |
| Bought-in material and services (including depreciation & amortization) | 31,386,231,085 | 72.35 | 25,516,499,823 | 71.76 |
| Employee Benefits | 1,849,293,722 | 4.26 | 1,529,820,343 | 4.30 |
| Providers of Finance / Capital | 4,215,641,276 | 9.72 | 6,234,996,014 | 17.53 |
| Direct Taxes | 596,620,297 | 1.38 | 556,965,150 | 1.57 |
| Indirect Taxes | 1,849,088,090 | 4.26 | 1,590,888,665 | 4.47 |
| Other Government Levies | 242,731,631 | 0.56 | 682,253,124 | 1.92 |
| Others | 346,940,311 | 0.80 | 562,931,283 | 1.58 |
| Retained in Business/(Loss for the Year) | 2,894,835,434 | 6.67 | (1,114,180,606) | (3.13) |
| Total Wealth Distributed | 43,381,381,846 | 100.00 | 35,560,173,796 | 100.00 |







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AUDITED FINANCIAL
STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AGRITECH LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of Agritech Limited (the Company), which comprise the statement of financial position as at December 31, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information and other explanatory information, (here-in-after referred to as "the financial statements") and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025, and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

| Key audit matters | How the matter was addressed in our audit |
|--|--|
| <p><u>Revenue Recognition</u></p> <p>The Company has two major streams of revenue: local sales of Urea & GSSP fertilizer.</p> | <p>Our audit procedures include the followings:</p> <ul style="list-style-type: none"> • Obtaining an understanding of and assessing the design and implementation to ensure that revenue is recognized in the appropriate accounting period and based on stated accounting policy; |

| Key audit matters | How the matter was addressed in our audit |
|--|--|
| <p>Revenue from sale of goods is recognized when the Company satisfies the performance obligation under the contract by transferring promised goods to the customers. Revenue recognition policy has also been explained in Note 3.15 to the financial statements.</p> <p>We have identified revenue recognition as key audit matter as it is one of the key performance indicators of the Company and because of the potential risk that revenue transactions may not have been recognized based on the satisfaction the performance obligation under the contract with the customer in line with the accounting policy adopted and may not have been recognized in the appropriate period.</p> | <ul style="list-style-type: none"> • Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies with applicable accounting & reporting standards; • Comparing, on a sample basis, specific revenue transactions recorded before and after the reporting date with underlying documentation to assess whether revenue has been recognized in the appropriate accounting period; • Checked on a sample basis recorded sales transactions with underlying supporting documents; and • Assessed adequacy of related disclosures made in the financial statements. |

Information Other than the Financial Statements and Auditor's Report Thereon

The Board of Directors are responsible for the other information. Other information comprises the information included in the annual report for the year ended December 31, 2025, but does not include the financial statements and our auditor's report thereon.

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017;
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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



Grant Thornton Anjum Rahman
Chartered Accountants
Karachi.

Date: February 19, 2026

UDIN: AR202510154IS6FYdsfn

Statement of Financial Position

As at 31 December 2025

| | Note | 2025 Rupees | 2024 Rupees |
|---|------|-----------------------|------------------|
| EQUITY AND LIABILITIES | | | |
| Authorized share capital | 4 | 35,000,000,000 | 35,000,000,000 |
| Share capital and reserves | | | |
| Issued, subscribed and paid-up ordinary share capital | 5 | 5,990,842,240 | 4,246,451,190 |
| Reserve | 6 | 9,000,000 | 9,000,000 |
| Accumulated loss | | (22,740,961,122) | (26,535,202,341) |
| Surplus on revaluation of property, plant and equipment- net of tax | 7 | 35,690,580,969 | 32,011,890,851 |
| | | 18,949,462,087 | 9,732,139,700 |
| Non-current liabilities | | | |
| Redeemable capital - secured | 8 | - | 3,706,686,309 |
| Long term finances - secured | 9 | 248,174,260 | 378,257,093 |
| Convertible, redeemable preference shares | 10 | 206,080 | 1,484,507,830 |
| Non convertible, redeemable preference shares | 11 | 18,542,697,500 | 18,542,697,500 |
| Deferred liabilities | 12 | 10,769,674,668 | 9,748,041,961 |
| | | 29,560,752,508 | 33,860,190,693 |
| Current liabilities | | | |
| Current portion of non-current liabilities | 13 | 4,378,567,838 | 132,117,894 |
| Short term borrowings - secured | 14 | 990,898,197 | 2,057,907,728 |
| Loan from related party | 15 | 1,318,294,181 | - |
| Trade and other payables | 16 | 5,282,136,152 | 7,748,451,751 |
| Interest / mark-up accrued on borrowings | 17 | 2,761,645,582 | 2,747,602,634 |
| Preference dividend payable | 18 | 29,601,889,608 | 28,729,605,359 |
| | | 44,333,431,558 | 41,415,685,366 |
| | | 92,843,646,153 | 85,008,015,759 |
| Contingencies and Commitments | 19 | | |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 20 | 71,156,750,623 | 66,694,254,492 |
| Intangible assets | 21 | - | 143,915 |
| Long term loans and advances | 22 | 45,849,285 | 27,099,031 |
| Long term deposits | 23 | 58,887,033 | 58,949,562 |
| | | 71,261,486,941 | 66,780,447,000 |
| Current assets | | | |
| Stores, spare parts and loose tools | 24 | 2,924,274,020 | 2,396,692,934 |
| Stock-in-trade | 25 | 3,465,739,346 | 4,398,932,477 |
| Trade debts | 26 | 986,881,202 | 45,796,140 |
| Advances, deposits, prepayments and other receivables | 27 | 5,177,934,388 | 4,152,137,988 |
| Tax refunds due from Government - net | 28 | 172,809,238 | 26,994,252 |
| Short term investments | 29 | 8,722,316,126 | 6,783,987,635 |
| Cash and bank balances | 30 | 132,204,892 | 423,027,333 |
| | | 21,582,159,212 | 18,227,568,759 |
| | | 92,843,646,153 | 85,008,015,759 |

The annexed notes from 1 to 56 form an integral part of these financial statements.



Chairman



Chief Executive Officer



Director



Chief Financial Officer

Statement of Profit or Loss

For the year ended 31 December 2025

| | Note | 2025 Rupees | 2024 Rupees |
|--|------|----------------------|------------------|
| Sales - net | 31 | 35,880,378,746 | 31,306,773,227 |
| Cost of sales | 32 | (29,837,625,301) | (25,040,969,778) |
| Gross profit | | 6,042,753,445 | 6,265,803,449 |
| Selling and distribution expenses | 33 | (2,424,566,701) | (1,186,250,139) |
| Administrative and general expenses | 34 | (973,332,805) | (819,100,249) |
| Operating profit | | 2,644,853,939 | 4,260,453,061 |
| Other expenses | 35 | (567,987,923) | (409,978,308) |
| Finance cost | 36 | (4,237,325,295) | (7,014,420,558) |
| Other income | 37 | 5,269,770,529 | 2,080,991,056 |
| Profit / (Loss) before final & minimum taxes and taxation | | 3,109,311,250 | (1,082,954,749) |
| Final and Minimum Tax | 38 | - | (612,746,705) |
| Profit / (Loss) before taxation | | 3,109,311,250 | (1,695,701,454) |
| Taxation | 38 | (214,475,816) | 581,520,848 |
| Profit / (Loss) after taxation | | 2,894,835,434 | (1,114,180,606) |
| Earning / (Loss) per share - basic and diluted | 39 | 5.36 | (2.71) |

The annexed notes from 1 to 56 form an integral part of these financial statements.



Chairman



Chief Executive Officer



Director



Chief Financial Officer

Statement of Comprehensive Income

For the year ended 31 December 2025

| | 2025 Rupees | 2024 Rupees |
|---|----------------------|------------------------|
| Profit / (Loss) after taxation | 2,894,835,434 | (1,114,180,606) |
| <u>Other comprehensive income:</u> | | |
| Items that will not be reclassified to statement of profit or loss: | | |
| - Revaluation surplus on property, plant and equipment | 5,985,320,160 | - |
| - Related deferred tax liability on revaluation surplus | (1,404,776,837) | 26,634,804 |
| - Re-measurement of defined benefit liability | (3,447,070) | (7,724,093) |
| - Related deferred tax asset / (liability) | 999,650 | 18,910,711 |
| | 4,578,095,903 | 18,910,711 |
| Total comprehensive income / (loss) for the year | 7,472,931,337 | (1,095,269,895) |

The annexed notes from 1 to 56 form an integral part of these financial statements.



Chairman



Chief Executive Officer



Director



Chief Financial Officer

Statement of Changes in Equity

For the year ended 31 December 2025

| | Capital Reserve | | Revenue Reserves | | Total Rupees |
|--|-------------------------------------|--|-------------------|-------------------------------|-----------------|
| | Ordinary Share Capital Rupees | Surplus on revaluation of property, plant and equipment Rupees | Reserve Rupees | Accumulated Loss Rupees | |
| As at 01 January 2024 | 3,924,300,000 | 32,998,144,218 | 9,000,000 | (26,426,185,813) | 10,505,258,405 |
| (Loss) for the year ended December 31, 2024 | - | - | - | (1,114,180,606) | (1,114,180,606) |
| Other comprehensive income for the year | - | - | - | - | - |
| Re-measurement gain on employee retirement benefits | - | - | - | 26,634,804 | 26,634,804 |
| Related tax liability on re-measurement gain | - | - | - | (7,724,093) | (7,724,093) |
| Total comprehensive loss for the year ended 31 December 2024 | - | - | - | (1,095,269,895) | (1,095,269,895) |
| Surplus transferred to accumulated loss on account of: | - | - | - | - | - |
| - Incremental depreciation on property, plant and equipment - net of tax | - | (903,532,926) | - | 903,532,926 | - |
| - Disposal of revalued assets during the year - net of tax | - | (82,720,441) | - | 82,720,441 | - |
| | - | (986,253,367) | - | 986,253,367 | - |
| Transactions with owners: | | | | | |
| Issuance of ordinary shares during the year | 322,151,190 | - | - | - | 322,151,190 |
| As at 31 December 2024 | 4,246,451,190 | 32,011,890,851 | 9,000,000 | (26,535,202,341) | 9,732,139,700 |
| As at 01 January 2025 | 4,246,451,190 | 32,011,890,851 | 9,000,000 | (26,535,202,341) | 9,732,139,700 |
| Profit for the year ended December 31, 2025 | - | - | - | 2,894,835,434 | 2,894,835,434 |
| Other comprehensive income for the year | - | - | - | - | - |
| - Re-measurement gain on employee retirement benefits | - | - | - | (3,447,070) | (3,447,070) |
| - Related tax asset on re-measurement loss | - | - | - | 999,650 | 999,650 |
| - Revaluation surplus on Property, Plant and equipment for the year - net of tax | - | 4,580,543,323 | - | - | 4,580,543,323 |
| Total comprehensive income for the year ended 31 December 2025 | - | 4,580,543,323 | - | 2,892,388,014 | 7,472,931,337 |
| Surplus transferred to accumulated loss on account of: | - | - | - | - | - |
| Incremental depreciation on property, plant and equipment - net of tax | - | (901,853,205) | - | 901,853,205 | - |
| | - | (901,853,205) | - | 901,853,205 | - |
| Transactions with owners: | | | | | |
| Issuance of ordinary shares during the year | 1,744,391,050 | - | - | - | 1,744,391,050 |
| As at 31 December 2025 | 5,990,842,240 | 35,690,580,969 | 9,000,000 | (22,740,961,122) | 18,949,462,087 |

The annexed notes from 1 to 56 form an integral part of these financial statements.



Chairman



Chief Executive Officer



Director



Chief Financial Officer

Statement of Cash Flows

For the year ended 31 December 2025

| | Note | 2025 Rupees | 2024 Rupees |
|---|------|------------------------|------------------------|
| <u>Cash flow from operating activities</u> | | | |
| Cash generated from operations | 40 | 2,208,673,700 | 1,882,940,859 |
| Income tax paid | | (742,435,282) | (556,965,150) |
| Staff retirement benefits paid | | (5,567,167) | 11,248,636 |
| Long term loans and advances - net | | (18,750,254) | (2,507,409) |
| Long term deposits - net | | 62,529 | (6,000,125) |
| Net cash from operating activities | | 1,441,983,526 | 1,328,716,811 |
| <u>Cash flows from investing activities</u> | | | |
| Capital expenditure incurred | | (443,414,243) | (395,972,099) |
| Proceeds from disposal of fixed assets | | 7,461,766 | 1,155,500 |
| Increase in short term investment | | (1,938,328,491) | (1,256,617,850) |
| Interest income received | | 845,459,167 | 1,101,714,105 |
| Net cash (used in) investing activities | | (1,528,821,801) | (549,720,344) |
| <u>Cash flows from financing activities</u> | | | |
| Increase / (decrease) in short term borrowings - net | | 712,068,064 | (132,664,236) |
| Finance cost paid | | (16,116,654) | (26,698,487) |
| Net cash from / (used in) financing activities | | 695,951,410 | (159,362,723) |
| Net increase in cash and cash equivalents | | 609,113,135 | 619,633,744 |
| Cash and cash equivalents at beginning of the year | | (1,389,413,193) | (2,009,046,937) |
| Cash and cash equivalents at end of the year | 41 | (780,300,058) | (1,389,413,193) |

The annexed notes from 1 to 56 form an integral part of these financial statements.



Chairman



Chief Executive Officer



Director



Chief Financial Officer

Notes to the Financial Statements

For the year ended 31 December 2025

1 Reporting entity

- 1.1** Agritech Limited ("the Company") was incorporated in Pakistan on 15 December 1959 as an unlisted Public Limited Company under the repealed Companies Act, 1913 (now the Companies Act, 2017) and remained a wholly owned subsidiary of National Fertilizer Corporation of Pakistan (Private) Limited ("NFC"), a Government owned Corporation, until 15 July 2006. The shares of the Company are quoted on Pakistan Stock Exchange. The principal business of the Company is the production and sale of Urea and Granulated Single Super Phosphate ("GSSP") fertilizers.
- 1.2** The registered office of the Company is situated at Askari Corporate Tower, 4th Floor, 75-76 D-1, Main Boulevard, Gulberg III, Lahore. Geographical locations of the manufacturing facilities of the Company are located at:
- Unit I located at Iskanderabad, District Mianwali; and
 - Unit II at Hattar Road, Haripur.

2 Basis of preparation

2.1 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 as applicable in Pakistan comprise of:

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

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

2.2 Going concern assumption

The management has made an assessment of the Company's ability to continue as a going concern and based on the below mitigating factors, management believes that going concern basis of accounting is appropriate.

- Strong Urea demand has grown at CAGR of ~2% since 2018, increasing to 6.6 million tons per annum. Future growing urea demand can only be met by running all plants (including Agritech Urea plant) having installed capacity of ~6.6 million tons.
- The gas supply situation to the AGL Urea plant has shown significant improvements in the past two years. The plant operated for 331 days in the year 2025 (2024: 350 days). Production for year 2025 has been 374 KT of Urea (2024: 372 KT) highest ever in the last decade. Longstanding concerns regarding continuous gas availability for the Company's Urea operations have been comprehensively addressed by the Government of Pakistan as subsequent to year end, the GOP has approved allocation of gas from the Ghazij/Shawal discoveries in the Mari Field, Daharki, District Ghotki, Sindh, to Urea plant of the Company. The allocated gas would be supplied at the Mari field delivery point at the applicable wellhead prices as notified by OGRA from time to time; for which the Company will also enter into a Gas Sale and Purchase Agreement ('GSPA') with Mari Energies Limited. The Company along with other stakeholders of Urea in Pakistan would also arrange gas processing, compression, and transportation of processed gas to their plant sites through Third Party Access arrangements. These approvals now provide certainty in uninterrupted gas (feedstock) availability and further strengthens the sustainability of Urea operations in future.
- Acquisition by 2 major conglomerates namely Fauji Foundation Group and Maple Leaf Group holds 51.29% and holds 40.12% of ordinary shares in AGL as on 31 December 2025 respectively. Both these groups bring in a wealth of experience in the manufacturing sector, especially FFCL having wealth of experience of operating the fertilizer plants in the country that can add enormous value to the future growth of Agritech. During the year, FFCL has settled significant part of short term and long term loans including accrued markup, which has improved financial conditions of the Company.
- Reduction of the Policy Rate by SBP has decreased finance cost for the Company.
- Implementation of the sanctioned Scheme of Arrangement (SOA) through issuance of the Preference Shares in lieu of the outstanding Principal and PPTFCs in lieu of the Outstanding markup as on December 31, 2013 (effective date of SOA) ensures the restructuring of the Long-Term Debt of the Company. Further, the settlement of the Short Term Debt of the company on bi-lateral basis is likely to further reduce debt burden of the Company in future, paving the way for withdrawal of recovery suits.

2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention except for certain financial instruments measured at fair value and / or amortized cost, employees retirement benefits under defined benefit plan at present value and certain items of property, plant and equipment measured at revalued amounts. In these financial statements, except for the amounts reflected in the cash flow statement, all transactions have been accounted for on accrual basis.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. Judgments made by management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a risk of material adjustment in subsequent years are as follows:

2.4.1 Depreciation method, rates and useful lives of property, plant and equipment

The management of the Company reassesses useful lives, depreciation method and rates for each item of property, plant and equipment annually by considering expected pattern of economic benefits that the Company expects to derive from that item and the maximum period upto which such benefits are expected to be available.

Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on depreciation charge and impairment.

2.4.2 Amortization method, rates and useful lives of intangible assets

The management of the Company reassesses useful lives, Amortization method and rates for each intangible asset having finite lives annually by considering expected pattern of economic benefits that the Company expects to derive from that item and the maximum period upto which such benefits are expected to be available.

2.4.3 Recoverable amount of assets / cash generating units and impairment

The management of the Company reviews carrying amounts of its assets and cash generating units for possible impairment and makes formal estimates of recoverable amount if there is any such indication of impairment.

2.4.4 Taxation

The management of the Company takes into account the current income tax law and decisions taken by appellate authorities while estimating its tax liabilities. For recognition of deferred tax assets, estimates of the Company's future taxable profits against which carry forward tax losses can be used are taken into account.

2.4.5 Provisions

Provisions are based on best estimate of the expenditure required to settle the present obligation at the reporting date, that is, the amount that the Company would rationally pay to settle the obligation at the reporting date or to transfer it to a third party.

2.4.6 Revaluation of property, plant and equipment

Revaluation of property, plant and equipment is carried out by an independent professional valuer. Revalued amounts of non-depreciable items are determined by reference to local market values and that of depreciable items are determined by reference to present depreciated replacement values.

The frequency of revaluations depends upon the changes in fair values of the items of property, plant and equipment being revalued. When the fair value of a revalued asset differs materially from its carrying amount, a further revaluation is required. Such frequent revaluations are unnecessary for items of property, plant and equipment with only insignificant changes in fair value. Instead, it may be necessary to revalue the item only every three or five years.

2.4.7 Stores, spares, loose tools and stock-in-trade

The Company reviews the stores, spares, loose tools and stock-in-trade for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of stores, spares and loose tools and stock-in-trade with a corresponding effect on the provision.

2.4.8 Staff retirement benefits

The Company operates a funded gratuity scheme covering all eligible employees completing the minimum qualifying period of service as specified by the scheme. Annual provision is made on the basis of actuarial valuation to cover obligations under the scheme for all employees eligible to gratuity benefits respective of the qualifying period. The projected unit credit method used for the valuation of the scheme is based on assumptions stated in Note 12.1.

2.4.9 Fair values of financial instruments with no active market

Fair values of financial assets and financial liabilities with no active market are determined by discounting estimated future cash flows at effective interest rate; the rate that exactly discounts estimated future receipts / payments through expected life of the financial assets / liabilities or, when appropriate, a shorter period, to the net carrying amount of the financial assets / liabilities.

Other areas where estimates and judgments are involved have been disclosed in the respective notes to the financial statements.

2.5 Functional currency

These financial statements have been prepared in Pak Rupees which is the Company's functional currency.

3 Material accounting policy information

The material accounting policy information set out below has been applied consistently to all periods presented in these financial statements.

3.1 Property, plant and equipment

Owned

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment with the exception of freehold land, which is measured at revalued amount and any identified impairment. Building on freehold land, residential colony assets, electrical installations and plant and machinery which are measured at revalued amount less accumulated depreciation and identified impairment. Cost comprises purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and includes other costs directly attributable to the acquisition or construction including expenditures on material, labour and overheads directly relating to construction, erection and installation of operating fixed assets.

Parts of an item of property, plant and equipment having different useful lives are recognized as separate items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income during the period in which they are incurred.

The Company recognizes depreciation in statement of profit or loss by applying straight line method over the useful life of each item of property, plant and equipment as specified in Note 20 to the financial statements.

Depreciation on additions to property, plant and equipment is charged from the month in which the item becomes available for use. Depreciation is discontinued from the month in which it is disposed or classified as held for disposal.

An item of property, plant and equipment is de-recognized when permanently retired from use. Any gain or loss on disposal of property, plant and equipment is recognized in statement of profit or loss.

Capital work-in-progress

Capital work-in-progress is stated at cost less identified impairment, if any. It consists of all expenditures and advances connected with specific assets incurred and made during installations and construction period. These are transferred to relevant property, plant and equipment as and when assets are available for use.

Leased

The Company assesses whether a contract is or contains a lease at the inception of the contract. This assessment involves the exercise of judgment about whether it depends on a specified asset, whether the entity obtains substantially all the economic benefits from the use of that asset, and whether the entity has the right to direct the use of that asset.

The Company recognizes a right-of-use (ROU) asset and a lease liability at the lease commencement date, except for short-term leases of 12 months or less and leases of low value items which are expensed in the income statement on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of lease payments that are not paid at the lease commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the entity, term and the currency of the contract. Lease payments represent the periodic fixed payments to lessor.

At inception, the ROU asset comprises the initial lease liability, initial direct costs and the obligations to refurbish the asset, less any incentives granted by the lessors. The ROU asset is depreciated over the shorter of lease term or useful life of the asset. The ROU asset is subject to testing for impairment if there is an indicator for impairment, as for owned assets.

ROU assets are included in the non-current assets, and the lease obligation is included in the current and non-current long term lease obligation.

3.2 Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Company's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognized in profit or loss.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

3.3 Surplus / (deficit) arising on revaluation of property, plant and equipment

Surplus on revaluation is booked by restating gross carrying amounts of respective assets being revalued, proportionately to the change in their carrying amounts due to revaluation. The accumulated depreciation at the date of revaluation is also adjusted to equal difference between gross carrying amounts and the carrying amounts of the assets after taking into account accumulated impairment losses.

Increases in the carrying amount arising on revaluation of property, plant and equipment is recognized in other comprehensive income and accumulated in equity under the heading of surplus on revaluation of property, plant and equipment. Decreases that offset previous increases of the same assets are charged to other comprehensive income against this surplus, all other decreases are charged to statement of profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the statement of profit or loss, and depreciation based on the asset's original cost is transferred to retained earnings. All transfers to / from surplus on revaluation of property, plant and equipment are net of applicable deferred income tax.

3.4 Intangible assets

3.4.1 Software

Intangibles are measured initially at cost. The cost of the intangibles comprise its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, and includes other costs directly attributable to the acquisition. Costs incurred after the asset is in the condition necessary for it to operate in the manner intended by the management are recognized in profit and loss account. Subsequent to initial recognition, intangibles are measured at cost less accumulated amortization and accumulated impairment losses, if any.

All intangibles are amortized over the period of four years on a straight line basis. Amortization on additions to intangible assets is charged from the month in which an asset is put to use and on disposal upto month of disposal.

3.4.2 Goodwill acquired in business combination

Goodwill acquired in business combination represents future economic benefits arising from assets that are not capable of being individually identified and separately recognized. Goodwill is initially recognized at cost which is determined as the excess of the cost of business combination over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment, if any. Goodwill is tested annually for impairment.

3.5 Stores, spare parts and loose tools

These are measured principally at lower of weighted average cost and NRV, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon upto the reporting date. Provision is made in the financial statements for obsolete and slow moving stores and spares on management's estimate as a result of changes in usage pattern and physical form.

3.6 Stock-in-trade

These are valued at lower of cost and net realizable value. Cost is determined using the following basis:

| | |
|------------------|---|
| Work in process | Average manufacturing cost |
| Finished goods | Average manufacturing cost |
| Raw material | Average purchase cost |
| Stock-in-transit | Invoice price plus related expense incurred upto the reporting date |

Average manufacturing cost in relation to work in process and finished goods consists of direct material, labour and a proportion of appropriate manufacturing overheads.

Net realizable value signifies the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to be incurred in order to make a sale. Provision is made in the financial statements for obsolete and slow moving stock in trade based on management's estimate.

3.7 Trade debts

Trade debts are carried at original invoice amount which is the fair value of consideration receivable less an allowance for doubtful debts based on a review of all outstanding amounts at the year end. Balances considered bad and irrecoverable are written off as and when identified.

3.8 Employee benefits

3.8.1 Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.8.2 Post-employment benefits

(a) Defined contribution plan

The Company operates an approved defined contributory provident fund for all employees. Obligations for contributions to defined contribution plan is expensed as the related service is provided. Equal contributions are made by the Company and employees at 8.33% and 10% of basic salary of executives and workers respectively.

(b) Defined benefit plan

The Company operates approved funded gratuity scheme for its workers who have completed the minimum qualifying period of service as defined under the respective scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to statement of profit or loss.

The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if, any excluding interest), are recognized immediately in OCI. The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/ (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments.

Net interest expense and other expenses related to defined benefit plans are recognized in statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The main features of the scheme are detailed in Notes 10 and 11 to the financial statements.

3.8.3 Termination benefits / Voluntary separation scheme ("VSS")

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits or when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

3.8.4 Leave Encashment

The certain employees of the Company are entitled to accumulating compensated absence, which are cashable upto a maximum limit of 730 days. Provisions are made on accrual basis.

3.9 Financial instruments

3.9.1 Financial assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transaction costs.

For the purpose of subsequent measurement, financial assets of the Company are classified into the followings:

3.9.1.1 Financial assets at amortized cost

Assets that are held for collection of contractual cash flows where those cash flow represents solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognised directly in statement of profit or loss.

3.9.1.2 Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3.9.1.3 Financial assets at fair value through statement of profit or loss

Assets that do not meet the criteria for amortized cost or fair value through other comprehensive income are measured at fair value through statement of profit or loss.

Changes in fair value of financial assets are normally recognised in statement of profit or loss. However, change in fair value of financial instruments measured at fair value through OCI are subsequently measured through OCI.

3.9.1.4 Financial assets - Derecognition

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. Any gain or loss on the de-recognition of the financial assets is included in the statement of profit or loss for the period in which it arises.

Assets that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

3.9.1.5 Impairment of financial assets

The Company recognizes an allowance for expected credit losses ("ECL") for all debt instruments, excluding due from the Government, not held at fair value through statement of profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-months ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company may consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For bank balances, the Company applies a simplified approach in calculating ECLs based on lifetime expected credit losses. The Company reviews internal and external information available for each bank balance to assess expected credit loss and the likelihood to receive the outstanding contractual amount. The expected credit losses are recognized in the statement of profit or loss.

Financial assets due from the Government of Pakistan are assessed at each reporting date to determine whether there is any objective evidence that they are impaired. A financial asset due from the Government of Pakistan is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

3.9.2 Financial liabilities

Financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through statement of profit or loss are initially recognised at fair value and transaction costs are expensed in statement of profit or loss.

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

3.9.2.1 Financial liabilities - Derecognition

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

3.10 Offsetting of financial assets and financial liabilities

A financial asset and financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.11 Loans and borrowings

Loans and borrowings are classified as 'financial liabilities at amortized cost'. On initial recognition, these are measured at fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost with any difference between cost and redemption value recognized in the statement of profit or loss over the period of the borrowings on an effective interest basis.

Preference shares which are convertible at the option of the holders into variable number of equity instruments and represents a contractual obligation are classified as financial liabilities. The dividend on preference shares is recognized in the statement of profit or loss as finance cost and payable is charged as current liability.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Further, liability is not classified as current only because the counted party has an option to require settlement within twelve months in equity instruments issued by the entity.

Finance costs are accounted for on an accrual basis and are included in markup accrued on borrowings to the extent of amount remaining unpaid.

3.12 Ijarah

Ijarah financing where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under such leases (net of any incentives received from the lessor) are charged to statement of profit or loss on a straight-line basis over the lease term unless another systematic basis is representative of the time pattern of the Company's benefit.

3.13 Trade and other payables

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the amount is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non current liabilities.

Liabilities for trade and other payables are carried at fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company. Subsequently, these are measured at amortized cost. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

3.14 Provisions and contingencies

Provisions are recognized when the Company has a legal and constructive obligation as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provision is recognized at an amount that is the best estimate of the expenditure required to settle the present obligation at the reporting date. Where outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote.

3.15 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, net of returns allowances, trade discounts and rebates, and represents amounts received or receivable for goods and services provided and other operating income earned in the normal course of business. Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company, and the amount of revenue and the associated costs incurred or to be incurred can be measured reliably and there is no continuing management involvement with the goods.

- Revenue from sale of goods is recognized when risks and rewards incidental to the ownership of goods are transferred to the buyer.
- Return on deposit is accrued on a time proportion basis by reference to the principal outstanding and applicable rate of return.

Government subsidy on sale of fertilizer is recognized when the right to receive such subsidy is established and the underlying conditions are met. Government subsidy is deducted from cost of sales (fuel and power).

3.16 Government grants

Government grants are recognized when there is reasonable assurance that they will be received and that the Company will comply with the conditions associated with the grant. Grants related to future expenditure are initially recognized as deferred income. Subsequent to initial recognition grants related to assets are recognized in profit or loss on a systematic basis over the useful life of the assets whereas grants relating to income are recognized in profit or loss on a systematic basis in the same period in which related expenses are recognized.

Grants that compensate the Company for expenses or losses already incurred are recognized in profit or loss in the period in which these become receivable.

Government grants other than related to a biological asset are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognised in statement of profit or loss as other income on a systematic basis over the useful life of the asset.

Grants that compensate the Company for expenses incurred are recognised in statement of profit or loss on a systematic basis in the same period in which the expenses are recognised.

3.17 Taxation

Levy

"IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by a government, other than those levies within the scope of other standards e.g., Income taxes and fines or penalties imposed for breaches of legislation. A liability to pay levies is recognized when an obligating event takes place, such as the generation of revenue in the current period. In these financial statements, levies include final taxes and super taxes, which are based on sales of the Company. Final taxes include taxes charged, withheld, or paid under various provisions of the Income Tax Ordinance, 2001 (the Ordinance). These taxes are computed under the Ordinance without reference to income taxable at the general rate, and the final tax charged, withheld, or paid for a tax year is deemed the final tax liability under the Ordinance. The payment of final tax is considered a full and final discharge of the Company's tax liability for that tax year."

Current tax

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years arising from assessment framed during the year for such years. Provision for current tax is based on current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any. The amount of unpaid income tax in respect of the current or prior periods is recognised as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an asset.

Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. However, the deferred tax is not recognized for:

- Temporary differences arising on the initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carry-forward of unused tax losses and tax credits, to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at each reporting 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 utilized. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax is charged in the statement of profit or loss, except in the case of items charged to other comprehensive income or equity in which case it is included in other comprehensive income or equity.

3.18 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

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

3.19 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement cash and cash equivalents comprise of cash in hand, cash at banks and outstanding balance of running finance facilities availed by the Company.

3.20 Foreign currency transactions

Foreign currency transactions are translated into Pak Rupees which is the Company's functional and presentation currency using the exchange rates approximating those prevailing at the date of the transaction. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the reporting date. Exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in statement of profit or loss. All non-monetary assets and liabilities are translated in Pak Rupees using the exchange rates prevailing on the date of transaction or at the date when the fair value was determined.

3.21 Segment reporting

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

3.22 Redeemable preference shares

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are taken to the income statement as finance expense.

3.23 Short term investments

Short term investments with fixed or determinable payments and fixed maturity, which the company has the positive intent and ability to hold to maturity, are carried at amortized cost, using the effective interest rate method less impairment losses, if so determined.

3.24 Application of new standards, amendments and interpretations to published accounting and reporting standards as applicable in Pakistan.

Company has adopted following amendments to published standards which became effective during the current year.

- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current
- Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants
- Amendments to IAS 7 'Statement of Cashflows' and IFRS 7 'Financial Instruments: Disclosure' - supplier finance arrangements.
- Amendments to IFRS 16 'Leases' - Lease liability in Sale and Leaseback

The above-mentioned amendments to approved accounting standards did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3.25 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are in issue which are not yet effective as at reporting date and have not been early adopted by the Company.

| | Effective date (annual periods beginning on or after) |
|---|--|
| - Amendments to IFRS 7 "Financial Instruments: Disclosures" - Amendments regarding the classification and measurement of financial instruments | January 1, 2026 |
| - Amendments to IFRS 9 "Financial Instruments: Disclosures" - Amendments regarding the classification and measurement of financial instruments | January 1, 2026 |
| - Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" - Lack of Exchangeability Disclosures | January 1, 2025 |
| - Amendments to IFRS 7 "Financial Instruments: Disclosures" - Amendments regarding nature-dependent electricity contracts that are often structured as Power Purchase Agreements. | January 1, 2026 |
| IFRS 17 Insurance Contracts | January 1, 2027 |

The Company is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on subsequent financial statements of the Company.

3.26 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Following new standards have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

IFRS 18 - Presentation and Disclosures in Financial Statements
IFRS 19 - Subsidiaries without Public Accountability: Disclosures

| | <i>Note</i> | 2025 Rupees | 2024 Rupees |
|--|-------------|------------------------|------------------------|
| 4 Authorized share capital | | | |
| Ordinary shares of Rs 10 each | | | |
| 600,000,000 (2024: 600,000,000) class A shares | 4.1 | 6,000,000,000 | 6,000,000,000 |
| 200,000,000 (2024: 200,000,000) class B shares | 4.2 | 2,000,000,000 | 2,000,000,000 |
| 200,000,000 (2024: 200,000,000) class C shares | 4.3 | 2,000,000,000 | 2,000,000,000 |
| | | 10,000,000,000 | 10,000,000,000 |
| Preference shares of Rs. 10 each | | | |
| 500,000,000 (2024: 500,000,000) shares | 4.4 | 5,000,000,000 | 5,000,000,000 |
| 2,000,000,000 (2024 : 2,000,000,000) shares | 4.5 | 20,000,000,000 | 20,000,000,000 |
| | | 35,000,000,000 | 35,000,000,000 |

4.1 Class A ordinary shares include all ordinary shares of the Company other than non-voting ordinary shares and restrictive rights voting ordinary shares, having all rights and privileges, including voting rights as provided in the Companies Act, 2017.

4.2 Class B ordinary shares are restrictive rights voting ordinary shares that have the restricted or disproportionate rights and privileges.

4.3 Class C ordinary shares are non-voting ordinary shares of the Company that do not have any voting rights attached thereto and do not have any rights to receive notice of, attend, or vote at a general meeting of the Company, however, holders of such shares shall have all other rights of ordinary shares, including right to dividend and to share in the assets of the Company in event of its winding up.

4.4 This represents local currency, listed, non-voting, redeemable, convertible and cumulative preference shares.

4.5 This represents local currency, non-listed, limited voting, non-convertible, redeemable and cumulative preference shares.

| | Note | 2025 Rupees | 2024 Rupees |
|---|------|----------------------|----------------|
| 5 Issued, subscribed and paid-up ordinary share capital | | | |
| Class A ordinary shares of Rs. 10 each 590,084,224 (2024: 415,645,119) | | | |
| shares issued fully paid in cash 9,000,000 (2024: 9,000,000) | | 5,900,842,240 | 4,156,451,190 |
| shares issued for consideration other than cash | | 90,000,000 | 90,000,000 |
| | 5.1 | 5,990,842,240 | 4,246,451,190 |

5.1 Ordinary shares of the Company held by associated undertakings at year end are as follows:

| | 2025 (Percentage held) | 2024 | 2025 (Number of shares) | 2024 |
|---|---------------------------|--------|----------------------------|-------------|
| Combined shareholding of Fauji Fertilizer Company Limited & Fauji Foundation | 44.38% | 28.86% | 265,875,272 | 122,541,093 |
| Askari Bank Limited | 6.91% | 4.68% | 41,397,892 | 19,864,897 |
| Combined shareholding of Maple Leaf Cement Factory Limited (MLCF) & Maple Leaf Capital Limited (MLCL) | 40.12% | 24.28% | 240,333,429 | 103,120,701 |

5.2 During the year, 148,430,175 preference shares have been converted into 174,439,105 ordinary shares.

| | Note | 2025 Rupees | 2024 Rupees |
|------------------|------|------------------|----------------|
| 6 Reserve | | | |
| Revenue reserve | | 9,000,000 | 9,000,000 |

7 Surplus on revaluation of property, plant and equipment - net of tax

| | | | |
|---|--|-----------------------------|----------------------------------|
| Revaluation surplus as at 01 January | | 42,841,903,720 | 44,230,992,970 |
| Surplus arising during the year on revaluation of - Freehold land, building, plant and machinery | | 5,985,320,160 | - |
| Surplus transferred to accumulated loss on account of: - incremental depreciation charged during the year - disposal of fixed assets & assets written off during the year | | (1,270,215,782) - | (1,272,581,586) (116,507,664) |
| | | (1,270,215,782) | (1,389,089,250) |
| Revaluation surplus as at 31 December | | 47,557,008,098 | 42,841,903,720 |
| Less: deferred tax liability on revaluation surplus as at 01 January | | 10,830,012,869 | 11,232,848,752 |
| Deferred tax liability on revaluation of Freehold land, building, plant and machinery | | 1,404,776,837 | - |
| Reduction in deferred tax liability due to: - incremental depreciation charged during the year - surplus related to disposal during the year | | (368,362,577) - | (369,048,660) (33,787,223) |
| | | (368,362,577) | (402,835,883) |
| Deferred tax liability on revaluation surplus as at end of the year | | 11,866,427,129 | 10,830,012,869 |
| Revaluation surplus as at 31 December - net | | 35,690,580,969 | 32,011,890,851 |

7.1 The Company's freehold land, buildings on freehold land, residential colony assets, plant and machinery and electrical installations (owned) were revalued by JOSEPH LOBO (PVT) LTD., an independent valuer not connected with the Company and approved by Pakistan Banks' Association (PBA) in "any amount" category, resulting in surplus of Rs. 5,985 million at 31 December 2025. Land was revalued on the basis of prevailing market value while buildings have been revalued on the basis of replacement value. The forced sale value of freehold land, buildings on freehold land and plant and machinery was Rs. 7,563 million, Rs. 2,400.15 million and Rs. 44,212.5 million respectively. The basis of revaluation for items of these fixed assets were as follows:

Freehold land

Property brokers, dealers and estate agents were contacted to ascertain the asking and selling prices for properties of the same nature in the immediate neighbourhood and adjoining areas. Neighbouring properties which have been recently sold or purchased, were investigated to ascertain a reasonable selling / buying price. Properties that were up for sale were examined for asking price. An average of the above values was then assigned to the property.

Buildings on freehold land

Construction specifications were noted for each building and structure and current construction rates were used to obtain replacement values of buildings, to which a depreciation formula was applied, based upon the Company's estimates of balance life to arrive at the current assessed value.

Residential colony assets

Construction specifications were noted for each residential colony's building and structure and current construction rates were used to obtain replacement values of buildings, to which a depreciation formula was applied, based upon the Company's estimates of balance life to arrive at the current assessed value.

Plant machinery electrical and other installation

Plant machinery electrical and other installation have been evaluated / assessed by keeping in view their present physical condition, the remaining useful life / economic life and technological obsolescence. Further, new replacement values were arrived by using current local and foreign market values for the similar type of plant and machinery. These current local and foreign market values were taken into account on basis of technical obsolescence, efficiency, maintenance, replacement and other related factors involved.

| | <i>Note</i> | 2025 Rupees | 2024 Rupees |
|--|-------------|------------------------------|------------------------------|
| 8 Redeemable capital - secured | | | |
| Privately Placed Term Finance Certificates (PPTFCs) | 8.1 | 4,333,672,973 | 3,706,686,309 |
| | | 4,333,672,973 | 3,706,686,309 |
| Current maturity presented under current liabilities | 13 | (4,333,672,973) | - |
| | | - | 3,706,686,309 |

8.1 The Company has issued 1,013,345 instruments as per approved Scheme of Arrangement. These instruments carry zero mark-up/ Profit and are payable to the instrument holders in the form of a bullet payment by the end of December 2026.

| | Zero Coupon PPTFCs Rupees | |
|--------------------------------|--|-----------------|
| Principal | 5,066,725,000 | 5,066,725,000 |
| Less: Present value adjustment | (733,052,027) | (1,360,038,691) |
| | 4,333,672,973 | 3,706,686,309 |

These instruments are to be secured by way of:

- First pari passu hypothecation charge over all present and future fixed assets of the company with a 20% margin and;
- Equitable and token Registered Mortgage over immovable fixed assets (including land and building) of the Company with a 20% margin.

8.2 PPTFCs held by related / associated undertakings as at 31st December are as follows:

| | 2025 -- (Percentage of PPTFCs) -- | 2024 | 2025 -- (Number of PPTFCs) -- | 2024 |
|-----------------------------------|--|-------------|--|-------------|
| Fauji Fertilizer Company Limited | 55.26% | - | 560,007 | - |
| Maple Leaf Cement Factory Limited | 22.88% | - | 231,883 | - |
| Askari Bank Limited | 6.41% | - | 64,995 | - |

| | Note | 2025 Rupees | 2024 Rupees |
|--|------|--------------------|--------------------|
| 9 Long term finances - secured | | | |
| Long term financing | | 293,069,125 | 510,374,987 |
| Current maturity presented under short term borrowings | 13 | (44,894,865) | (132,117,894) |
| | | 248,174,260 | 378,257,093 |

9.1 This represents present value of running finance facilities settled with short term lenders. The settled amount is re-payable in 3 to 7 years' period in equal bi-annual installments. These are interest free.

| | 2025 Rupees | 2024 Rupees |
|--------------------------------|--------------------|--------------------|
| Principal | 417,400,234 | 782,875,603 |
| Less: Present value adjustment | (124,331,109) | (272,500,616) |
| | 293,069,125 | 510,374,987 |

10 Convertible, redeemable preference shares

| | | |
|--|----------------|---------------|
| Preference shares of Rs. 10 each 20,608 (2024:148,450,783) | | |
| Shares issued fully paid in cash | 206,080 | 1,484,507,830 |

10.1 This represents local currency, listed, non-voting, redeemable, convertible and cumulative preference shares issued at the rate of Rs. 10 per share under the agreement between the Company and various investors entered on 13 February 2012 ("Completion date") effective from 01 August 2011.

The Company shall have the option to redeem the preference shares plus any accumulated unpaid dividends in full or in part, within ninety days after the expiry of each anniversary of the Completion date by giving at least thirty days notice.

Each Investor will also have the right to convert their preference shares into ordinary shares of the Company. The conversion price is the average price of the ordinary share quoted in the daily quotation of Pakistan Stock Exchange during the 360 working days prior to the relevant conversion date; adjusted for any corporate action / announcement of the Company, including but not limited to right issue, cash dividend to ordinary shareholders, bonus shares, stock split etc., during the last 360 working days prior to the conversion date. The investors shall be entitled to convert upto 100% of their preference shares at the conversion ratio as defined in letters of rights by giving a thirty days notice to the Company prior to any conversion date. For the purpose of this right, a conversion date shall be the last business day of each financial quarter commencing from the fifth anniversary of the Completion date.

10.2 During the year, 148,430,175 preference shares have been converted into 174,439,105 ordinary shares (2024: 10.88 million preference shares into 32,215,119 ordinary shares). Gain amounting to Rs. 1.97 billion has been recognized on such conversion.

10.3 The preference shareholders have a preferred right of dividend at the rate of 11% per annum on cumulative basis.

10.4 Preference shares held by related parties / associated undertakings as on reporting date are as follows:

| | 2025 --- (Number of shares) --- | 2024 |
|-----------------------------------|------------------------------------|--------------------|
| Fauji Fertilizer Company Limited | - | 77,998,586 |
| Maple Leaf Cement Factory Limited | - | 16,249,831 |
| Askari Bank Limited | - | 18,322,418 |
| | - | 112,570,835 |

| | Note | 2025 Rupees | 2024 Rupees |
|--|------|----------------|----------------|
|--|------|----------------|----------------|

11 Non convertible, redeemable preference shares

| | | | |
|--|------|-----------------------|----------------|
| Preference shares of Rs. 10 each 1,854,269,750 (2024: 1,854,269,750) | | | |
| shares issued fully paid in cash | 11.1 | 18,542,697,500 | 18,542,697,500 |

- 11.1 These represent local currency, non-listed, redeemable, non convertible and cumulative preference shares with limited voting rights, issued at the rate of Rs. 10 per share under the agreement between the Company and various lenders /investors under the scheme of arrangement sanctioned by Lahore High Court (LHC) on June 03, 2022, effective from 31 December, 2013.

The Company shall have option to redeem these preference shares plus any accumulated unpaid dividends in full or in part, within ninety days after the expiry of first anniversary from the date of issue and subsequently after every anniversary thereafter by giving at least thirty days notice.

The preference shareholders have a preferred right of dividend @ 1 Year KIBOR + 4% per annum (2024 : 1 Year KIBOR + 4% per annum) on cumulative basis.

- 11.2 Preference shares of the Company held by related parties / associated undertakings as at year end are as follows:

| | Note | 2025 | 2024 |
|--|------|----------------------|--------------------|
| | | --Number of shares-- | |
| Fauji Fertilizer Company Limited (FFCL) | | 875,948,023 | 438,651,233 |
| Maple Leaf Cement Factory Limited (MLCF) | | 321,965,391 | 71,046,092 |
| Askari Bank Limited | | 89,845,743 | 89,845,743 |
| | | 1,287,759,157 | 599,543,068 |
| | | 2025 | 2024 |
| | | Rupees | Rupees |

12 Deferred liabilities

| | | | |
|---------------------------|------|-----------------------|----------------------|
| Staff retirement benefits | 12.1 | - | - |
| Deferred taxation - net | 12.2 | 10,769,674,668 | 9,748,041,961 |
| | | 10,769,674,668 | 9,748,041,961 |

12.1 Staff retirement benefits

The latest actuarial valuation of the Company's defined benefit plan was conducted on 31 December 2025 using projected unit credit method. During the year, defined benefit plan asset are established and classified under Note 27. Detail of (rights)/ obligation for defined benefit plan is as follows:

| | Note | 2025 | 2024 |
|---|--------|--------------------|---------------|
| | | Rupees | Rupees |
| Staff retirement benefits | 12.1.1 | (2,120,097) | (12,415,700) |
| 12.1.1 Statement of financial position liability | | | |
| Present value of defined benefit obligations | 12.1.3 | 180,476,690 | 150,999,060 |
| Fair value of plan assets | 12.1.4 | (188,865,539) | (173,536,902) |
| Benefits due but not paid during the year | | 6,268,752 | 10,122,142 |
| Net (assets) / liability | | (2,120,097) | (12,415,700) |
| 12.1.2 Movement in net liability for defined benefit obligations | | | |
| Net (assets) / liability at beginning of the year | | (12,415,700) | 6,270,448 |
| Charge to statement of profit or loss for year | | 8,355,013 | 9,115,720 |
| Charge to statement of other comprehensive income for year | | 3,447,027 | (26,634,804) |
| Benefits paid during the year | | (1,506,437) | (1,167,064) |
| Net (assets) / liability at end of the year | | (2,120,097) | (12,415,700) |

| | Note | 2025 Rupees | 2024 Rupees |
|---------------|---|--------------------|--------------------|
| 12.1.3 | Movement in the present value for defined benefit obligations is as follows: | | |
| | Present value of defined benefit obligations as at 01 January | 150,999,060 | 143,188,053 |
| | Current service cost for the year | 11,116,365 | 11,174,659 |
| | Interest cost for the year | 17,926,569 | 21,691,027 |
| | Benefits paid during the year | (3,221,967) | (5,360,351) |
| | Adjustment against opening payables | 349,217 | (42,623) |
| | Benefits due but not paid during the year | - | (1,131,542) |
| | Actuarial (gains) / losses on defined benefit obligation | (199,024) | (820,648) |
| | Experience Adjustments | 3,506,470 | (17,699,515) |
| | Present value of defined benefit obligation as at 31 December | 180,476,690 | 150,999,060 |
| 12.1.4 | Movement in fair value of plan assets is as follows: | | |
| | Fair value of plan assets at beginning of the year | 173,536,902 | 155,322,231 |
| | Expected return on plan assets for the year | 20,687,921 | 23,749,966 |
| | Benefit paid during the year | (5,219,703) | (13,649,936) |
| | Return on plan assets, excluding interest income | (139,581) | 8,114,641 |
| | Fair value of plan assets at end of year | 188,865,539 | 173,536,902 |
| 12.1.5 | Actual return on plan assets | | |
| | Expected return on plan assets | 20,687,921 | 23,749,966 |
| | Actuarial losses on plan assets | (139,581) | 8,114,641 |
| | | 20,548,340 | 31,864,607 |
| 12.1.6 | Fair value of plan assets is as follows: | | |
| | Shares of HBL | 67,916 | 38,011 |
| | NIT Units | 1,158,994 | 819,277 |
| | NAFA (NBP CDC) | 183,784,338 | 168,217,699 |
| | Cash at banks | 3,854,291 | 4,461,915 |
| | | 188,865,539 | 173,536,902 |
| 12.1.7 | Plan assets comprise of: | | |
| | Equity | 97.96% | 0.49% |
| | Cash or deposits | 2.04% | 99.51% |
| | | 100.00% | 100.00% |
| 12.1.8 | Charge for the year in profit and loss account: | | |
| | Current service cost for the year | 11,116,365 | 11,174,659 |
| | Interest cost for the year | 17,926,569 | 21,691,027 |
| | Expected return on plan assets for the year | (20,687,921) | (23,749,966) |
| | Total, included in salaries, wages and other benefits | 8,355,013 | 9,115,720 |

12.1.8.1 The Company expects to recognize Rs. 11.580 million to profit and loss account on account of defined benefit plan in 2026.

| | 2025 Rupees | 2024 Rupees |
|--|------------------|----------------|
| 12.1.9 Actuarial losses / (gains) recognized in statement of profit or loss | | |
| Actuarial losses / (gains) on present value | | |
| - Changes in financial assumptions | (199,024) | (820,648) |
| - Experience adjustments | 3,506,470 | (17,699,515) |
| | 3,307,446 | (18,520,163) |
| <i>Return on plan assets, excluding interest income</i> | 139,581 | (8,144,641) |
| Loss / (Gain) recognized during the year | 3,447,027 | (26,664,804) |

12.1.10 Historical information

Comparison of present value of defined benefit obligation, the fair value of plan assets and the (deficit) / surplus of gratuity fund for five years is as follows:

| | 31 December 2025 | 31 December 2024 | 31 December 2023 | 31 December 2022 | 31 December 2021 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| | ----- Rupees ----- | | | | |
| Present value of defined benefit obligations | 180,476,690 | 150,999,060 | 143,188,053 | 123,522,857 | 121,656,108 |
| Fair value of plan assets | (188,865,539) | (173,536,902) | (155,322,231) | (137,941,932) | (125,049,834) |
| Benefits due but not paid during the year | 6,268,752 | 10,122,142 | 18,404,626 | 17,032,396 | 18,615,831 |
| (Surplus) / deficit in the plan | (2,120,097) | (12,415,700) | 6,270,448 | 2,613,321 | 15,222,105 |
| Experience adjustment arising on plan liabilities | (3,506,470) | (17,699,515) | 1,946,677 | (10,891,440) | 840,699 |
| Experience adjustment arising on plan assets | - | - | - | - | 1,691,509 |

12.1.11 Assumptions used for valuation of defined benefit plan

| | 2025 | 2024 |
|--|----------------------------------|----------------------------------|
| Discount rate used for interest cost | 12.00% | 11.00% |
| Expected return on plan assets | 12.00% | 11.25% |
| Discount rate used for year ended obligation | 11.25% | 12.00% |
| Expected rates of salary increase in future | 10.25% | 11.00% |
| Expected mortality rate | SLIC 2001-2005 Setback 1 Year | SLIC 2001-2005 Setback 1 Year |
| Retirement assumption | 60 years | 60 years |

12.1.12 The Plan exposes the Company to the actuarial risks such as:

Salary risks

The risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.

Mortality / withdrawal risks

The risks that the actual mortality / withdrawal experiences is different from what was assumed. The effect depends upon beneficiaries' service / age distribution and the benefit.

Investment risks

The risk of the investment underperforming and not being sufficient to meet the liabilities. This is managed by formulating an investment policy and guidelines based on which investments are made after obtaining approval of trustees of funds.

12.1.13 In this funded plan, it is ensured that the long-term investments are in line with the obligation under the retirement benefit plan. Duration and the expected yield of the investments are matched with the expected cash outflows arising from the retirement benefit plan obligations. The process used to manage its risks has not been changed from previous periods. Investments are well diversified.

12.1.14 The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date. Expected return on equity investments reflect long-term real rates of return experienced in the market.

12.1.15 Gratuity scheme entitles the members to gratuity on resignation, termination, retirement, early retirement, retrenchment, death and dismissal based on the Company's Service rules. Gratuity is based on the last month basic salary for each year of service.

12.1.16 Sensitivity analysis

If the significant actuarial assumptions used to estimate the define benefit obligation at the reporting date, had fluctuated by 100 bps with all other variables held constant, the present value of the defined benefit obligation as at 31 December 2025 would have been as follows:

| | Gratuity | |
|----------------------------------|--|-------------|
| | Impact on present value of defined benefit obligation | |
| | 2025 | 2024 |
| |Rupees..... | |
| Discount rate + 100 bps | 168,298,513 | 140,095,147 |
| Discount rate - 100 bps | 194,085,690 | 163,225,333 |
| Future salary increase + 100 bps | 194,242,609 | 163,366,437 |
| Future salary increase - 100 bps | 167,944,759 | 139,779,825 |

12.1.17 The average duration of the defined benefit obligation is 7 years (2024: 8 years)

12.1.18 Future contribution **2026**
 Expected employer contributions to the plan for the next financial year **9,209,373**

| | 2025 | 2024 |
|------|--------|--------|
| Note | Rupees | Rupees |

12.1.19 Maturity analysis of defined benefit obligation

| | | |
|-------------------------|-------------|-------------|
| Maturity ≤ 1 year | 13,836,836 | 6,186,501 |
| Maturity > 1 ≤ 5 years | 60,255,307 | 50,068,925 |
| Maturity > 5 ≤ 10 years | 202,655,964 | 174,660,495 |
| Maturity > 10 years | 816,064,922 | 873,535,493 |

12.2 Deferred taxation - net

The liability for deferred taxation comprises temporary differences relating to:

Deferred tax liability arising on

| | | |
|--|----------------|----------------|
| Accelerated tax depreciation / amortization allowances | 5,610,511,046 | 5,682,836,517 |
| Revaluation of fixed assets | 11,866,495,238 | 10,830,080,977 |
| Provision for gratuity | 614,828 | 3,600,553 |

Deferred tax asset arising on

| | | |
|----------------------------------|------------------------|----------------------|
| Provision for trade debts | (12,487,187) | (12,515,953) |
| Provision for subsidy receivable | (235,546,100) | - |
| Unabsorbed tax credits | 12.2.1 (6,459,913,157) | (6,755,960,133) |
| | 10,769,674,668 | 9,748,041,961 |

12.2.1 Tax losses on account of unabsorbed depreciation and amortization amounting to Rs. 22,276 million (2024: Rs. 23,296 million) is available to the Company's credit. Deferred tax asset in respect thereof has been recognized as availability of sufficient taxable profits in future tax years to absorb these losses is expected on the basis of factors as discussed in Note 2.2.

Business losses amounting to Nil (2024: Rs. 3,125 million) and minimum tax paid u/s 113 of the Income Tax Ordinance, 2001 amounting to Rs. 563.4 million (2024: Rs. 1,096.4 million) is also available to the Company.

12.2.2 Deferred tax has been recognized at rates enacted at the reporting date at which these are expected to be settled / realized.

12.2.3 Movement in deferred tax balances is as follows:

| | 2025 | | | Closing balance |
|---|------------------------------|----------------------|----------------------|-----------------------|
| | Opening balance | Profit and loss | Equity / OCI | |
| | Charged to / (reversal from) | | | |
| | ----- (Rupees) ----- | | | |
| Deferred taxation | | | | |
| <i>Taxable / (deductible) temporary difference</i> | | | | |
| Accelerated tax depreciation / amortization allowances | 5,682,836,517 | (72,325,471) | - | 5,610,511,046 |
| Surplus on revaluation of fixed assets | 10,830,080,977 | (368,362,577) | 1,404,776,837 | 11,866,495,237 |
| Trade debts | (12,515,953) | 28,767 | - | (12,487,186) |
| Provision for subsidy receivable | - | (235,546,100) | - | (235,546,100) |
| Provision for gratuity | 3,600,553 | (1,986,075) | (999,650) | 614,828 |
| Unused tax losses | (6,755,960,133) | 296,046,976 | - | (6,459,913,157) |
| | 9,748,041,961 | (382,144,480) | 1,403,777,187 | 10,769,674,668 |
| 2024 | | | | |
| | Opening | Profit and loss | Equity / OCI | Closing |
| | ----- (Rupees) ----- | | | |
| Deferred taxation | | | | |
| <i>Taxable / (deductible) temporary difference</i> | | | | |
| Accelerated tax depreciation / amortization allowances | 5,762,451,805 | (79,615,288) | - | 5,682,836,517 |
| Surplus on revaluation of fixed assets | 11,232,916,860 | (402,835,883) | - | 10,830,080,977 |
| Trade debts | (12,526,895) | 10,942 | - | (12,515,953) |
| Provision for gratuity | (1,818,430) | (2,305,110) | 7,724,093 | 3,600,553 |
| Unused tax losses | (6,659,184,623) | (96,775,510) | - | (6,755,960,133) |
| | 10,321,838,717 | (581,520,848) | 7,724,093 | 9,748,041,961 |

| | Note | 2025 Rupees | 2024 Rupees |
|--|------|----------------------|--------------------|
| 13 Current portion of non-current liabilities | | | |
| Current portion of long term financing | 9 | 44,894,865 | 132,117,894 |
| Current maturity of PPTFCs | 8 | 4,333,672,973 | - |
| | | 4,378,567,838 | 132,117,894 |

14 Short term borrowings - secured

These represent short term finances utilized under mark-up arrangements from banking companies:

| | | |
|---|--------------------|----------------------|
| Running finance | 637,985,826 | 1,302,065,539 |
| Finance against trust receipt | - | 75,695,851 |
| Istisna / Salam | 104,085,268 | 441,834,097 |
| Murabaha | 148,178,061 | - |
| Demand finance | 78,393,247 | 78,393,247 |
| Bank overdraft (due to unrepresented cheques) | 22,255,795 | - |
| Bills payable | - | 159,918,994 |
| | 990,898,197 | 2,057,907,728 |

14.1 Particulars of borrowings

| | | |
|------------------------------------|--------------------|----------------------|
| Interest / mark-up based financing | 738,634,868 | 1,616,073,631 |
| Islamic mode of financing | 252,263,329 | 441,834,097 |
| | 990,898,197 | 2,057,907,728 |

14.2 These short term financing facilities have been obtained from various banking companies under mark-up / shariah based arrangements to meet working capital requirements and are secured by charge over present and future current assets of the Company.

These financing facilities carry mark-up at rates ranging from three to six months KIBOR plus a spread of 1.00% to 2.75% per annum (2024: three to six months KIBOR plus a spread of 1.00% to 2.75% per annum), payable on quarterly and semi-annually basis.

The aggregate available short term funded facilities amounting to Rs. 700 million (2024: Rs. 200 million) out of which Rs. 700 million (2024: Rs. 200 million) remained un-availed as at the reporting date. These funded facilities are secured by way of charge over current assets of the company. Out of total sanctioned facilities, facilities amounting to Rs. 820.46 million (2024: Rs. 1,897.98 million) were not renewed up till reporting date.

- 14.3** Aggregate limits available for non-funded facilities amounting to Rs 2,086.5 million (2024: Rs.1,386.5 million) out of which limits those remain unutilized as at reporting date amount to Rs. 1,234.68 million (2024: Rs. 903.076 million). These non-funded facilities mainly include limits for opening letter of credits, guarantees and bills discounting and are secured by lien over underlying documents and overall charge over current assets of the Company.
- 14.4** At the reporting date, bills payable amounting to Rs. Nil (2024: Rs. 159.9 million) was overdue.
- 14.5** As per the financing arrangements, the Company is required to comply with certain financial covenants and other conditions imposed by the providers of finance.
- 14.6** Assets held as collateral are disclosed in Note 48 to these financial statements.

| | Note | 2025 Rupees | 2024 Rupees |
|---|------|----------------------|----------------|
| 15 Loan from related party - unsecured | | | |
| Loan from related party (FFCL) | 15.1 | 1,318,294,181 | - |

- 15.1** This represents the principal amount of loans originally payable to Bank Islami, Bank Makramah, National Bank and JS Bank, which have been assumed by FFCL and are now payable to FFCL. The balance is unsecured, bears profit at the weighted average cost of capital of FFCL plus 0.10% per annum and is repayable on demand.

| | Note | 2025 Rupees | 2024 Rupees |
|---------------------------------------|------|----------------------|----------------|
| 16 Trade and other payables | | | |
| Trade creditors | 16.1 | 3,276,484,519 | 5,647,891,924 |
| Accrued liabilities | | 794,533,069 | 522,179,983 |
| Security deposits and retention money | 16.2 | 15,501,247 | 22,276,114 |
| Advances from customers | 16.3 | 474,099,722 | 1,316,560,695 |
| Tax deducted at source | | 95,260,122 | 32,079,010 |
| Workers' Welfare Fund | | 88,218,833 | 25,951,900 |
| Federal Excise Duty | | 305,832,655 | 155,459,067 |
| Workers' Profit Participation Fund | | 158,780,679 | - |
| Other payables | | 73,425,306 | 26,053,058 |
| | | 5,282,136,152 | 7,748,451,751 |

- 16.1** This includes payable to SNGPL against bills payable, provision for cost of unbilled gas and GIDC amounting to Rs. 3,080 million.

"The Company filed Suit No. 2070/2020 titled Agritech Limited v. Federation of Pakistan & Others, before the Honourable High Court of Sindh at Karachi wherein Agritech Limited (AGL), challenged the legality of demands raised by Sui Northern Gas Pipelines Limited (SNGPL) through its letter No. GMB-37(865) dated 18-09-2020, whereby SNGPL sought disconnection of the AGL gas supply on account of alleged non-payment of Gas Infrastructure Development Cess (GIDC) arrears. Agritech challenged these demands on the grounds that it did not pass on the burden of GIDC to its consumers for the period from 15-07-2016 to 31-07-2020, and therefore no liability accrues against it in respect of such arrears. Reliance has been placed on the judgment of the Honourable Supreme Court of Pakistan dated 13-08-2020, wherein specific restrictions were imposed on the levy and collection of GIDC, directing that no further cess could be charged or collected until the amounts already accrued were expended on the infrastructure projects enumerated in Section 4 of the GIDC Act, 2015. Consequently, the Honourable High Court of Sindh was pleased to pass an interim order dated 27-09-2021, restraining the Federation of Pakistan & others from taking any coercive action against Agritech Limited for non-payment of the alleged GIDC arrears, including disconnection of gas supply which is still in place. Thereafter, arguments were heard on the stay applications in all the cases pending before the High Court in relation to GIDC, and the said cases were reserved for orders. However, prior to the announcement of the orders by the High Court, the Sindh Civil Court Amendment Act, 2025 was enacted, and all suits pending before the High Court of Sindh at Karachi were transferred to the District Courts at Karachi. Accordingly, Suit No. 2070 of 2020 has also been transferred and is under litigation in the court of 8th Senior Civil Judge at Karachi East and has been renumbered Suit No. 8291 of 2025."

- 16.1.1** Late payment surcharge on GIDC amounting to Rs. 2,148 million has been written back during the year.

- 16.1.2 This includes amount payable to M/s. Olive Technical Services (Private) Limited amounting to Rs. 48.56 million (2024: Nil).
- 16.2 These represent amounts received as security deposits from dealers and suppliers of the Company which are being maintained in a separate bank account.
- 16.3 Contract liabilities as at the beginning of the year, aggregating to Rs 1,300 million (2024: Rs 1,064 million) have been recognised as revenue during the year upon meeting the performance obligations.

| | <i>Note</i> | 2025 Rupees | 2024 Rupees |
|--|-------------|------------------------|----------------|
|--|-------------|------------------------|----------------|

17 Interest / mark-up accrued on borrowings

| | | | |
|--------------------------|--|----------------------|---------------|
| Short term loans - banks | | 2,761,645,582 | 2,747,602,634 |
|--------------------------|--|----------------------|---------------|

- 17.1 Overdue amounts of mark-up / interest are disclosed in Note 44.2.2.
- 17.2 This includes markup accrued on short term loans settled by FFCL as mentioned in Note 15.

| | <i>Note</i> | 2025 Rupees | 2024 Rupees |
|--|-------------|------------------------|----------------|
|--|-------------|------------------------|----------------|

18 Preference dividend payable

| | | | |
|---|------|-----------------------|----------------|
| Convertible, redeemable preference shares | | 326,865 | 2,191,296,243 |
| Non - convertible, redeemable preference shares | 18.1 | 29,601,562,743 | 26,538,309,116 |
| | | 29,601,889,608 | 28,729,605,359 |

- 18.1 This represents preference dividend payable on preference shares mentioned in Note 11. This includes payable to related parties amounting to Rs. 20,558 million (2024: Rs. 14,108.74 million).

19 Contingencies and commitments

19.1 Contingencies

19.1.1 Contingencies relating to Banks

- 19.1.1.1 During the year 2022, a civil suit has been filed by Silk Bank Limited (Now United Bank Limited) in the Honorable Lahore High Court for the recovery of Rs. 780 million including markup along with cost of funds and other charges. The legal advisor of the Company is of the view that this suit lacks merit as the instant suit cannot be proceeded or tried as LHC has sanctioned the Scheme of Arrangement on January 03, 2022 with effect from December 31, 2013 and which has been implemented.
- 19.1.1.2 During the year 2022, a civil suit has been filed by Askari Bank Limited (related party) in the Honorable Lahore High Court for the recovery of Rs. 2,511 million including markup along with cost of funds and other charges. The Company has filed PLA. The legal advisor of the Company is of the view that this suit lacks merit as the instant suit cannot be proceeded or tried as LHC has sanctioned the Scheme of Arrangement on January 03, 2022 with effect from December 31, 2013, which has been implemented. Preference Shares and PPTFCs have been issued to Askari Bank Limited while settlement of short term loan is being negotiated. The Bank is in process of withdrawal of suit in near future.
- 19.1.1.3 During the year 2022, a civil suit has been filed by the Federal Employees Benevolent & Group Insurance Funds (FEB&GIF) in the Civil Court Lahore for the recovery of Rs. 3,255 million including markup along with cost of funds and other charges. The legal advisor of the Company is of the view that this suit lacks merit as the instant suit cannot be proceeded or tried as the matter is in relation to Scheme of Arrangement was sanctioned by LHC on June 03, 2022 with effect from December 31, 2013 which has been implemented last year. Further, feeling aggrieved by the Scheme of Arrangement approved by the LHC on June 03, 2022, the Federal Employees Benevolent & Group Insurance Funds (FEB&GIF) have filed appeal (CPLA) before the Supreme Court of Pakistan in year 2022. The same is pending for adjudication. The legal advisor of the Company expects a good likelihood of success in this matter.

19.1.2 Taxation Contingencies

- 19.1.2.1 Income tax return for tax year 30 June 2007 was filed under the self-assessment scheme declaring a taxable income of Rs. 615.75 million. Later on, the said return was revised resulting in declaration of loss amounting to Rs 4,064.580 million. However, the Additional Commissioner Inland Revenue (ACIR) amended the assessment under section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance) vide his order dated 30 June 2013 reducing assessed tax loss to Rs. 1,370.418 million and creating demand of Rs. 6.255 million. The Company being aggrieved preferred an appeal before the Commissioner Inland Revenue - Appeals (CIR (A)) on 18 July 2013 against the aforementioned order. The appeal was heard on 28 January 2014 and was decided in favor of the department. Resultantly, the Company preferred an appeal before Appellate Tribunal Inland Revenue (ATIR) which passed the favorable order. The department has filed writ petition to the Honorable Lahore High Court which is pending for adjudication.

19.1.2.2 Income tax return for the tax year ended 30 June 2009 was filed under the self-assessment scheme. Subsequently, the Company filed a revised return declaring loss of Rs. 5,657.31 million and claiming refund of Rs. 140.27 million. However, the ACIR amended the assessment under section 122(5A) of the Income Tax Ordinance vide his order dated 30 January 2015 whereby creating a demand of Rs. 42.88 million. The Company being aggrieved preferred an appeal before CIR (A) on 16 June 2015. The case was decided by CIR (A) vide order no. 05 dated 05 April 2018 wherein demand of Rs. 22.11 million was deleted by CIR (A), against which an appeal effect order was passed. Being aggrieved, an appeal has been filed in ATIR which is pending for fixation.

19.1.2.3 Income tax return for the tax year ended 30 June 2010 was filed under the self-assessment scheme. Subsequently, the company filed revised return declaring loss of Rs. 8,179 million and claiming refund of Rs. 69.027 million. Income tax audit was conducted by Deputy Commissioner Inland Revenue (DCIR) under section 214C of the Ordinance whereby assessment was amended under section 122(1)/122(5) of the Ordinance wherein various additions were made to the tune of Rs. 7,121 million. The Company, being aggrieved, filed an appeal before CIR (A) who, vide Order No. 13 dated 12 June 2013 annulled the order of DCIR and deleted all additions amounting to Rs. 7,121 million. The department preferred appeal before ATIR, which is pending for fixation.

19.1.2.4 Income tax return for the tax year ended 30 June 2013 was filed under the self-assessment scheme declaring tax loss for the year amounting to Rs. 21,700.62 million and refund of Rs. 109.38 million. Tax department initiated proceedings under section 161/205 of the Ordinance and demand was created to the tune of Rs. 3.82 million. The Company, being aggrieved, filed appeal before CIR (A) who vide its Order No. 01 dated 04 June 2020 passed ex-parte Order upholding the demand created by tax department. The Company, being aggrieved, filed an appeal before ATIR which is pending for adjudication.

The ACIR initiated proceedings under section 122 of the Ordinance for the amendment of assessment whereby passed Order under section 122(5A) of the Ordinance dated 25 June 2019 through which no demand was created, however, depreciation loss amounting to Rs. 1.8 billion was curtailed. The Company, being aggrieved, filed appeal before CIR (A) who vide order no. 50 dated 29 October 2021 annulled the order of ACIR with the direction to allow fair opportunity of being heard. The Company, being aggrieved, filed an appeal before ATIR which is pending for adjudication.

19.1.2.5 Income tax return for the tax year 2014 (starting from 01 July 2013 to 31 December 2013) was filed declaring tax loss for the period amounting to Rs. 457.10 million and tax refund amounting to Rs. 24.32 million. The Company was selected for audit through computerized random balloting by the tax department. DCIR passed order under section 122(1) of the Ordinance dated 31 October 2017 wherein loss was curtailed to Rs. 41.61 million and resultantly refunds come to Rs. 24.28 million. Being aggrieved, the Company filed an appeal before CIR (A) who vide order no. 21 dated 21 October 2021 upheld the order of DCIR. The Company, being aggrieved, filed an appeal before ATIR which is pending for adjudication.

Proceedings under section 161/236G and 236H of the Ordinance in respect of tax year 2014 was initiated by the department against the Company and a demand of Rs. 34.61 million was created by order dated 24 May 2017. The said demand has been adjusted against refunds of Tax Year 2016 vide adjustment memo dated 23 June 2017. However, the Company filed appeal to CIR (A) who has given partial relief subject to verification by Officer Inland Revenue. Therefore, the Company, being aggrieved, filed an appeal before ATIR which is pending for adjudication.

19.1.2.6 Income tax return for the tax year 2014 (starting from 01 July 2013 to 31 December 2013) was filed declaring tax loss for the period amounting to Rs. 457.10 million and tax refund amounting to Rs. 24.32 million. The Company was selected for audit through computerized random balloting by the tax department. DCIR passed order under section 122(1) of the Ordinance dated 31 October 2017 wherein loss was curtailed to Rs. 41.61 million and resultantly refunds come to Rs. 24.28 million. Being aggrieved, the Company filed an appeal before CIR (A) who vide order no. 21 dated 21 October 2021 upheld the order of DCIR. The Company, being aggrieved, filed an appeal before ATIR which is pending for adjudication.

Proceedings under section 161/236G and 236H of the Ordinance in respect of tax year 2014 was initiated by the department against the Company and a demand of Rs. 34.61 million was created by order dated 24 May 2017. The said demand has been adjusted against refunds of Tax Year 2016 vide adjustment memo dated 23 June 2017. However, the Company filed appeal to CIR (A) who has given partial relief subject to verification by Officer Inland Revenue. Therefore, the Company, being aggrieved, filed an appeal before ATIR which is pending for adjudication.

19.1.2.7 Income tax return for tax year 2015 was filed declaring loss of Rs. 4.074 billion and claiming a refund of Rs. 84.593 million.

Proceedings under section 161/236G and 236H of the Income Tax Ordinance, 2001 in respect of tax year 2015 was initiated by the department against the Company and a demand of Rs. 16.72 million was created by Order dated 24 May 2017. The Company filed an appeal to CIR (A) who have confirmed the demand created by the department. The Company, being aggrieved, preferred an appeal before ATIR which confirmed the tax demand vide its order dated 24 May 2024 and remanded back the case to DCIR in respect of deletion of default surcharge subject to availability of tax refunds. Being aggrieved, the Company filed reference to the Honourable Lahore High Court, Lahore which is pending adjudication.

19.1.2.8 Income tax return for the tax year 2017 was filed, declaring a taxable income of Rs. 916.52 million (before the adjustment of losses and tax depreciation) and a taxable loss of Rs. 19.583 billion (after the adjustment of losses and tax depreciation). The ACIR initiated proceedings under section 122 of the Ordinance. An order was passed under section 122(5A) of the Ordinance on 28 June 2023, through which no demand was created; however, a loss amounting to Rs. 9.170 billion was curtailed. The Company, being aggrieved, filed an appeal before the Commissioner of Inland Revenue (Appeals) who have confirmed the demand created by the department. The Company being aggrieved preferred an appeal with the Appellate Tribunal Inland Revenue which is pending for adjudication.

- 19.1.2.9** The Company was selected by Punjab Revenue Authority (PRA) for withholding tax proceedings under section 52 of the Punjab Sales Tax on Services Act, 2012 for tax period January 2015 to December 2021 wherein the Deputy Commissioner PRA passed Order and created demand of Rs. 101.67 million. The Company, being aggrieved has preferred appeal before the Commissioner Appeals PRA which is pending for adjudication.
- 19.1.2.10** The Company was selected by PRA for withholding tax proceedings under section 52 of the Act for tax periods July 2022 to June 2023 wherein the Deputy Commissioner PRA passed Order no. 24/2024 dated 08 April 2024 and created demand to the tune of Rs. 127 million. The Company, being aggrieved, preferred appeal before Commissioner Appeals PRA which is pending for adjudication.
- 19.1.2.11** The Company was selected for sales tax audit under section 72B/25 for tax period July 2010 to June 2011 of the Act wherein the DCIR passed Order by completing the audit proceedings and created demand to the tune of Rs. 4.60 million. The Company, being aggrieved, preferred appeal before CIR (A) who reduced the demand to the tune of Rs. 4.19 million vide order No. 06 dated 06 December 2013. Being aggrieved, the Company filed an appeal before ATIR, Lahore which is pending for adjudication.
- 19.1.2.12** The DCIR passed an order dated 20 June 2023, for the adjustment of inadmissible input tax amounting to Rs. 1.85 million. Being aggrieved, the Company filed an appeal before CIR (A). The CIR (A) confirmed the demand raised by the department. The Company, being aggrieved, filed an appeal in ATIR which upheld the demand vide order dated 19 August 2024. The Company has filed reference to the Honorable Lahore High Court, Lahore.
- 19.1.2.13** The Company filed four Sales Tax refund claims amounting to Rs. 2,214,825,246. The DCIR failed to process the refunds and created demand of Rs. 2,466,846,124 vide order no. 02/2023. The Company, being aggrieved, filed appeal before CIR (A), however, due to promulgation of Tax Laws (Amendment) Act, 2024 this case has been transferred to ATIR which passed a favourable order and deleted the demand. However, the department filed a reference to the Honorable Lahore High Court, Lahore, which is pending affixation.
- 19.1.2.14** The Company filed two tax refund claims for the tax periods July 2016 to December 2017 amounting to Rs. 306 million. Out of these refunds, the department sanctioned refunds of Rs. 135 million by providing refund payment orders whereas DCIR on the basis of STARR objections rejected refund amount of Rs. 171 million vide order no. 04/2024 dated 29 Feb 2024. Being aggrieved, the Company filed an appeal before CIR (A) which is pending for adjudication, however, due to promulgation of Tax Laws (Amendment) Act, 2024 this case has been transferred to ATIR which passed favourable order and deleted the tax demand. The CIR (A) filed reference to the Honorable Lahore High Court, Lahore which is being fixed for hearing on 14 January 2026.

Based on opinion of tax advisor handling income tax and sales tax litigations, the management believes that the Company has strong legal grounds against each case and that no financial liability is expected to accrue. Accordingly, no provision has been made in these financial statements.

19.1.3 Other Contingencies

- 19.1.3.1** The appeal has been filed by Agritech Limited before the Competition Appellate Tribunal, Islamabad, challenging the final order dated 02.06.2025 passed by the Competition Commission of Pakistan ("CCP"). The underlying proceedings were initiated by the CCP pursuant to an advertisement published on 26.11.2021 in Dawn and The Nation by the Fertilizer Manufacturers Pakistan Advisory Council ("FMPAC"). The CCP alleged that issuance of this advertisement amounted to an anti-competitive agreement among FMPAC members. In its final order dated 02.06.2025 (the "Impugned Order"), the CCP held Agritech, along with FMPAC and other urea manufacturers, to be in violation of the aforementioned provisions, and imposed a penalty of PKR 50 million on Agritech. Agritech's appeal challenges the Impugned Order on multiple grounds, including procedural irregularities, violation of due process, misapplication of the law, lack of evidence of concerted action, and failure to satisfy the legal tests under Section 4 of the Competition Act. The tribunal suspended the operation of the Impugned Order in the interim. The case is now fixed for further hearing on 18.02.2026. Agritech's management is actively pursuing the matter and Agritech has a good likelihood of success in this matter and accordingly no provision has been made in these financial statements.
- 19.1.3.2** The Company instituted Civil Suit No. 2341/2008 before the Civil Court, Islamabad-West, impugning the decision of the Government of Pakistan/SNGPL as conveyed through letter dated 02 March 2007, whereby it was asserted that the Company had commenced operations on 13 September 1998 and, consequently, the ten-year period for availing subsidized feedstock gas under the Fertilizer Policy, 1989 stood completed on 12 September 2008. The Company's plea was that, in accordance with the 1988 ECC Decision, the Fertilizer Policy, 1989, and settled governmental practice in respect of similarly placed fertilizer plants, the relevant date for commencement of the ten-year concession was the date of commercial operations, which according to the Company's stance commenced on 29 November 1999 upon issuance of the Performance Guarantee Test Run certificate, thus entitling it to the subsidized tariff upto 28 November 2009. Through an order dated 09 September 2008 (passed in C. M. No. 697 of 2008), the Islamabad High Court restrained the Oil and Gas Regulatory Authority from notifying an increase in the (subsidized) feedstock gas price subject to Company depositing cash of Rs. 36 million and bank guarantee of Rs. 86.50 million with Islamabad High Court which was deposited by the Company. The said civil suit was dismissed by the learned Civil Judge 1st Class vide judgment and decree dated 23 October 2021, whereupon the Company filed Appeal No. 699 of 2021 before the Islamabad High Court, challenging the impugned judgment on grounds inter alia of misapplication of law, erroneous interpretation of the term "operation," and disregard of consistent past practice. The Appeal was initially filed before the Islamabad High Court but, due to changes in pecuniary jurisdiction, it was transmitted to the learned District Judge (West), Islamabad. The case is pending adjudication.

19.1.3.3 Certain cases against the Company are pending before labour courts, where the claim cannot be quantified and ascertained at this stage. The Company's legal advisors are confident that the ultimate outcomes of above mentioned cases will be in favour of the Company.

| | | 2025 Rupees | 2024 Rupees |
|---------------|--|--------------------|----------------|
| 19.2 | Commitments | | |
| 19.2.1 | - purchase of plant and machinery | 429,971,476 | 101,301,151 |
| | - purchase of raw material | 135,360,000 | 99,959,945 |
| | | 565,331,476 | 201,261,096 |
| 19.2.2 | Guarantees given by banks to Islamabad High Court on behalf of the Company in respect of litigation mentioned in Note 19.1.3.2 amounting to Rs. 86.50 million (2024: Rs. 86.50 million). | | |

| | | 2025 Rupees | 2024 Rupees |
|-----------|--------------------------------------|-----------------------|----------------|
| | <i>Note</i> | | |
| 20 | Property, plant and equipment | | |
| | Operating fixed assets | 71,064,513,348 | 66,584,542,078 |
| | Capital work in progress | 92,237,275 | 109,712,414 |
| | | 71,156,750,623 | 66,694,254,492 |

| | Note | 2025 Rupees | 2024 Rupees |
|-------------------------------------|---|----------------------|----------------------|
| 20.1.3 | The depreciation charge for the year has been allocated as follows: | | |
| Cost of sales | 32 | 1,921,846,637 | 1,908,787,876 |
| Administrative and general expenses | 34 | 10,718,937 | 9,668,801 |
| | | 1,932,565,574 | 1,918,456,677 |

20.1.4 Following are the carrying values of freehold land, buildings on freehold land, residential colony assets, electrical and other installations owned and leased plant and machinery that would have been included in the financial statements had the assets been carried under the cost model:

| | 2025 Rupees | 2024 Rupees |
|--|-----------------------|-----------------------|
| Revalued Assets | | |
| Freehold land | 1,918,203,131 | 1,918,203,131 |
| Buildings on freehold land | 1,498,171,225 | 1,401,178,366 |
| Residential colony building | 28,407,437 | 29,411,412 |
| Plant, machinery, electrical and other installations | 19,305,231,217 | 19,693,030,441 |
| | 22,750,013,010 | 23,041,823,350 |

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

| Location | Usage of Immovable Property | Total area (acres) | Covered Area (Square Feet) |
|-------------------------------|--|--------------------|----------------------------|
| Iskandrabad, Distt. Mianwali. | Housing colony, Farms and Manufacturing facility | 1,547 | 1,344,675 |
| Hattar Road, Haripur. | Housing colony and Manufacturing facility | 58 | 461,227 |

20.1.6 Disposals made during the year amounts to Rs. 47.15 million (2024: 240.50 million).

| Particulars | Cost/Revalued (Rs.) | Accumulated Depreciation (Rs.) | Book Value Rs. | Sale Proceeds | Gain/(loss) | Mode of Disposal | Relationship | Party Name |
|---------------------------|---------------------|--------------------------------|----------------|---------------|-------------|------------------|--------------|---------------------------|
| Suzuki Cultus VXR AMB-165 | 2,754,000 | 1,652,400 | 1,101,600 | 673,215 | (428,385) | Through Buy Back | Employee | Mr. Sohail Khan |
| Suzuki Cultus VXR AMS-053 | 2,774,000 | 1,618,167 | 1,155,833 | 850,869 | (304,964) | Through Buy Back | Employee | Mr. Ghazanfar Abbas |
| Suzuki Swift GLX | 5,040,000 | 1,260,000 | 3,780,000 | 2,948,385 | (831,615) | Through Buy Back | Employee | Mr. Muhammad Zaheer |
| Toyota Yaris ARA-670 | 4,816,000 | 1,284,267 | 3,531,733 | 2,931,386 | (600,347) | Through Buy Back | Employee | Mr. Muhammad Ahsan Durani |

20.2 Capital work in progress

| 2025 | | | | |
|---|------------------------|--------------------|----------------------|-------------------------|
| | As at January 01, 2025 | Additions | Transfers | As at December 31, 2025 |
| | ----- Rupees ----- | | | |
| Civil work | 30,892,845 | 102,422,818 | (105,663,898) | 27,651,765 |
| Plant and machinery | 41,329,582 | 147,036,066 | (185,194,490) | 3,171,158 |
| Advances | 37,489,987 | 96,787,722 | (72,863,357) | 61,414,352 |
| | 109,712,414 | 346,246,606 | (363,721,745) | 92,237,275 |
| 2024 | | | | |
| | As at January 01, 2024 | Additions | Transfers | As at December 31, 2024 |
| | ----- Rupees ----- | | | |
| Civil work | 2,392,012 | 52,752,523 | (24,251,690) | 30,892,845 |
| Plant, machinery & electric installations | 3,009,959 | 60,529,526 | (22,209,903) | 41,329,582 |
| Advances | - | 53,574,599 | (16,084,612) | 37,489,987 |
| | 5,401,971 | 166,856,648 | (62,546,205) | 109,712,414 |

| | Note | 2025 Rupees | 2024 Rupees |
|---|--------|----------------|----------------|
| 21 Intangible assets | | | |
| Oracle computer software and implementation | 21.1 | - | 143,915 |
| Goodwill acquired in business combination | 21.1.1 | - | - |
| | | - | 143,915 |

21.1 Oracle computer software and implementation

Cost

| | | | |
|---------------------------------|----|--------------|--------------|
| As at 01 January | | 43,718,942 | 43,718,942 |
| Addition during the year | | - | - |
| Accumulated amortization | | | |
| Opening | | (43,575,027) | (43,287,183) |
| Amortization for the year | 34 | (143,915) | (287,844) |
| | | (43,718,942) | (43,575,027) |
| As at end of the year | | - | 143,915 |
| Rate of amortization | | 25% | 25% |

21.1.1 The software represents financial accounting software which has been capitalized by the Company. The amortization of the software represents the total accumulated amortization charged till the reporting date and is fully amortized.

| | Note | 2025 Rupees | 2024 Rupees |
|--|-------------|----------------|----------------|
| 22 Long term loans and advances - considered good | | | |
| Advances to employees - secured | 22.1 & 22.2 | 64,584,270 | 41,090,617 |
| Less: Current maturity presented under current assets | 27 | (18,734,985) | (13,991,586) |
| | | 45,849,285 | 27,099,031 |

22.1 These represent loans provided to the employees of the Company in accordance with the terms of their employment, under a scheme for house building, purchase of motorcycle/car and soft advances for different purposes. These loans are secured against future salaries and retirement benefits of the employees and in case of motorcycle/car title on the same. The outstanding amount at the end of the year is recoverable over a period of one to ten years. House building loan provided to employees is interest free, while motorcycle/car loan and soft advances carry markup at 10% per annum and 7% per annum, respectively.

| | 2025 Rupees | 2024 Rupees |
|--|----------------|----------------|
| 22.2 These include advances to executives amounting to: | | |
| Balance as at beginning of the year | 20,633,682 | 13,099,060 |
| Advance given during the year | 39,544,978 | 14,028,026 |
| Recoveries during the year | (18,121,513) | (6,493,404) |
| Balance as at closing of the year | 42,057,147 | 20,633,682 |

The maximum aggregate amount outstanding during the year at the end of any month is Rs. 42.06 million (2024: Rs. 23.41 million).

| | Note | 2025 Rupees | 2024 Rupees |
|---|--|----------------------|----------------------|
| 23 Long term deposits - unsecured, considered good | | | |
| Security deposits with utility companies and others | | 58,887,033 | 58,949,562 |
| 24 Stores, spare parts and loose tools | | | |
| Stores | | 516,193,817 | 329,750,131 |
| Spare parts | | 2,407,352,600 | 2,066,487,574 |
| Loose tools | | 727,603 | 455,229 |
| | | 2,924,274,020 | 2,396,692,934 |
| 25 Stock in trade | | | |
| Raw material | | 383,000,219 | 332,917,362 |
| Packing material | | 14,330,899 | 43,361,810 |
| Work in process | | 285,578,547 | 318,254,264 |
| Finished goods | 25.1 | 2,782,829,681 | 3,704,399,041 |
| | | 3,465,739,346 | 4,398,932,477 |
| 25.1 | This includes stock in transit amounting to Rs. Nil (2024: Rs. 102.5 million). | | |
| 26 Trade debts | | | |
| Considered good - secured | | 986,881,202 | 45,796,140 |
| Considered doubtful - unsecured | | 43,059,265 | 43,196,191 |
| | | 1,029,940,467 | 88,992,331 |
| Less: provision for doubtful trade debts | | (43,059,265) | (43,196,191) |
| | | 986,881,202 | 45,796,140 |
| 26.1 Movement in provision for doubtful trade debts | | | |
| As at 01 January | | 43,196,191 | 43,196,191 |
| Reversal of provision for the year | | (136,926) | - |
| As at 31 December | | 43,059,265 | 43,196,191 |
| | | | |
| | Note | 2025 Rupees | 2024 Rupees |
| 27 Advances, deposits, prepayments and other receivables | | | |
| Advances to suppliers - considered good | 27.1 | 881,587,788 | 630,746,756 |
| Advances to employees - considered good | | | |
| - against salaries and post employment benefits | 22.2 | 18,734,985 | 13,991,586 |
| - against purchases and expenses | | 36,989,130 | 25,634,677 |
| Deposit with High Court | | 36,000,000 | 36,000,000 |
| Prepayments | | 375,034 | 25,228,943 |
| Staff retirement benefits | 12.1.1 | 2,120,097 | 12,415,700 |
| Receivable from Government of Pakistan | 27.2 | 1,346,250 | 1,346,250 |
| Receivable from Government of Punjab | 27.3 | 5,546,656 | 5,546,656 |
| Sales tax receivable - net | | 2,839,017,454 | 2,973,757,306 |
| Subsidy receivable | 27.4 | 812,227,932 | 812,227,932 |
| Other receivables | 27.5 | 1,356,216,994 | 115,905,915 |
| | | 5,990,162,320 | 4,652,801,721 |
| Less: Provision against doubtful receivables (impairment) | | (812,227,932) | (500,663,733) |
| | | 5,177,934,388 | 4,152,137,988 |

- 27.1** This includes SBLC and other receivable from SNGPL amounting to Rs. 200 million (2024: Rs. 200 million) and Rs. Nil million (2024: Rs. 128.38 million) in respect of gas supply respectively.
- 27.2** This represents land acquired by the Government of Pakistan ("GOP") under the Land Acquisition Act, 1894 and rules thereon for infrastructure development including for Inland Water Transport Development Company ("IWTDC"). GOP has taken over the possession of the said land, however, transfer of land title in the name of GOP is in process at the reporting date.
- 27.3** This represents amount paid against demand notice issued by the Excise & Taxation Department. The Company has argued before the Honourable High Court that there is no property tax on property located in rural area. The case is pending for adjudication.

| | Note | 2025 Rupees | 2024 Rupees |
|-------------|--|--------------------|--------------------|
| 27.4 | Subsidy receivable | | |
| | - from Ministry of Food, Agriculture and Livestock | 27.4.1 550,823,960 | 550,823,960 |
| | - from Ministry of National Food Security and Research | 261,403,972 | 261,403,972 |
| | | 812,227,932 | 812,227,932 |

27.4.1 This represents receivable from Government of Pakistan against subsidy granted by Ministry of Food, Agriculture, and Livestock ("MINFAL") amounting to Rs. 550.82 million (2024 : Rs. 550.82 million) through letter No. F-4-13/2000-Fert dated 05 September 2008, on Phosphatic and Potassic Fertilizer ("PPF") at the rate of Rs. 19,120 per metric ton. The Company being a producer of PPF, was entitled to the same subsidy for the period commencing on 05 September 2008 and ending on 14 April 2009. However, on 14 April 2009 subsidy regime was withdrawn by MINFAL with retrospective effect from 31 December 2008 which was contended by the Company through filling a legal suit in the Court of 1st Class Civil judge ("the Court") for recovery of subsidy relating to the period from 01 January 2009 to 14 April 2009, on the grounds that the Company had priced and sold its product in said period based on bonafide belief and legitimate expectation that subsidy regime was available and therefore the Company is entitled to the payment of aforesaid amount being the sum of the subsidy claim for said period along with markup. In the year 2017, an ex-parte decision for recovery of subsidy claim along with markup was given in favor of the Company by the Court. Based on the above decision, the management is pursuing its claim with the concerned authorities. Provision amounting to Rs. 550.82 million has been made against this receivable in these financial statements. However, management is confident of recovering the full amount from GOP.

27.4.2 This includes the followings:

Subsidy amounting to Rs. 16.40 million (2024: Rs. 16.40 million) at the rate of Rs. 196 /- per 50 kg bag of SSP Fertilizer sold (based on phosphorous content) as notified by Ministry of National Food Security and Research ("MNFSR"), Government of Pakistan through Notification No. F.1-11/2012/DFSC-II/Fertilizer dated 03 November 2015 and subsidy amounting to Rs. 30.78 million (2024: Rs. 30.78 million) at the rate of Rs. 117/- per 50 kg bag of SSP Fertilizer sold (based on phosphorous content) as notified by Ministry of National Food Security and Research ("MNFSR"), Government of Pakistan through Notification No. F. 1-11/2012/DFSC-II/Fertilizer dated 12 August 2016. Provision amounting to Rs. 47.18 million has been made against this receivable in these financial statements. However, management is confident of recovering the full amount.

- Receivable from Government of Pakistan against subsidy granted by Ministry of Food Security and Research ("MNFSR") amounting to Rs. 131.88 million (2024: Rs. 131.88 million) through letter No. F-1-11/2012/DFCS-II/Fertilizer dated 25 December 2016, on sale of Urea fertilizer at the rate of Rs. 156/- per 50 kg bag sold and subsidy amounting to Rs. 82.34 million (2024: Rs.82.34) through revised letter No. 15 (4) CFC/2015-615 dated 07 August 2017, on sale of Urea fertilizer at the rate of Rs. 100/- per 50 kg bag. Under the subject notifications, all manufacturers of urea fertilizer registered with the Federal Board of Revenue under Sales Tax regime will be eligible for receiving cash subsidy. The Company being a producer of urea fertilizer, was entitled to the same subsidy for the periods notified in the respective notices. Provision amounting to Rs. 201.22 million has been made against this receivable in these financial statements. However, management is confident of recovering the full amount.

27.5 This includes the followings:

- Acknowledged insurance claim amounting to Rs. 50.25 million lodged by the Company in respect of break down of Turbomach gas turbine ("the Turbine Claim") and the consequential losses sustained by the Company from the interruption of its business. The company has filed a legal suit in the court of District and Session Judge Insurance Tribunal, Lahore for the recovery of turbine claim and consequential losses of Rs. 396.79 million and is hopeful of a favorable outcome. This claim is pending processing based on outcome of the case.

- Interest free amounts recovered by Fauji Fertilizer Company Limited, a related party, from customers on sale of the Company's products under an inter-company services agreement. The collection is transferred on a weekly basis. Maximum amount outstanding during the year was Rs. 1,221 million (2024: Rs. Nil).

| | Note | 2025 Rupees | 2024 Rupees |
|---------------|---|----------------------|----------------|
| 27.5.1 | The ageing analysis of receivables from related party are as follows | | |
| | Neither past due nor impaired | 1,221,188,677 | - |
| 27.6 | Movement in provision for doubtful advances and receivables (impairment) | | |
| | As at 01 January | 500,663,733 | 215,663,733 |
| | Provision for the year | 311,442,036 | 285,000,000 |
| | As at 31 December | 812,105,769 | 500,663,733 |

28 Tax refunds due from Government - net

| | | |
|---|--------------------|--------------|
| As at beginning of the year | 26,994,252 | 82,775,808 |
| Adjustments and refunds during the year | 145,814,986 | (55,781,556) |
| As at end of the year | 172,809,238 | 26,994,252 |

29 Short term investments - at FVTPL

| | | | |
|-------------------------------------|------|----------------------|---------------|
| Investment in T-bills | 29.1 | 5,780,187,538 | 6,783,987,635 |
| Investment in units of mutual funds | 29.2 | 2,942,128,588 | - |
| | | 8,722,316,126 | 6,783,987,635 |

29.1 This represents investments made in Treasury Bills which carry mark up between 10% to 12% (2024: 12% to 20%).

29.2 This represents investments made in mutual funds.

| | Note | 2025 Rupees | 2024 Rupees |
|--------------------------------------|------|--------------------|----------------|
| 30 Cash and bank balances | | | |
| Cash in hand | | 795,607 | 973,530 |
| Cash at bank - local currency | | | |
| Current accounts | 30.1 | 32,653,203 | 353,003,581 |
| Saving accounts | 30.2 | 98,756,082 | 69,050,222 |
| | | 131,409,285 | 422,053,803 |
| | | 132,204,892 | 423,027,333 |

30.1 These include bank accounts of Rs. 16 million (2024: Rs. 20 million) maintained under Shariah compliant arrangements.

30.2 These carry mark-up @ 6.72% to 11.5% per annum (2024: 10% to 12% per annum).

| | 2025 Rupees | 2024 Rupees |
|---------------------------|------------------------|-----------------|
| 31 Sales - net | | |
| Sale of fertilizers | | |
| - Local | 39,811,025,792 | 31,535,902,069 |
| Other products | 439,586,178 | 582,116,604 |
| Trading stock Urea | - | 1,117,696,190 |
| Gross sales | 40,250,611,970 | 33,235,714,863 |
| less: Federal Excise Duty | (1,782,032,572) | (1,502,091,217) |
| less: Sales tax | (67,055,518) | (88,797,448) |
| less: Discounts | (2,521,145,134) | (338,052,971) |
| Net sales | 35,880,378,746 | 31,306,773,227 |

| | Note | 2025 Rupees | 2024 Rupees |
|---|--------|------------------------|-----------------|
| 32 Cost of sales | | | |
| Raw and packing material consumed | | 18,875,159,808 | 17,231,898,689 |
| Salaries, wages and other benefits | 32.1 | 1,195,084,232 | 970,115,161 |
| Fuel and power | | 4,606,055,455 | 4,703,267,221 |
| Stores, spare part and loose tools consumed | | 1,049,970,073 | 797,243,758 |
| Traveling, conveyance and entertainment | | 138,387,342 | 104,907,193 |
| Rent, rates and taxes | | 711,202 | 811,467 |
| Insurance expenses | | 72,091,722 | 41,404,181 |
| Repair and maintenance | | 170,331,746 | 97,017,232 |
| Depreciation on property, plant and equipment | 20.1.3 | 1,921,846,637 | 1,908,787,876 |
| Printing and stationery | | 14,205,229 | 12,158,649 |
| Communication | | 6,581,800 | 7,468,381 |
| Technical Services (outsourced) | | 383,296,472 | - |
| Loading and handling charges | 32.2 | 125,075,187 | 118,447,880 |
| Security services | | 94,189,909 | 90,406,637 |
| Others | 32.3 | 202,066,169 | 139,773,331 |
| Cost of goods manufactured | | 28,855,052,983 | 26,223,707,656 |
| Opening work-in-process | | 318,254,264 | 199,938,707 |
| Closing work-in-process | | (257,525,924) | (318,254,264) |
| | | 60,728,340 | (118,315,557) |
| Opening finished goods | | 3,704,399,041 | 558,728,514 |
| Closing finished goods | | (2,782,555,063) | (3,704,399,041) |
| | | 921,843,978 | (3,145,670,527) |
| Cost of goods sold | | 29,837,625,301 | 22,959,721,572 |
| Cost of goods sold - trading stock | | - | 2,081,248,206 |
| Cost of sales | | 29,837,625,301 | 25,040,969,778 |

32.1 These include charges of Rs. 3.16 million (2024: Rs. 3.47 million) and Rs. 26.65 million (2024: Rs 21.77 million) on account of gratuity and provident fund respectively and include charges in respect of Iskanderabad Welfare Trust (IWT) amounting to Rs. 59.75 million (2024: Rs. 30.13 million).

32.2 These include charges related to Iskanderabad Welfare Trust (IWT) amounting to Rs. 91.05 million (2024: Rs. 72.62 million).

32.3 Other expenses include Housing Colony expenses aggregating to Rs.101.53 million (2024: Rs. 97.64 million) and manpower services provided by M/s Olive Technical Services (Pvt.) Limited aggregating to Rs. 60.85 million.

| | Note | 2025 Rupees | 2024 Rupees |
|---|------|----------------------|----------------|
| 33 Selling and distribution expenses | | | |
| Salaries, wages and other benefits | | 62,381,020 | 73,611,136 |
| Freight and other expenses | 33.1 | 1,809,732,489 | 1,042,490,601 |
| Communication | | 973,501 | 983,419 |
| Travelling and conveyance | | 7,645,432 | 9,536,523 |
| Advertisement | | 14,983,178 | 17,686,756 |
| Commission on sale | | 8,397,474 | - |
| Third party marketing expenses (outsourced) | 33.2 | 481,056,979 | - |
| Rent, rates and taxes | | 20,229,562 | 18,383,958 |
| Insurance expenses | | 4,922,714 | 3,370,471 |
| Vehicle running and maintenance | | 680,517 | 493,014 |
| Printing and stationery | | 416,438 | 654,942 |
| Security services | | 10,656,414 | 15,440,077 |
| Miscellaneous | | 2,490,983 | 3,599,242 |
| | | 2,424,566,701 | 1,186,250,139 |

33.1 These include charges of Rs. 2.07 million (2024: Rs. 1.97 million) on account of provident fund and it also includes charges related to Iskanderabad Welfare Trust (IWT) amounting to Rs. 0.66 million (2024: Rs. 0.58 million).

33.2 This represents common expenses allocated by Fauji Fertilizer Company Limited on account of marketing of Agritech's products based on services agreement.

| | Note | 2025 Rupees | 2024 Rupees |
|---|--------|--------------------|----------------|
| 34 Administrative and general expenses | | | |
| Salaries and other benefits | 34.1 | 591,828,470 | 486,094,046 |
| Traveling, conveyance and entertainment | | 47,412,430 | 42,438,980 |
| Rent, rates and taxes | | 30,679,306 | 18,588,206 |
| Printing and stationery | | 19,557,611 | 15,686,028 |
| Communication | | 5,162,003 | 3,665,661 |
| IT consultancy | | 26,826,712 | 13,639,884 |
| Legal and professional | 34.2 | 118,559,187 | 124,255,973 |
| Depreciation on property, plant and equipment | 20.1.3 | 10,718,937 | 9,668,801 |
| Amortization on intangible assets | | 143,915 | 287,844 |
| Guest house expenses | | 8,248,326 | 5,161,804 |
| Repair and maintenance | | 17,460,931 | 6,034,058 |
| Insurance expenses | | 4,113,757 | 4,238,384 |
| Utilities | | 35,616,274 | 35,416,859 |
| Fee and subscription | | 31,943,508 | 32,174,900 |
| Miscellaneous | | 25,061,438 | 21,748,821 |
| | | 973,332,805 | 819,100,249 |

34.1 These include charges in respect of employees' retirement benefits amounting to Rs. 5.19 million (2024: Rs. 5.65 million) and Rs.10.30 million (2024: Rs. 8.35 million) on account of gratuity and provident fund respectively and it also includes charges related to Iskanderabad Welfare Trust (IWT) amounting to Rs. 71.74 million (2024: Rs. 61.13 million).

| | Note | 2025 Rupees | 2024 Rupees |
|---|---|----------------------|----------------------|
| 34.2 | These include following in respect of auditors' remuneration. | | |
| Statutory audit fee for the year | | 7,993,986 | 7,993,986 |
| Review report under Code of Corporate Governance | | 115,297 | 115,297 |
| Interim review | | 1,795,852 | 1,795,852 |
| Other services | | 2,560,000 | 1,625,000 |
| Out of pocket expenses | | 525,000 | 525,000 |
| | | 12,990,135 | 12,055,135 |
| 35 | Other expenses | | |
| Workers' Welfare Fund | | 62,266,933 | - |
| Workers' profit participation fund | | 158,780,679 | - |
| Impairment of other receivables | | 311,442,036 | 285,000,000 |
| Loss / impairment on disposal of property, plant and equipment | | 26,213,432 | 117,700,938 |
| Others | | 9,284,843 | 7,277,370 |
| | | 567,987,923 | 409,978,308 |
| 36 | Finance cost | | |
| Interest / mark-up on: | | | |
| Redeemable capital | | 626,986,663 | 536,276,687 |
| Long term finances | | 223,253,377 | 17,014,449 |
| Short term borrowings | | 233,958,312 | 653,288,993 |
| Late payment surcharge | | 21,684,019 | 682,253,124 |
| Preference dividend non-convertible, redeemable preference shares | | 3,063,253,627 | 4,767,327,522 |
| | | 4,169,135,998 | 6,656,160,775 |
| Preference dividend on convertible preference shares | | 40,281,812 | 261,088,363 |
| Amortization of present value of GIDC | | - | 26,419,089 |
| Bank charges and commission | | 27,907,485 | 70,752,331 |
| | | 4,237,325,295 | 7,014,420,558 |
| 37 | Other income | | |
| | <u>Income from financial assets</u> | | |
| Return on bank deposits | | 10,167,112 | 42,975,867 |
| Profit on short term investments | | 834,128,678 | 1,056,617,606 |
| Mark-up on advances to employees | | 1,163,377 | 2,120,632 |
| | | 845,459,167 | 1,101,714,105 |
| | <u>Income from non-financial assets</u> | | |
| Liabilities written back | 37.1 | 2,148,057,620 | 62,870 |
| Sale of scrap | | 2,368,771 | 1,613,575 |
| Gain on conversion of preference shares into ordinary shares | 37.2 | 1,971,161,886 | - |
| Miscellaneous | | 7,713,854 | 5,899,878 |
| | | 4,129,302,131 | 7,576,323 |
| | <u>Others</u> | | |
| Gain on settlement of short term loan and accrued markup thereon | 37.3 | 295,009,231 | 971,700,628 |
| | | 5,269,770,529 | 2,080,991,056 |
| 37.1 | This represents reversal of late payment surcharge booked on GIDC in last years' financial statements. | | |
| 37.2 | This represents gain on conversion of preference shares into ordinary shares as per Share Subscription Agreement. | | |
| 37.3 | This includes gain on amortization of loan amounting to Rs. 295 million (2024: Rs. 278.8 million). | | |

| | 2025 Rupees | 2024 Rupees |
|--------------------|--------------------|-------------------|
| 38 Taxation | | |
| For the year | | |
| - current year | 596,620,296 | 612,746,705 |
| - prior year | - | - |
| Deferred tax | (382,144,480) | (581,520,848) |
| | 214,475,816 | 31,225,857 |

Relationship between taxes, levies and accounting profit

| | | |
|---|----------------------|---|
| Profit before income tax and final taxes | 3,109,311,250 | - |
| Tax at applicable rate of 29% (2024: 29%) | 901,700,263 | - |
| Expense not admissible | 310,509,419 | - |
| Others | (155,244,053) | - |
| Unused tax losses (deferred tax) | (906,201,621) | - |
| Brought forward minimum taxes adjustment | (532,908,488) | - |
| Effect of super tax | 596,620,296 | - |
| Tax charged for the year | 214,475,816 | - |

38.1 Tax reconciliation of 2024 has not been prepared as last year minimum tax @ 1.25% was applicable on the Company.

| | 2025 Rupees | 2024 Rupees |
|--|----------------|----------------|
|--|----------------|----------------|

39 Earning / (loss) per share - basic and diluted

39.1 Basic

| | | |
|--|----------------------|------------------------|
| Profit/ (loss) attributable to ordinary shareholders | 2,894,835,434 | (1,114,180,606) |
| | 2,894,835,434 | (1,114,180,606) |

Number of Shares

| | | |
|--|-------------|---------------|
| Weighted average number of ordinary shares outstanding during the year | 540,254,233 | 411,442,201 |
| Earning / (loss) per share - <i>basic</i> | 5.36 | (2.71) |

39.2 Diluted

| | | |
|---|----------------------|----------------------|
| Profit / (loss) attributable to ordinary shareholders | 2,894,835,434 | (1,114,180,606) |
| Dividends on convertible preference shares | 39,954,947 | 261,088,363 |
| Profit / (loss) for the year for calculation of diluted earning per share | 2,934,790,381 | (853,092,243) |

| | | |
|--|--------------------|--------------------|
| Weighted average number of ordinary shares outstanding during the year | 540,254,233 | 411,442,201 |
| Adjustment for conversion of convertible preference shares: | | |
| Weighted average number of potential ordinary shares in issue | 48,686,183 | 176,693,505 |
| | 588,940,416 | 588,135,706 |
| Earning / (loss) per share - <i>diluted</i> | 4.98 | (1.45) |

| | Note | 2025 Rupees | 2024 Rupees |
|--|------|----------------------|------------------------|
| 40 Cash generated from operations | | | |
| Profit / (loss) before taxation | | 3,109,311,250 | (1,082,954,749) |
| <u>Adjustments for non-cash items:</u> | | | |
| Interest / mark-up / dividend expense | 36 | 4,237,325,295 | 6,242,865,376 |
| Depreciation on property, plant and equipment | 20.1 | 1,932,565,574 | 1,918,456,677 |
| Amortization of computer software | 21.1 | 143,915 | 287,844 |
| Provision for staff retirement benefit | | - | 9,115,720 |
| Gain on settlement of short term loans and accrued mark up | | (295,009,231) | (698,899,350) |
| Workers' welfare fund | | 62,266,933 | - |
| Workers' profit participation fund | | 158,780,679 | - |
| Impairment of other receivables | | 311,442,036 | 285,000,000 |
| Liabilities written back | | (2,148,057,620) | 61,618,426 |
| Mark-up / Interest Income | 37 | (845,459,167) | (1,101,714,105) |
| Gain on conversion of preference shares into ordinary shares | | (1,971,161,886) | - |
| Loss on sale of property, plant and equipment | 35 | 26,213,432 | 117,700,938 |
| | | 1,469,049,960 | 6,834,431,526 |
| Operating profit before changes in working capital | | 4,578,361,210 | 5,751,476,777 |
| <u>Changes in working capital</u> | | | |
| Stores, spares and loose tools | | (527,581,086) | (173,259,873) |
| Stock in trade | | 933,193,131 | (3,213,388,151) |
| Trade debts | | (941,085,062) | (330,796,140) |
| Advances, deposits, prepayments and other receivables | | (1,337,238,436) | 54,967,063 |
| | | (1,872,711,453) | (3,662,477,101) |
| Decrease in current liabilities: | | | |
| Trade and other payables | | (496,976,057) | (206,058,817) |
| Cash generated from operations | | 2,208,673,700 | 1,882,940,859 |

40.1 During the year, a portion of short-term borrowings amounting to Rs. 251 million was transferred / reclassified to long-term borrowings upon restructuring of the loans. Since this transaction did not involve any inflow or outflow of cash, it has not been included in the Statement of Cash Flows.

41 Cash and cash equivalents

| | | | |
|-----------------------------|----|----------------------|------------------------|
| Running finance & overdrawn | 14 | (912,504,950) | (1,812,440,526) |
| Cash and bank balances | 30 | 132,204,892 | 423,027,333 |
| | | (780,300,058) | (1,389,413,193) |

42 Transactions and balances with related parties

Related parties comprise of associated undertakings, key management personnel (including the Chief Executive Officer and Directors), post employment benefit plans and other related parties. Details of transactions and balances with related parties during the period, other than those which have been disclosed elsewhere in these financial statements, are as follows:

| | 2025 Rupees | 2024 Rupees |
|--|----------------|----------------|
| 42.1 Transactions with related parties | | |
| 42.1.1 Associated Undertakings | | |
| Shareholding and common directorship | | |
| FFCL, MLCF & Askari Bank | | |
| Preference dividend on convertible preference shares | 38,950,785 | 586,451,512 |
| Preference dividend on Non convertible, redeemable preference shares | 2,127,378,127 | - |

| | 2025 Rupees | 2024 Rupees |
|--|----------------|----------------|
| Issuance of ordinary shares | 1,687,701,101 | - |
| Finance cost - unwinding of present value of PPTFCs | 530,180,211 | 77,404,993 |
| Short term borrowings | 1,318,294,181 | - |
| Commission on sale | 8,397,474 | - |
| Manpower services provided to FFCL | 6,330,340 | - |
| Reimbursement of expenses | 481,056,979 | - |
| Purchase of inventory | 7,834,984 | - |
| Receipts under consignment account | 25,533,612,682 | |
| Mark-up expense | 21,077,556 | 37,292,917 |
| Repayment of short term loans | - | 28,287,571 |
| Decrease in bank balances - net | (3,018,437) | (11,557,574) |
| National Bank of Pakistan - ceases to be related party w.e.f. 9th October 2024 | | |
| Mark-up expense | - | 52,334,913 |
| Preference dividend | - | 529,416,532 |
| Finance cost - unwinding of present value of PPTFCs | - | 109,801,917 |
| Repayment of short term borrowings | - | 27,111,006 |
| Mark-up paid | - | 13,584,183 |
| Advisory fee | - | 32,100,000 |
| Advisory fee paid | - | 180,000,000 |
| (Decrease) / increase in bank balances - net | - | 1,476,741 |
| Common directorship & others | | |
| Olive Technical Services (Pvt.) Limited | | |
| Technical services | 383,296,472 | - |
| Manpower | 60,854,980 | - |
| Others | 1,661,662 | - |
| Sona Welfare Foundation | | |
| Contribution for Farmers Support Program | 6,000,000 | - |
| Faysal Bank Limited - ceases to be related party w.e.f. 22nd July 2024 | | |
| Preference dividend | - | 456,175,843 |
| Trustee fee for the year | - | 4,534,172 |
| Finance cost - unwinding of present value of Sukuks | - | 63,762,917 |
| Decrease in bank balances - net | - | (4,136,758) |
| Bank Makramah Limited (formerly Summit Bank) - ceases to be related party w.e.f. 22nd July 2024 | | |
| Mark-up expense | - | 117,939,990 |
| Dividend on preference shares | - | 141,925,119 |
| Finance cost - unwinding of present value of PPTFCs | - | 16,999,952 |
| Repayment of short term borrowings | - | (154,845,938) |
| Increase in bank balances - net | - | 149,473 |
| Amortization of restructured short term loan | - | 5,231,462 |
| Pak China Investment Company Limited - ceases to be related party w.e.f. 22nd July 2024 | | |
| Dividend on preference shares | - | 48,301,930 |
| Finance cost - unwinding of present value of PPTFCs | - | 6,905,718 |

| | 2025 Rupees | 2024 Rupees |
|---|----------------|----------------|
| 42.1.2 Post employment benefit plans | | |
| - Provident fund trust-contribution | 27,998,554 | 27,210,333 |
| - Gratuity trust-contribution | 8,632,072 | 3,817,368 |

42.1.3 Key management personnel

The remuneration paid to Chief Executive Officer, directors and executives (key management personnel) in terms of their employment is disclosed in note 43 to the financial statements.

| | 2025 Rupees | 2024 Rupees |
|--|----------------|----------------|
|--|----------------|----------------|

42.2 Balances with related parties

42.2.1 Associated Undertakings

Shareholding and common directorship

FFCL, MLCF & Askari Bank

| | | |
|---|----------------|----------------|
| Non convertible, redeemable preference shares | 12,877,591,570 | 5,995,430,680 |
| Preference dividend payable | 20,557,787,182 | 10,242,329,307 |
| Redeemable capital - PPTFCs | 3,664,555,866 | 1,354,272,243 |
| Convertible, redeemable preference shares | - | 1,125,708,350 |
| Consignment account receivable | 1,221,188,677 | - |
| Short term borrowings | 1,485,153,343 | 166,859,162 |
| Bank balances | 2,265,913 | 5,284,350 |
| Mark-up payable | 210,077,723 | 189,002,176 |

National Bank of Pakistan - ceases to be related party w.e.f. 9th October 2024

| | | |
|-----------------------|---|-------------|
| Bills payable | - | 159,918,994 |
| Mark-up payable | - | 353,248,058 |
| Bank account balances | - | 2,784,128 |
| Advisory fee payable | - | 567,500,000 |

Common directorship & others

Olive Technical Services (Pvt.) Limited

| | | |
|--------------------------------|------------|---|
| Payable in respect of services | 48,333,334 | - |
| Vehicle Rent | 1,661,662 | - |

Faysal Bank Limited - ceases to be related party w.e.f. 22nd July 2024

| | | |
|---|---|---------------|
| Redeemable capital - PPTFCs | - | 440,722,367 |
| Convertible, redeemable preference shares | - | 310,355,940 |
| Non convertible, redeemable preference shares | - | 1,641,527,380 |
| Mark-up payable | - | 2,806,923 |
| Preference dividend payable | - | 2,807,473,371 |
| Bank balances | - | 15,636,893 |
| Trustee fee | - | 5,668,582 |
| SBLC | - | 200,000,000 |
| LC Margin | - | 4,336,677 |

Bank Makramah Limited (formerly Summit Bank) - ceases to be related party w.e.f. 22nd July 2024

| | | |
|---|---|-------------|
| Redeemable capital - PPTFCs | - | 117,501,823 |
| Non convertible, redeemable preference shares | - | 552,023,020 |
| Short term borrowings | - | 331,924,507 |
| Preference dividend payable | - | 790,055,356 |

| | 2025 Rupees | 2024 Rupees |
|--|-------------------|----------------|
| Bank balances | - | 356,620 |
| Pak China Investment Company Limited - ceases to be related party w.e.f. 22nd July 2024 | | |
| Redeemable capital - PPTFCs | - | 47,731,572 |
| Non convertible, redeemable preference shares | - | 187,872,150 |
| Dividend payable on preference shares | - | 268,882,626 |
| Others | | |
| Housing colony - receivable | 80,542,820 | 63,195,557 |
| Iskanderabad Welfare Trust - payable | 5,451,352 | 2,896,720 |
| 42.2.1 Post employment benefit plans | | |
| Payable to provident fund trust | - | - |
| Advance to gratuity trust | 2,120,097 | 12,415,700 |

43 Remuneration of Chief Executive Officer, directors and executives

The aggregate amount charged to profit or loss in respect of Chief Executive Officer, directors and executives on account of managerial remuneration, perquisites and benefits, and post employment benefits, and the number of such directors and executives is as follows:

| | 2025 | | 2024 | |
|--------------------------|---|---------------------|---|---------------------|
| | Chief Executive Officer ----- Rupees | Executives ----- | Chief Executive Officer ----- Rupees | Executives ----- |
| Managerial remuneration | 23,341,708 | 126,092,584 | 20,900,973 | 84,042,595 |
| House rent allowance | 7,002,508 | 35,793,349 | 6,270,290 | 24,105,017 |
| Utility allowance | 2,334,184 | 5,388,485 | 2,090,104 | 4,423,015 |
| Others | - | 85,492,201 | - | 58,182,391 |
| Post employment benefits | 1,944,364 | 9,989,277 | 1,741,048 | 6,506,527 |
| Bonuses | 18,235,710 | 191,489,728 | 16,428,570 | 34,731,071 |
| | 52,858,474 | 454,245,624 | 47,430,985 | 211,990,616 |
| Number of persons | 1 | 59 | 1 | 46 |

- Chief Executive Officer and certain executives are provided with Company maintained vehicles. The above mentioned are provided with medical facility in accordance with the Company policy.
- Directors of the company were paid meeting fees aggregating to Rs. 29.812 million (2024: Rs. 15.12 million). The number of the directors of the company was 9 (2024: 7).

44 Financial risk management

The Company's activities expose it to a variety of financial risks which affect its revenues, expenses, assets and liabilities. These risks are as follows:

- Credit risk
- Liquidity risk; and
- Market risk (including currency risk, interest rate risk and price risk)

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Company's Board of Directors ("the Board") has overall responsibility for establishment and oversight of the Company's risk management framework. The Board has developed a risk policy that sets out fundamentals of risk management framework.

Risk Management Framework

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The risk policy focuses on unpredictability of financial markets, the Company's exposure to risk of adverse effects thereof and objectives, policies and processes for measuring and managing such risks. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Audit committee is assisted in its oversight role by internal audit department. Internal audit department undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee. The Company's exposure to financial risks, the way these risks affect the financial position and performance, and forecast transactions of the Company and the manner in which such risks are managed is as follows:

44.1 Credit risk and concentration of credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economics, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

44.1.1 Exposure to credit risk

Credit risk of the Company arises principally from trade debts, advances, deposits, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk the Company has developed a formal approval process whereby credit limits are applied to its customers. The management continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery. Out of total financial assets of Rs. 14,177 million (2024: Rs. 11,048 million).

The maximum exposure to credit risk at the reporting date is as follows:

| | 2025 | 2024 |
|--------------------------------|----------------------|---------------|
| | Rupees | Rupees |
| Long term deposits | 58,887,033 | 58,949,562 |
| Trade debts | 986,881,202 | 45,796,140 |
| Advances and other receivables | 2,293,528,897 | 786,278,934 |
| Cash and bank balances | 131,409,285 | 422,053,803 |
| | 3,470,706,417 | 1,313,078,439 |

44.1.2 Concentration of credit risk

The Company identifies concentrations of credit risk by reference to type of counter party. Maximum exposure to credit risk by type of counterparty is as follows:

| | 2025 | 2024 |
|--|----------------------|---------------|
| | Rupees | Rupees |
| Customers | 986,881,202 | 45,796,140 |
| Banking companies and financial institutions | 131,409,285 | 422,053,803 |
| Others | 1,131,227,253 | 845,228,496 |
| Related parties | 1,221,188,677 | - |
| | 3,470,706,417 | 1,313,078,439 |

44.1.3 Credit quality and impairment:

Credit quality of financial assets is assessed by reference to external credit ratings, where available, or historical information about the counterparty default rates. All counterparties, with the exception of customers, have external credit ratings determined by various credit rating agencies and other regulatory authorities. Credit quality of customer is assessed by reference to historical default rates and present ages.

44.1.3(a) Counterparties with external credit ratings

These include banking companies and financial institutions, which are counterparties to cash deposits, bank guarantees, security deposits and margin deposits. These are neither past due nor impaired. Credit risk is considered minimal since the counterparties have reasonably high credit ratings as determined by various credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Company.

Following are the credit ratings of counterparties with external credit ratings:

Banks and financial institutions

| Bank | Rating | | Rating Agency | 2025 Rupees | 2024 Rupees |
|---|-----------|------------|---------------|--------------------|--------------------|
| | Long term | Short term | | | |
| <i>Bank balances</i> | | | | | |
| AlBaraka Bank (Pakistan) Limited | AA- | A1 | VIS | 3,392,427 | 3,392,427 |
| Allied Bank Limited | AAA | A1+ | PACRA | 2,265,913 | 25,115 |
| Askari Bank Limited | AA+ | A1+ | PACRA | 25,115 | 5,284,350 |
| Bank Alfalah Limited | AAA | A1+ | PACRA | 72,190 | 72,190 |
| Bank Islami Pakistan Limited | AA- | A1 | PACRA | 1,519,489 | 1,519,489 |
| Dubai Islamic Bank Pakistan Limited | AA | A1+ | VIS | 11,006,866 | 349,791 |
| Faysal Bank Limited | AA | A1+ | PACRA | 176,679 | 15,636,893 |
| Habib Bank Limited | AA+ | A1+ | VIS | 15,933,662 | 11,537,372 |
| MCB Bank Limited | AAA | A1+ | PACRA | 1,119,350 | 296,645,855 |
| Meezan Bank Limited | AAA | A1+ | VIS | - | 56,967 |
| National Bank of Pakistan | AAA | A1+ | VIS | 8,536,951 | 2,652,316 |
| Soneri Bank Limited | AA- | A1+ | PACRA | 24,649 | 24,649 |
| Standard Chartered Bank (Pakistan) Limited | AAA | A1+ | PACRA | 917,927 | 917,927 |
| Bank Makramah Limited (Formerly: Summit Bank Limited) | BBB- | A3 | VIS | 109,937 | 356,620 |
| The Bank of Punjab | AA+ | A1+ | PACRA | - | 2,765 |
| United Bank Limited | AAA | A1+ | VIS | 86,308,130 | 83,579,077 |
| | | | | 131,409,285 | 422,053,803 |

44.1.3(b) Counterparties without external credit ratings

| | 2025 | | 2024 | |
|--------------------------------|-----------------------|------------------------|-----------------------|------------------------|
| | Gross carrying amount | Accumulated impairment | Gross carrying amount | Accumulated impairment |
| | ----- Rupees ----- | | | |
| Trade debts | | | | |
| Neither past due nor impaired | 986,881,202 | - | 45,796,140 | - |
| Past due by 3 to 6 months | - | - | - | - |
| Past due by 6 to 12 months | - | - | - | - |
| Past due by more than one year | 43,059,265 | 43,059,265 | 43,196,191 | 43,196,191 |
| | 1,029,940,467 | 43,059,265 | 88,992,331 | 43,196,191 |

| | 2025 | | 2024 | |
|---|-----------------------|------------------------|-----------------------|------------------------|
| | Gross carrying amount | Accumulated impairment | Gross carrying amount | Accumulated impairment |
| ----- Rupees ----- | | | | |
| Other receivable - related party | | | | |
| Neither past due nor impaired | 1,221,188,677 | - | - | - |
| Past due by 3 to 6 months | - | - | - | - |
| Past due by 6 to 12 months | - | - | - | - |
| Past due by more than one year | - | - | - | - |
| | 1,221,188,677 | - | - | - |

The management estimates the recoverability of trade debts and other receivables (from related party) on the basis of financial position and past history of its customers based on the objective evidence that it will not receive the amount due from the particular customer. Based on historical default rates, the Company believes that no impairment allowance other than already provided is necessary in respect of trade receivables not past due or those past due by less than one year, since these relate to customers who have had good payment record with the Company. The provision is written off by the Company when it expects that it cannot recover the balance due. Any subsequent repayments in relation to amount written off, are credited to income statement.

44.1.4 Credit risk management:

As mentioned in note to the financial statements, the Company's financial assets do not carry significant credit risk. The Company also avoids any significant exposure to a single customer.

44.2 Liquidity risk

44.2.1 Exposure to liquidity risk

44.2.1(a) Contractual maturities of financial liabilities, including estimated interest payments

The following are the remaining contractual maturities at the reporting date. The amounts are grossed and undiscounted, include estimated interest payments and exclude the impact of netting agreements.

| | 2025 | | | | |
|---|-----------------------|-----------------------|-----------------------|--------------------|-----------------------|
| | Carrying Amount | Contractual Cash Flow | Less than one year | One to three years | More than three years |
| ----- Rupees ----- | | | | | |
| Non-derivative financial liabilities | | | | | |
| Redeemable capital | 4,333,672,973 | 5,066,725,000 | 5,066,725,000 | - | - |
| Non convertible, redeemable preference shares | 18,542,697,500 | 18,542,697,500 | - | - | 18,542,697,500 |
| Convertible, redeemable preference shares | 206,080 | 206,080 | - | 206,080 | - |
| Long term financing | 293,069,126 | 417,400,235 | 79,177,558 | 193,248,786 | 144,973,891 |
| Short term borrowing | 990,898,197 | 990,898,197 | 990,898,197 | - | - |
| Trade creditors | 3,276,484,519 | 3,276,484,519 | 3,276,484,519 | - | - |
| Accrued Liabilities | 794,533,069 | 794,533,069 | 794,533,069 | - | - |
| Security deposits and retention money | 15,501,247 | 15,501,247 | 15,501,247 | - | - |
| Loan from related party | 1,318,294,181 | 1,318,294,181 | 1,318,294,181 | - | - |
| Other payables | 379,257,961 | 379,257,961 | 379,257,961 | - | - |
| Mark-up accrued on borrowings | 2,761,645,582 | 2,761,645,582 | 2,761,645,582 | - | - |
| Preference dividend payable | 29,601,889,608 | 29,601,889,608 | 29,601,889,608 | - | - |
| | 66,686,717,881 | 67,544,101,017 | 48,662,974,760 | 193,454,866 | 18,687,671,391 |

| | 2024 | | | | |
|---|-----------------|-----------------------|--------------------|--------------------|-----------------------|
| | Carrying Amount | Contractual Cash Flow | Less than one year | One to three years | More than three years |
| ----- Rupees ----- | | | | | |
| Non-derivative financial liabilities | | | | | |
| Redeemable capital - Secured | 3,706,686,309 | 5,066,725,000 | - | 5,066,725,000 | - |
| Non convertible, redeemable | 18,542,697,500 | 18,542,697,500 | - | - | 18,542,697,500 |
| Convertible, redeemable preference shares | 1,484,507,830 | 1,484,507,830 | - | - | 1,484,507,830 |
| Long term financing | 510,374,987 | 782,875,605 | 132,119,187 | 332,758,857 | 317,997,561 |
| Short term borrowing | 2,057,907,728 | 2,057,907,728 | 2,057,907,728 | - | - |
| Trade creditors | 5,647,891,924 | 5,647,891,924 | 5,647,891,924 | - | - |
| Accrued Liabilities | 522,179,983 | 522,179,983 | 522,179,983 | - | - |
| Security deposits and retention money payable | 22,276,114 | 22,276,114 | 22,276,114 | - | - |
| Other payables | 26,053,059 | 26,053,059 | 26,053,059 | - | - |
| Mark-up accrued on borrowings | 2,747,602,634 | 2,747,602,634 | 2,747,602,634 | - | - |
| Preference dividend payable | 28,729,605,359 | 28,729,605,359 | 28,729,605,359 | - | - |
| | 63,997,783,427 | 65,630,322,736 | 39,885,635,988 | 5,399,483,857 | 20,345,202,891 |

44.2.2 Overdue financial liabilities

The Company continues to face a liquidity shortfall due to which it was unable to meet its obligation in respect of various debt finances.

Financial liabilities (including PPTFCs, non convertible preference shares & dividend payable) in litigation are as follows:

| | 2025 Rupees | 2024 Rupees |
|--|----------------------|-----------------------|
| Name of banks | | |
| Silk Bank Limited | 860,366,768 | 780,494,785 |
| Askari Bank Limited | 2,511,488,460 | 2,511,488,460 |
| Unit Trust of Pakistan and JS investment Limited | - | 333,487,415 |
| JS Income Fund and JS Investment Limited | - | 164,172,750 |
| JS Infocom Limited | - | 1,280,996,756 |
| JS Large Capital Fund | - | 16,959,889 |
| Federal Employees Benevolent and Group Insurance Funds | 3,251,552,724 | 3,251,552,724 |
| National Bank of Pakistan | - | 6,496,599,568 |
| Soneri Bank Limited | - | 738,542,864 |
| JS Bank Limited | - | 2,880,221,844 |
| The Bank of Punjab | - | 3,301,068,828 |
| | 6,623,407,952 | 21,755,585,883 |

44.3 Market risk

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

44.3.1 Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the respective functional currency of the Company. The functional currency of the Company is Pak Rupee. The currencies in which these transactions are primarily denominated are Euros, JPY and US dollars.

44.3.1(a) Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

| | 2025 Rupees | 2024 Rupees |
|---------------------------------------|--------------------|--------------------|
| <i>Off balance sheet items</i> | | |
| Outstanding letters of credit: | | |
| US \$ | 68,380,211 | 188,206,594 |
| JPY ¥ | 29,452,558 | 7,732,179 |
| EUR € | 133,527,779 | 5,322,323 |
| Net exposure | 231,360,548 | 201,261,096 |

44.3.1(b) Exchange rates applied during the year

The following significant exchange rates have been applied during the year:

| | | 2025 Rupees | 2024 Rupees |
|----------------------------------|-------|----------------|----------------|
| <i>Reporting date spot rate:</i> | | | |
| - buying | US \$ | 280.05 | 277.75 |
| - selling | US \$ | 280.55 | 279.59 |
| Average rate for the year | US \$ | 280.30 | 278.48 |
| <i>Reporting date spot rate:</i> | | | |
| - buying | EUR € | 328.78 | 288.57 |
| - selling | EUR € | 329.34 | 290.93 |
| Average rate for the year | EUR € | 329.07 | 301.24 |
| <i>Reporting date spot rate:</i> | | | |
| - buying | JPY ¥ | 1.78 | 1.75 |
| - selling | JPY ¥ | 1.79 | 1.80 |
| Average rate for the year | JPY ¥ | 1.78 | 1.84 |

44.3.1(c) Sensitivity analysis

A reasonably possible strengthening / (weakening) of 1% in Pak Rupee against the foreign currencies would have affected the measurement of financial instruments denominated in foreign currency and affected profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

| | 2025 Rupees | 2024 Rupees |
|-------|------------------|------------------|
| US \$ | 683,802 | 1,882,066 |
| EUR € | 294,526 | 77,322 |
| JPY ¥ | 1,335,278 | 53,223 |
| | 2,313,605 | 2,012,611 |

44.3.1(d) Currency risk management

Since the maximum amount exposed to currency risk is minimal, any adverse / favorable movement in functional currency with respect to Euros, JPY / US dollar will not have any material impact on the operational results.

44.3.2 Interest rate risk

Interest rate risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Sensitivity to interest rate risk arises from mismatch of financial assets and financial liabilities that mature or re-price in a given period.

44.3.2(a) Fixed rate financial instruments

The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest / mark-up bearing financial instruments as at the reporting date are as follows:

| | 2025 | | 2024 | |
|--|--------------------|-----------------------|------------------|-----------------------|
| | Financial assets | Financial liabilities | Financial assets | Financial liabilities |
| | ----- Rupees ----- | | | |
| <u>Non-derivative financial instruments</u> | | | | |
| Convertible, redeemable preference shares | - | 206,080 | - | 1,484,507,830 |
| Advance to employees | 64,584,270 | - | 41,090,617 | - |

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in profit / mark-up / interest rates at the reporting date would not affect profit or loss.

44.3.2(b) Variable rate financial instruments

| | 2025 | | 2024 | |
|--|----------------------|-----------------------|----------------------|-----------------------|
| | Financial assets | Financial liabilities | Financial assets | Financial liabilities |
| | ----- Rupees ----- | | | |
| <u>Non-derivative financial instruments</u> | | | | |
| Short term investments | 5,780,187,538 | - | 6,783,987,635 | - |
| Convertible, redeemable preference shares | - | 18,542,697,500 | - | 18,542,697,500 |
| Loan from related party | - | 1,318,294,181 | - | - |
| Short term borrowings | - | 990,898,197 | - | 2,057,907,728 |
| Bank balances | 98,756,082 | - | 69,050,222 | - |
| | 5,878,943,620 | 20,851,889,878 | 6,853,037,857 | 20,600,605,228 |

44.3.2(c) Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates as at the reporting date would have increased/(decreased) profit by amounts presented below. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

| | 2025 Rupees | 2024 Rupees |
|--|----------------|----------------|
| <u>Increase of 100 basis points</u> | | |
| Variable rate instruments | (149,729,463) | (137,475,674) |
| <u>Decrease of 100 basis points</u> | | |
| Variable rate instruments | 149,729,463 | 137,475,674 |

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and the outstanding liabilities of the Company at the year end.

44.3.2(d) Interest / mark-up rate risk management

The Company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The short term borrowing and loans and advances by the Company has variable rate pricing that is mostly dependent on Karachi Inter Bank Offer Rate ("KIBOR") as indicated in respective notes.

44.3.3 Price risk

Price risk represents the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments. The Company is exposed to price risk as they have invested in mutual funds.

If the market value of Fund's investment in units held in mutual funds had been 1% higher/ lower , with all other variables held constant , the impact would have been as follows:

| | 2025 Rupees | 2024 Rupees |
|--|---------------------|----------------|
| <u>Increase of 100 basis points</u> | | |
| Mutual funds | 29,421,286 | - |
| <u>Decrease of 100 basis points</u> | | |
| Mutual funds | (29,421,286) | - |

44.3.4 Fair value measurement 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.

A financial instrument is regarded as quoted in an active market if quoted price is readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and that price represents actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable) inputs (Level 3).

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

44.4.1 Financial instruments by category

The following table show the categories as well as carrying amounts and fair values of financial assets and financial liabilities according to their respective category, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets not measured at fair value if the carrying amount is reasonable approximation of fair value.

| Particulars | Carrying amount | | | Fair Value | | | | |
|--|----------------------|----------------------|----------|-----------------------|----------------------|----------|----------|----------------------|
| | Amortized Cost | FVTPL | FVTOCI | Total | Level 1 | Level 2 | Level 3 | Total |
| |Rs..... | | | |Rs..... | | | |
| December 31, 2025 | | | | | | | | |
| <i>Financial assets not measured at fair value</i> | | | | | | | | |
| Long term loans and advances | 45,849,285 | - | - | 45,849,285 | - | - | - | - |
| Short term investments | - | 8,722,316,126 | - | 8,722,316,126 | 8,722,316,126 | - | - | 8,722,316,126 |
| Trade debts | 986,881,202 | - | - | 986,881,202 | - | - | - | - |
| Long term deposits | 58,887,033 | - | - | 58,887,033 | - | - | - | - |
| Advances and other receivables | 1,447,941,109 | - | - | 1,447,941,109 | - | - | - | - |
| Cash and bank balances | 132,204,892 | - | - | 132,204,892 | - | - | - | - |
| Total | 2,671,763,521 | 8,722,316,126 | - | 11,394,079,647 | 8,722,316,126 | - | - | 8,722,316,126 |

| Particulars | Carrying amount | | | Fair Value | | | | |
|--|--------------------|----------------------|----------|----------------------|----------------------|----------|----------|----------------------|
| | Amortized Cost | FVTPL | FVTOCI | Total | Level 1 | Level 2 | Level 3 | Total |
| |Rs..... | | | |Rs..... | | | |
| December 31, 2024 | | | | | | | | |
| <i>Financial assets not measured at fair value</i> | | | | | | | | |
| Long term loans and advances | 27,099,031 | - | - | 27,099,031 | - | - | - | - |
| Short term investments | - | 6,783,987,635 | - | 6,783,987,635 | 6,783,987,635 | - | - | 6,783,987,635 |
| Trade debts | 45,796,140 | - | - | 45,796,140 | - | - | - | - |
| Long term deposits | 60,949,562 | - | - | 60,949,562 | - | - | - | - |
| Advances and Other receivables | 191,532,178 | - | - | 191,532,178 | - | - | - | - |
| Cash and bank balances | 423,027,333 | - | - | 423,027,333 | - | - | - | - |
| Total | 748,404,244 | 6,783,987,635 | - | 7,532,391,879 | 6,783,987,635 | - | - | 6,783,987,635 |

| | 2025 Rupees | 2024 Rupees |
|---|-----------------------|----------------|
| <i>Financial liabilities at amortized cost</i> | | |
| Redeemable capital (PPTFC) | - | 3,706,686,309 |
| Long term finances | 293,069,125 | 510,374,987 |
| Convertible, redeemable preference shares | 206,080 | 1,484,507,830 |
| Non convertible, redeemable preference shares | 18,542,697,500 | 18,542,697,500 |
| Short term borrowings | 990,898,197 | 2,057,907,728 |
| Trade and other creditors | 3,924,576,808 | 5,861,381,901 |
| Accrued liabilities | 794,533,069 | 522,179,983 |
| Security deposits and retention money | 15,501,247 | 22,276,114 |
| Other payables | 73,425,306 | 26,053,058 |
| Mark-up accrued on borrowings | 2,761,645,582 | 2,747,602,634 |
| Preference dividend payable | 29,601,889,608 | 28,729,605,359 |
| | 56,998,442,522 | 64,211,273,403 |

45 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within the Company. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorization of transactions;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- development of contingency plans;
- training and professional development;
- ethical and business standards;
- risk mitigation, including insurance where this is effective.

46 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital employed. The Company seeks to keep a balance between the higher return that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position. The Company's strategy is to maintain an optimal capital structure in order to minimize cost of capital.

The Company's objectives when managing capital are:

- (i) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) to provide an adequate return to shareholders.

The Company monitors capital using the gearing ratio which is debt divided by total capital employed. Debt comprises redeemable capital preference shares and long term finances and liabilities. Total capital employed includes total equity as shown in the balance sheet, including surplus on revaluation of property, plant and equipment. Gearing ratio of the Company as at the reporting date is as follows:

| | 2025 Rupees | 2024 Rupees |
|----------------------------------|----------------|----------------|
| Total debt | 25,478,838,056 | 24,112,148,732 |
| Total equity (including surplus) | 18,949,462,087 | 9,732,139,700 |
| Total capital employed | 44,428,300,143 | 33,844,288,432 |
| Gearing - rate | 57% | 71% |

There were no changes in the Company's approach towards capital management during the year and Company has restructured its overdue debt and related markup in pursuance of Scheme of Arrangement approved by the Honourable Lahore High Court. The Company is not subject to externally imposed capital requirements, except those, related to maintenance of debt covenants, commonly imposed by the providers of debt finance.

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

| | Redeemable capital | Short term borrowings | Short term running finances | Accrued finance cost | Convertible, redeemable preference shares | Non convertible & redeemable preference shares | Equity | |
|--|--------------------|-----------------------|-----------------------------|----------------------|---|--|-----------------------------|-----------------|
| | | | | | | | Preference Dividend Payable | Total |
| Rupees | | | | | | | | |
| Balance as at 01 January 2025 | 3,706,686,309 | 755,842,189 | 1,302,065,539 | 2,747,602,634 | 1,484,507,830 | 18,542,697,500 | 28,729,605,359 | 57,269,007,360 |
| Cash flows | | | | | | | | |
| Net decrease in long term finances | | (402,929,819) | | | (1,484,301,750) | | | (1,887,231,569) |
| Total changes from financing cash flows | | (402,929,819) | | | (1,484,301,750) | | | (1,887,231,569) |
| Non-cash changes | | | | | | | | |
| Preference dividend expense | | | | | | | 3,103,535,439 | 3,103,535,439 |
| Unwinding of present value of PPTFC | 626,986,663 | | | | | | | 626,986,663 |
| Conversion of Preference Shares | | | | | | | (2,231,251,190) | (2,231,251,190) |
| Changes in running finances | | | (664,079,713) | 14,042,948 | | | | (650,036,765) |
| Total liability related other changes | 626,986,663 | | (664,079,713) | 14,042,948 | | | 872,284,249 | 849,234,147 |
| Closing as at 31 December 2025 | 4,333,672,972 | 352,912,371 | 637,985,826 | 2,761,645,582 | 206,080 | 18,542,697,500 | 29,601,889,608 | 56,231,009,938 |
| Balance as at 01 January 2024 | 3,170,409,622 | 883,979,829 | 2,529,477,350 | 2,825,973,353 | 1,593,342,690 | 18,542,697,500 | 23,852,887,378 | 53,398,767,722 |
| Cash flows | | | | | | | | |
| Net increase in long term finances | | | | | (108,834,860) | | | (108,834,860) |
| Total changes from financing cash flows | | | | | (108,834,860) | | | (108,834,860) |
| Non-cash changes | | | | | | | | |
| Preference dividend expense | | | | | | | 4,876,717,981 | 4,876,717,981 |
| Unwinding of present value of PPTFC | 536,276,687 | | | | | | | 536,276,687 |
| Changes in running finances | | (128,137,640) | (1,227,411,811) | (78,370,719) | | | | (1,433,920,170) |
| Total liability related other changes | 536,276,687 | (128,137,640) | (1,227,411,811) | (78,370,719) | | | 4,876,717,981 | 3,979,074,498 |
| Closing as at 31 December 2024 | 3,706,686,309 | 755,842,189 | 1,302,065,539 | 2,747,602,634 | 1,484,507,830 | 18,542,697,500 | 28,729,605,359 | 57,269,007,360 |

48 Restriction on title, and assets pledged as Security

Mortgages and charges

| | | |
|--|----------------|----------------|
| Hypothecation of Current Assets | 38,822,196,667 | 40,105,530,000 |
| Mortgage over Fixed Assets | 14,977,610,467 | 29,491,707,539 |
| Hypothecation of Fixed Assets | 8,467,072,250 | 4,367,333,000 |
| Hypothecation of Fixed & Current Asset | 2,134,000,000 | 2,134,000,000 |
| Charge over stocks - (pledge) | 3,455,794,118 | 2,899,794,118 |

49 Segment reporting

49.1 The Company has two reportable segments, as described below, which are the Company's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. Information reported to the Company's chief operating decision maker for the purpose of resource allocation and assessment of segment performance is focused on type of goods supplied. The following summary describes the operations in each of the Company's reportable segments:

Reportable Segments

Urea fertilizer segment
Phosphate fertilizer segment

Operation of reportable segments

production of Urea fertilizer and ammonia from natural gas
production of Phosphate fertilizer from rock phosphate

Information regarding the Company's reportable segments is presented below:

49.2 Segment revenue and results

Following is the information about reportable segments of the Company:

| | Urea | | SSP | | Total | |
|---|----------------|-----------------|---------------|---------------|----------------|-----------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | Rupees | | | | | |
| External revenues | 30,384,521,328 | 27,377,456,828 | 5,495,857,419 | 3,929,316,399 | 35,880,378,746 | 31,306,773,227 |
| Inter-segment revenue | | | | | | |
| Reportable segment revenue | 30,384,521,328 | 27,377,456,828 | 5,495,857,419 | 3,929,316,399 | 35,880,378,746 | 31,306,773,227 |
| reportable segment Profit / (loss) before tax | 1,964,327,450 | (1,894,659,655) | 1,149,019,196 | 811,704,906 | 3,113,346,646 | (1,082,954,749) |

49.3 Other segment information

| | | | | | | |
|---------------------|---------------|---------------|-------------|------------|---------------|---------------|
| Interest revenue | 1,142,556,483 | 1,099,410,057 | - | 2,071,762 | 1,918,203,131 | 1,101,481,819 |
| Interest expense | 4,227,165,514 | 6,924,523,828 | 6,105,979 | 28,278,304 | 4,233,271,493 | 6,952,802,132 |
| Depreciation | 1,844,910,167 | 1,834,951,055 | 87,655,408 | 83,505,622 | 1,932,565,574 | 1,918,456,677 |
| Amortization | 143,915 | 287,844 | - | - | 143,915 | 287,844 |
| Capital expenditure | 220,764,859 | 258,742,300 | 222,649,384 | 32,919,356 | 443,414,243 | 291,661,656 |

49.4 Segment assets and liabilities

| | Urea fertilizer segment | | Phosphate fertilizer segment | | Total | |
|--------------------------------|-------------------------|----------------|------------------------------|----------------|-----------------|----------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | Rupees | | | | | |
| Reportable segment assets | 91,450,547,891 | 73,165,776,855 | 13,067,597,281 | 11,842,238,904 | 104,518,145,172 | 85,008,015,759 |
| Reportable segment liabilities | 75,275,876,059 | 73,940,396,155 | 1,254,769,649 | 1,335,479,904 | 76,530,645,708 | 75,275,876,059 |

49.5 Reconciliations of reportable segment revenues, profit / (loss), assets, liabilities and other material items

| | 2025 | 2024 |
|---|------------------|------------------|
| | Rupees | Rupees |
| 49.5.1 Profit or loss | | |
| Total profit / (loss) for reportable segments | 3,109,311,250 | (1,082,954,749) |
| Unallocated corporate expenses | (214,475,816) | (31,225,857) |
| Consolidated profit / (loss) | 2,894,835,434 | (1,114,180,606) |
| 49.5.2 Assets | | |
| Total assets for reportable segments | 104,518,145,172 | 99,004,067,614 |
| Elimination of inter-segment assets | (11,674,499,019) | (13,996,051,885) |
| Consolidated assets | 92,843,646,153 | 85,008,015,759 |
| 49.5.3 Liabilities | | |
| Total liabilities for reportable segments | 76,530,645,708 | 81,916,956,086 |
| Elimination of inter-segment liabilities | (2,636,461,642) | (6,641,080,027) |
| Consolidated liabilities | 73,894,184,066 | 75,275,876,059 |
| 49.5.4 Other material items | | |
| The inter-segment transactions related to other material items are insignificant. | | |
| 49.5.5 Geographical information | | |
| Sales are made by the Company in Pakistan only. | | |
| The Company manages and operates manufacturing facilities and sales offices in Pakistan only. | | |
| 49.5.6 All non-current assets of the Company as at 31 December 2025 are located in Pakistan. | | |

50 Plant capacity and actual Production

Urea Fertilizer

| | Unit | 2025 | 2024 |
|-----------------------|--------------|---------|---------|
| Rated capacity | Metric tones | 433,125 | 433,125 |
| Actual production | Metric tones | 374,256 | 372,012 |
| Production efficiency | %age | 86% | 86% |

| | Unit | 2025 | 2024 |
|-----------------------------|--------------|---------------|--------|
| Phosphate Fertilizer | | | |
| Rated capacity | Metric tones | 81,000 | 81,000 |
| Actual production | Metric tones | 85,700 | 80,341 |
| Production efficiency | %age | 106% | 99% |

51 Provident Fund Trust

The following information is based on latest audited financial statements of the Provident fund trust.

| | | 2025 | 2024 |
|------------------------------------|------------|--------------------|-------------|
| Size of fund - <i>total assets</i> | Rupees | 369,446,750 | 304,072,035 |
| Cost of investments made | Rupees | 213,573,827 | 192,273,710 |
| Percentage of investments made | Percentage | 58% | 63.23% |
| Fair value of investments | Rupees | 340,118,433 | 301,142,530 |

The breakup of fair value of investments is as follows:

| | 30-Jun-25 | | 30-Jun-24 | |
|----------------------------|--------------------|---------------|-------------|-------------|
| | Rupees | Percentage | Rupees | Percentage |
| Shares of listed companies | 37,631 | 0.01% | 26,047 | 0.01% |
| CDC NBP Funds | 170,104,643 | 50.01% | 143,793,225 | 47.75% |
| Mutual Funds | 5,174,287 | 1.52% | 3,336,902 | 1.11% |
| MCB Funds (AMC) | 109,863,348 | 32.30% | 91,857,841 | 30.50% |
| Saving certificates | 29,555,959 | 8.69% | - | 0.00% |
| Cash at bank | 25,382,565 | 7.46% | 62,128,515 | 20.63% |
| | 340,118,433 | 100% | 301,142,530 | 100% |

The investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

52 Number of employees

The average and total number of employees are as follows:

| | 2025 | 2024 |
|--|------------|-------|
| <i>Total number of employees as at 31 December</i> | | |
| -Head Office | 29 | 25 |
| -Iskanderabad Factory | 696 | 733 |
| -Haripur Factory | 148 | 240 |
| | 873 | 998 |
| <i>Average number of employees during the period</i> | | |
| -Head Office | 29 | 27 |
| -Iskanderabad Factory | 709 | 749 |
| -Haripur Factory | 146 | 244 |
| | 884 | 1,020 |

53 Disclosure requirements for company not engaged in shariah non-permissible business activities as its core business

| | 2025 Rupees | 2024 Rupees |
|---|-----------------------|----------------|
| Revenue earned from shariah compliant business | 35,880,378,746 | 31,306,773,227 |
| Financing obtained as per islamic mode | | |
| Long term financing | 293,069,125 | 510,374,987 |
| Short term financing | 252,263,329 | 441,834,097 |

| | 2025 Rupees | 2024 Rupees |
|---|----------------|----------------|
| Short term shariah compliants investments | | |
| Short term investments | 1,815,114,814 | - |
| Shariah compliant bank deposits and bank balances | 16,095,461 | 20,955,567 |
| Profits earned or interest paid on any conventional loan / advance | | |
| Mark-up on short term borrowings | 203,196,635 | 566,043,744 |
| Profit on islamic mode of financing | 30,761,677 | 87,245,249 |

53.1 Source and detailed breakup of other income, including breakup of other or miscellaneous portions of ther income into shariah-compliant and non-compliant income.

| | 2025 Rupees | 2024 Rupees |
|--|----------------|----------------|
| Shariah Compliant | | |
| Profit on short term investments | 15,278,337 | - |
| Miscellaneous | 7,713,854 | 5,899,878 |
| Sale of scrap | 2,368,771 | 1,613,575 |
| Liabilities written back | 2,148,057,620 | 62,870 |
| Non- Shariah Compliant | | |
| Return on bank deposits | 10,167,112 | 42,975,867 |
| Profit on short term investments | 27,013,747 | 1,056,617,606 |
| Gain on settlement of short term loan and accrued markup thereon | 295,009,231 | 971,700,628 |
| Gain on conversion of preference shares into ordinary shares | 1,971,161,886 | - |
| Markup on advances to employees | 1,163,377 | 2,120,632 |

53.2 Relationship with shariah compliant financial institutions

| | | |
|-----------------------------------|---------------|-----------------|
| Al Baraka Bank (Pakistan) Limited | Bank Balances | Long term loan |
| Bank Islami Pakistan Limited | Bank Balances | Short term loan |
| Dubai Islamic Bank Limited | Bank Balances | Short term loan |
| Bank Makramah Limited | Bank Balances | Short term loan |
| Faysal Bank Limited | Bank Balances | - |

54 Non-adjusting event after the reporting date

No material non-adjusting events have occurred after the reporting date that would affect the financial position of the Company.

55 Date of authorization for issue

These financial statements were authorized for issue on 29 January 2026 by the Board of Directors of the Company.

56 General

56.1 Figures have been rounded off to the nearest rupee.

56.2 Corresponding figures

Corresponding figures have been re-arranged, where necessary, for the purpose of comparison and better presentation. However, no significant reclassification has been made in these financial statements.



Chairman



Chief Executive Officer



Director



Chief Financial Officer

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ANNUAL GENERAL
MEETING

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given to all the members of Agritech Limited (the "Company") that an Annual General Meeting of the Company (the "AGM") is scheduled to be held on Friday, March 13, 2026 at 10:30 a.m. at Park Lane Hotel, 107- B3, M.M. Alam Road, Gulberg III, Lahore, as well as through video link, to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the last Annual General Meeting held on April 28, 2025.
2. To receive, consider and adopt the Financial Statements of the Company for the year ended on December 31, 2025, together with Director's and Auditor's reports thereon and Chairman's Review Report.
3. To appoint auditors of the Company and fix their remuneration. The Audit Committee and the Board of Directors have recommended the re-appointment of M/s. Grant Thornton Anjum Rahman & Co., as auditors of the Company.

By Order of the Board

Dated: February 18, 2026
Place: Lahore

Brig Tamour Daud Khan, SI (M), (Retd)
Company Secretary

NOTES:

1. Share transfer books of the Company will remain closed from March 06, 2026 to March 13, 2026 (both days inclusive). Share transfers received at the address of M/s. Corplink (Private) Limited at Wings Arcade, 1-K, Commercial, Model Town, Lahore at the close of business on March 05, 2026 will be treated in time, for the purpose of entitlements to attend, speak and vote at the AGM.
2. A copy of the annual report of the Company is available on Company's website. Any member interested to receive hard copy of the report is requested to write an email along with complete postal address and folio/CDC account number at corporate@pafl.com.pk

A member entitled to attend and vote at the meeting may appoint any other member as his/her proxy to attend and vote in his/her place. Proxies completed in all respect, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time for holding the meeting. Proxy Forms, in English and Urdu languages, have been dispatched to the members along with the notice of AGM.

3. Members who have not yet submitted photocopies of the Computerized National Identity Card (CNIC) are requested to send the same at the earliest.
4. CDC Account Holders will further have to follow the guidelines as laid down by the Securities and Exchange Commission of Pakistan.

A. For attending the Meeting

- I. In case of individuals, the accounts holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his original CNIC or Passport at the time of attending the Meeting, and
- II. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. Online participation in AGM

- I. Any member interested to join meeting through video link is requested to provide CNIC Number, Folio/CDC Account Number at the following email address corporate@pafl.com.pk. Video link will be shared a day prior to the meeting, and
- II. The members who are registered after the necessary verification shall be provided with a video link by the Company at the same email address that they emailed the Company with. The Login facility will remain open from the start of the meeting till its proceedings are concluded.

C. For Appointing Proxies

- I. In case of individuals, the account holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements. Proxy form is attached herewith and also uploaded on Company's website in Urdu and English languages;
 - II. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form;
 - III. Attested copies of CNIC or the passport of the beneficial owner and the proxy shall be furnished with the proxy form;
 - IV. The proxy shall produce his/her original CNIC or original Passport at the time of meeting, and
 - V. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
5. Members are requested to intimate any change in their registered addresses to the Share Registrar of the Company.
 6. For any query/information, Members may contact the Company at email corporate@pafl.com.pk and/or the Share Registrar of the Company at (+92 42) 35916714, 35916719, 35839182, email shares@corplink.com.pk. Members may also visit website of the Company www.agritech.com.pk for notices/information.
 7. In accordance with the Companies (Distribution of Dividend) Regulation 2017, shareholders are advised to provide International Bank Account Number (IBAN) details, if they have not already done so, to our Share Registrar (if shares are held in physical form) at their above referred office address or to the respective Participants/Broker (if any share are held through CDS Account).
 8. As per Section 72 of the Companies Act, 2017, every existing company shall replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Securities and Exchange Commission of Pakistan, within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e., May 31, 2017. The shareholders holding shares in physical form are requested to please convert their shares into the book entry form. For this purpose, the shareholders may open CDC sub-account with any of the brokers or investor's account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing Regulations of the Pakistan Stock Exchange Limited. It also reduces the risks and costs associated with storing share certificate(s) and replacing lost or stolen certificate(s) as well as fraudulent transfer of shares. For the procedure of conversion of physical shares into book-entry form, you may approach our Share Registrar at the contact information given above.

9. Transmission of annual audited financial statements / annual report and notice of AGM

Members are hereby informed that Securities and Exchange Commission of Pakistan (SECP) vide SRO 389(I)/2023 dated March 21, 2023 has allowed Companies for transmission of the annual balance sheet, profit and loss account, auditor's report and directors' report, etc. (annual audited financial statements or the annual report) to the members/ shareholders through QR-enabled code and web-link, instead of transmitting the same through CD/ DVD/USB, the same was approved in Company's Annual General Meeting held on 28 April, 2023. The Annual Audited Financial Statements/Annual Report and the Notice of Annual General Meeting for the Year Ended December 31, 2025, have been placed on the Company's Website, which can be accessed/downloaded from the following link and QR code.

<https://agritech.com.pk/wp-content/uploads/2026/02/Annual-Report-31-December-2025.pdf>



10. Distribution of Gifts

As per the direction of SECP through its S.R.O. 452(I)/2025 dated 17th March 2025, no gifts will be distributed at the meeting.

Dated: February 18, 2026
Place: Lahore

Brig Tamour Daud Khan, SI (M), (Retd)
Company Secretary

iv. وکیل (پراسیکی) اجلاس کے وقت اپنی شناخت کے لیے اصل CNIC یا اصل پاسپورٹ پیش کرے گا/کرے گی۔

۷. کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی بمعہ نمونہ دستخط (اگر پہلے فراہم نہ کی گئی ہو) وکالت نامہ کے ساتھ کمپنی کو جمع کروانا لازم ہوگا۔
۵۔ اراکین سے گزارش ہے کہ اپنے رجسٹرڈ پتے میں کسی بھی قسم کی تبدیلی سے کمپنی کے شیئر رجسٹرار کو بروقت مطلع کریں۔
۶۔ کسی بھی سوال یا معلومات کے لیے، اراکین کمپنی سے ای میل corporate@pafil.com.pk پر اور/یا کمپنی کے شیئر رجسٹرار سے فون نمبر (+92-42) 35916714، 35839182، 35916719 یا ای میل shares@corplink.com.pk کے ذریعے رابطہ کر سکتے ہیں۔ مزید معلومات اور نوٹس کے لیے اراکین کمپنی کی ویب سائٹ www.agritech.com.pk بھی ملاحظہ کر سکتے ہیں۔

۷۔ کمپنیاں (تقسیم منافع) ٹریگولیشنز، 2017 کے مطابق، شیئر ہولڈرز کو ہدایت کی جاتی ہے کہ اگر انہوں نے پہلے سے فراہم نہیں کیے تو اپنے انٹرنیشنل بینک اکاؤنٹ نمبر (IBAN) کی تفصیلات کمپنی کے شیئر رجسٹرار کو فراہم کریں (اگر حصص فزیکل فارم میں ہوں) بذریعہ بالا مذکورہ دفتر کے پتے پر، یا متعلقہ پارٹنیشنس/بروکرفراہم کریں (اگر حصص ICDS اکاؤنٹ کے ذریعے رکھے گئے ہوں)۔

۸۔ کمپنیز ایکٹ، 2017 کی دفعہ 72 کے مطابق، ہر موجودہ کمپنی پابند ہے کہ وہ اپنے فزیکل حصص کو بک انٹری (سکرپ لیس) فارم میں تبدیل کرے، اس طریقہ کار اور تاریخ کے مطابق جو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے مقرر کی جائے، اور یہ عمل کمپنیز ایکٹ، 2017 کے نفاذ کی تاریخ یعنی 31 مئی 2017ء سے زیادہ سے زیادہ چار سال کے اندر مکمل کیا جائے۔

وہ شیئر ہولڈرز جو اب بھی اپنے حصص فزیکل فارم میں رکھتے ہیں، ان سے درخواست ہے کہ اپنے حصص کو بک انٹری فارم میں تبدیل کروائیں۔ اس مقصد کے لیے شیئر ڈز کسی بھی بروکر کے ساتھ سی ڈی سی سب اکاؤنٹ کھول سکتے ہیں یا براہ راست سی ڈی سی کے ساتھ انویسٹر اکاؤنٹ کھول کر اپنے فزیکل حصص کو سکرپ لیس فارم میں منتقل کر سکتے ہیں۔ یہ عمل متعدد حوالوں سے سہولت فراہم کرتا ہے، جن میں حصص کی محفوظ تحویل اور ضرورت کے مطابق فروخت کی سہولت شامل ہے، کیونکہ پاکستان اسٹاک ایکسچینج لمیٹڈ کے موجودہ ریگولیشنز کے تحت فزیکل حصص کی ٹریڈنگ کی اجازت نہیں ہے۔ اس کے علاوہ، شیئر سرٹیفکیٹس کے ضائع یا چوری ہونے، ان کی تبدیلی، اور دھوکہ دہی پر مبنی ٹرانسفر کے خطرات اور اخراجات میں بھی نمایاں کمی آتی ہے۔ فزیکل حصص کو بک انٹری فارم میں تبدیل کرنے کے طریقہ کار کے لیے، اراکین بالا الذکر رابطہ تفصیلات پر کمپنی کے شیئر رجسٹرار سے رجوع کر سکتے ہیں۔

۹۔ سالانہ آڈٹ شدہ مالی بیانات/سالانہ رپورٹ اور سالانہ عمومی اجلاس نوٹس کی تریبل اراکین کو مطلع کیا جاتا ہے کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے اپنے ایس آر او 389(I)/2023 مؤرخہ 21 مارچ 2023ء کے ذریعے کمپنیوں کو اجازت دی ہے کہ وہ سالانہ بیٹلس شیٹ، منافع و نقصان کا حساب، آڈیٹرز کی رپورٹ، ڈائریکٹرز کی رپورٹ وغیرہ (یعنی سالانہ آڈٹ شدہ مالی بیانات/سالانہ رپورٹ) اراکین/شیئر ہولڈرز کو CD/DVD/USB کے ذریعے ارسال کرنے کے بجائے QR کوڈ اور ویب لنک کے ذریعے فراہم کریں۔ مذکورہ طریقہ کار کی منظوری کمپنی کے سالانہ عمومی اجلاس منعقدہ 28 اپریل 2023ء میں دی جا چکی ہے۔

31 دسمبر 2025ء کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالی بیانات/سالانہ رپورٹ اور سالانہ عمومی اجلاس کا نوٹس کمپنی کی ویب سائٹ پر دستیاب ہیں، جن تک درج ذیل ویب لنک اور QR کوڈ کے ذریعے رسائی حاصل کی جا سکتی ہے اور انہیں ڈاؤن لوڈ بھی کیا جا سکتا ہے۔

<https://agritech.com.pk/wp-content/uploads/2026/02/Annual-Report-31-December-2025.pdf>



۱۰۔ تخائف کی تقسیم

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جانب سے جاری کردہ ایس آر او 452(I)/2025 مؤرخہ 17 مارچ 2025ء کی ہدایات کے مطابق، اجلاس کے دوران کسی قسم کے تخائف تقسیم نہیں کیے جائیں گے۔

برگیڈیئر تیمور داؤد خان، ستارہ امتیاز (ملٹری) (ر)
کمپنی سیکرٹری

تاریخ: 18 فروری 2026ء
مقام: لاہور

اطلاع برائے سالانہ اجلاس عام

اس ذریعے سے ایگری ٹیک لمیٹڈ ("کمپنی") کے تمام اراکین کو مطلع کیا جاتا ہے کہ کمپنی کا سالانہ عمومی اجلاس ("AGM") بروز جمعہ، 13 مارچ 2026 صبح 10:30 بجے پارک لین ہوٹل، 107-B3، ایم ایم عالم روڈ، گلبرگ III، لاہور میں منعقد ہوگا، نیز ویڈیولنک کے ذریعے بھی شرکت کی سہولت فراہم کی جائے گی، تاکہ درج ذیل امور کو پایہ تکمیل تک پہنچایا جاسکے:

معمول کاروبار

- 1- 28 اپریل 2025ء کو منعقدہ گزشتہ سالانہ عمومی اجلاس کے منٹس کی توثیق کرنا۔
- 2- 31 دسمبر 2025ء کو ختم ہونے والے سال کے لیے کمپنی کے مالی بیانات، بشمول ڈائریکٹرز کی رپورٹ، آڈیٹرز کی رپورٹ اور چیئرمین کا جائزہ رپورٹ، وصول کرنا، ان پر غور کرنا اور منظوری دینا۔
- 3- کمپنی کے آڈیٹرز کا تقرر کرنا اور ان کی فیس/ معاوضہ مقرر کرنا۔ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے میسرز گرانٹ تھارنٹن انجمن رحمان اینڈ کمپنی کو کمپنی کے آڈیٹرز کے طور پر دوبارہ مقرر کرنے کی سفارش کی ہے۔

بورڈ کے حکم سے

برگیڈیئر تینو رداؤد خان، ستارہ امتیاز (ملٹری) (ر)
کمپنی سیکریٹری

تاریخ: 18 فروری 2026ء

مقام: لاہور

نوٹس

- 1- کمپنی کی شیئر ٹرانسفر بکس 06 مارچ 2026ء سے 13 مارچ 2026ء تک (دونوں ایام شامل) بند رہیں گی۔ میسرز کورپوریشن (پرائیویٹ) لمیٹڈ، ونگز آرکیڈ، K-1، کمرشل، ماڈل ٹاؤن، لاہور کے پتہ پر 05 مارچ 2026ء کو کاروباری اوقات کے اختتام تک موصول ہونے والی شیئر ٹرانسفر درخواستیں، سالانہ عمومی اجلاس میں شرکت، اظہار خیال اور ووٹ ڈالنے کے حق کے لیے بروقت تصوری جائیں گی۔
- 2- کمپنی کی سالانہ رپورٹ کمپنی کی ویب سائٹ پر دستیاب ہے۔ وہ اراکین جو رپورٹ کی ہارڈ کاپی حاصل کرنا چاہتے ہوں، ان سے گزارش ہے کہ اپنا مکمل ڈاک کا پتہ اور فونو نمبر/سی ڈی سی اکاؤنٹ نمبر کے ہمراہ درج ذیل ای میل پتے پر درخواست ارسال کریں: corporate@paf1.com.pk ہر وہ رکن جو اجلاس میں شرکت اور ووٹ ڈالنے کا اہل ہو، وہ کسی دوسرے رکن کو اپنا وکیل (پراسی) مقرر کر سکتا/سکتی ہے تاکہ وہ اس کی جانب سے اجلاس میں شرکت اور ووٹنگ کر سکے۔ وکالت نامہ تمام پہلوؤں سے مکمل ہو کر، مؤثر ہونے کے لیے، اجلاس کے انعقاد کے مقررہ وقت سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں موصول ہونا ضروری ہے۔ وکالت نامہ (انگریزی اور اردو دونوں زبانوں میں) AGM کے نوٹس کے ہمراہ اراکین کو ارسال کر دیا گیا ہے۔
- 3- وہ اراکین جنہوں نے ابھی تک اپنے کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی فوٹو کاپی جمع نہیں کروائی، ان سے گزارش ہے کہ جلد از جلد یہ دستاویز ارسال کریں۔
- 4- سی ڈی سی اکاؤنٹ ہولڈرز کو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے جاری کردہ ہدایات پر بھی عمل کرنا ہوگا:

(الف) اجلاس میں شرکت کے لیے

- i. انفرادی اراکین کی صورت میں، اکاؤنٹ ہولڈر اور/یا سب اکاؤنٹ ہولڈر، جن کی رجسٹریشن تفصیلات سی ڈی سی ریگولیشنز کے مطابق اپ لوڈ ہوں، اجلاس میں شرکت کے وقت اپنی شناخت کے لیے اصل CNIC یا سپورٹ پیش کریں گے۔
- ii. کارپوریٹ ادارے کی صورت میں، نامزد نمائندے کے نمونہ دستخطوں کے ساتھ بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی اجلاس کے وقت پیش کی جائے گی (اگر پہلے فراہم نہ کی گئی ہو)۔

(ب) AGM میں آن لائن شرکت

- i. وہ اراکین جو ویڈیولنک کے ذریعے اجلاس میں شرکت کے خواہشمند ہوں، وہ اپنا CNIC نمبر اور فونو نمبر/سی ڈی سی اکاؤنٹ نمبر درج ذیل ای میل پتے پر ارسال کریں:
corporate@paf1.com.pk سے ایک دن قبل فراہم کر دیا جائے گا۔
- ii. ضروری تصدیق کے بعد رجسٹرڈ اراکین کو کمپنی کی جانب سے ای میل پتے پر ویڈیولنک فراہم کیا جائے گا جس ای میل کے ذریعے انہوں نے کمپنی سے رابطہ کیا ہوگا۔ لاگ ان کی سہولت اجلاس کے آغاز سے اس کی کارروائی کے اختتام تک دستیاب رہے گی۔
- (ج) وکالت نامہ (پراسی) مقرر کرنے کے لیے
- i. انفرادی اراکین کی صورت میں، اکاؤنٹ ہولڈر اور/یا سب اکاؤنٹ ہولڈر، جن کی رجسٹریشن تفصیلات سی ڈی سی ریگولیشنز کے مطابق اپ لوڈ ہوں، بالذکر تقاضوں کے مطابق وکالت نامہ (پراسی فارم) جمع کروائیں گے۔ وکالت نامہ اس نوٹس کے ساتھ منسلک ہے اور کمپنی کی ویب سائٹ پر اردو اور انگریزی دونوں زبانوں میں بھی دستیاب ہے۔
- ii. وکالت نامہ پر دو گواہوں کے دستخط ہونا لازم ہیں، جن کے نام، پتے اور CNIC نمبر وکالت نامہ میں واضح طور پر درج ہوں گے۔
- iii. اصل فائدہ مند مالک (Beneficial Owner) اور وکیل (پراسی) کے CNIC یا سپورٹ کی تصدیق شدہ نقول وکالت نامہ کے ساتھ منسلک کی جائیں گی۔

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Form of Proxy

Agritech Limited



I _____ s/o _____ r/o _____
_____ being a member of
Agritech Limited (the Company), hereby appoint _____ s/o _____
_____ r/o _____ as my proxy to attend
and vote on my behalf at the Annual General Meeting of the company to be held on the March 13, 2026 and at any
adjournment thereof.

In witness whereof on this _____ day of _____ March 2026.

WITNESSES:

1. Signature _____

Name _____

Address _____

CNIC: _____

Affix Revenue
Stamp

2. Signature _____

Name _____

Address _____

CNIC: _____

Member's Signature

NOTE:

1. The Form of Proxy should be deposited at the Registered Office of the Agritech Limited situated at 4th Floor, Askari Corporate Tower, Block D-75, 76 Main Boulevard, Gulberg-II, Lahore not later than 48 hours before the time for holding the meeting.
2. CDC Shareholders, entitled to attend and vote at this meeting, must bring with them their national Identity Cards/Passport in original to provide his/her identity, and in case of Proxy, must enclosed an attested copy of his/her CNIC or Passport. Representatives of corporate members should bring the usual documents for such purposes





ایگری ٹیک لمیٹڈ پراکسی فارم

ہم _____ فرزند _____ رہائشی _____
اس کے ذریعے تقرری _____
ایگری ٹیک لمیٹڈ (کمپنی) کارکن ہونے کے ناطے، _____ فرزند _____
_____ رہائشی _____ میرا نمائندہ بن کر شرکت کریں
اور میری طرف سے 13 مارچ 2026 کو منعقد ہونے والی کمپنی کی سالانہ جنرل میٹنگ اور اس کے کسی بھی التوا میں ووٹ دیں۔

آج بروز _____ تاریخ _____ مارچ 2026ء میرے اہارے دستخط اور گواہوں کی تصدیق کے ساتھ جاری ہوا۔

گواہان:

1. دستخط: _____

نام: _____

پتہ: _____

رہائشی یہاں چسپاں کریں

کمپیوٹرائزڈ شناختی کارڈ: _____

2. دستخط: _____

نام: _____

پتہ: _____

ممبر کے دستخط

کمپیوٹرائزڈ شناختی کارڈ: _____

نوٹ:

- 1- پراکسی فارم ایگری ٹیک لمیٹڈ کے رجسٹرڈ آفس میں جو چوتھی منزل، عسکری کارپوریٹ ٹاور، بلاک D-75، 76 مین بلیوارڈ، گلبرگ-II، لاہور میں میٹنگ کے انعقاد کے وقت سے 48 گھنٹے پہلے جمع کرایا جائے۔
- 2- اس میٹنگ میں شرکت کرنے اور ووٹ دینے کے حقدار CDC کے شیئرز ہولڈرز کو اپنی شناخت فراہم کرنے کے لیے اپنے ساتھ اصل میں اپنا قومی شناختی کارڈ/ پاسپورٹ لانا چاہیے، اور پراکسی کی صورت میں، اپنے CNIC یا پاسپورٹ کی ایک تصدیق شدہ کاپی منسلک کرنا چاہیے۔ کارپوریٹ ممبران کے نمائندوں کو اس طرح کے مقاصد کے لیے معمول کے دستاویزات ساتھ لانا چاہیے۔





AGRITECH LIMITED

Head Office: Askari Corporate Tower, 4th Floor,
75-76 Block D-1, Main Boulevard, Gulberg-III, Lahore.
Ph: +92 (0) 42 3640 1000-3, Fax: +92 (0) 42 3640 7691

agritech.com.pk