MILLAT TRACTORS LIMITED



Charting a Path to Sustainable Growth

Annual Report
2026

Key Figures 2026

Dividend Per Share	Net Profit After Tax	Tractors Sold	Earning Per Share	Net Revenue
Rs. **21.00**	Rs. **7,841** Million	**18,883** Units	Rs. **19.65**	Rs. **63,755** Million

Chronicles

1965
Assembly of tractors from SKD

1972
Nationalization

1973
Licensing and transfer of Technology Agreement with MF, UK

1973
Licensing and transfer of Technology Agreement with MF, UK

1982
Inauguration of Engine Assembly Plant (Perkins Engines)

1984
Inauguration of Machining Plant

1990
Perkins distributor Agreement

1992
- Privatization through Employee Buyout
- Inauguration of New Tractor Assembly Plant (MF Design)

1993
Bolan Castings Ltd Buyout

1994
- Mass Production of Generating Sets
- Millat Equipment Ltd established

1998
ISO 9002 Certification Achieved

2000
Licensing Agreement – Heli Forklift Trucks (China)

2002
- Quality Management System Upgraded to ISO 9001:2000
- Millat Industrial Products Ltd established

2011
Record tractor production of 42,188 and sale of 42,011 units

2012
TIPEG Inter-trade DMCC, UAE established

2015
Export Agreement with AGCO

2017
- Business Partnership Agreement with IFS
- Development of Emission Compliant Euro II Engines

2018
- Diversification by investment in Hyundai Nishat Motors (Pvt.) Limited
- Highest ever sales of 42,708 and production of 42,507 units achieved

2019
- Operations started by IFS segment
- 4WD Models of MF-360 and MF-375 launched for exports

2020
Export of over 1,000 tractor units

2021
Export of over 2,000 tractor units

2022
998 kw of solar plant with net-metering completed for green energy and environment initiative

2023
Incorporation of MRO Multan

2024
Export of over 2,500 Tractors

2025
Merger of Millat Equipment Limited with and into Millat Tractors Limited

2026
Inauguration of Filter Manufacturing Plant and sale of Combine Harvester.

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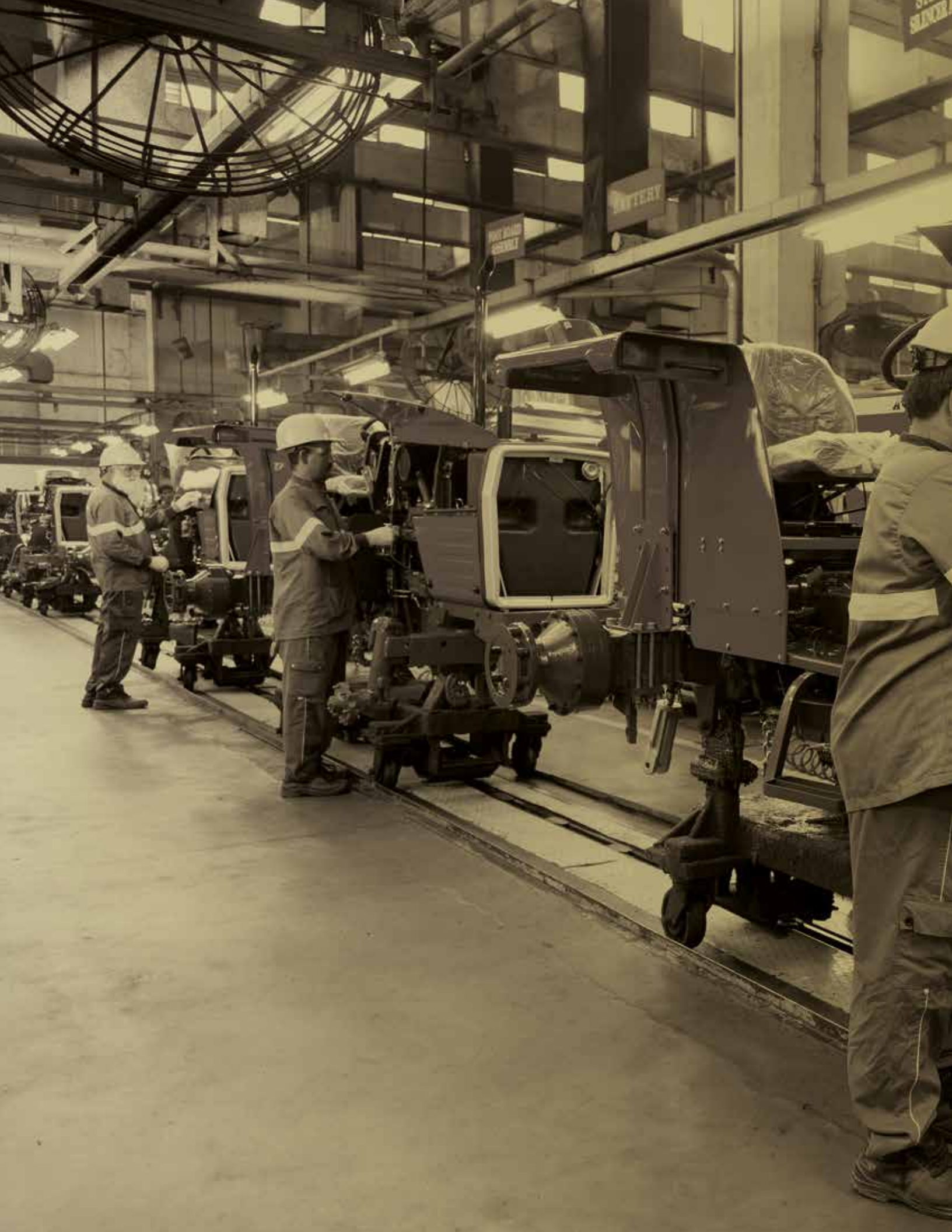
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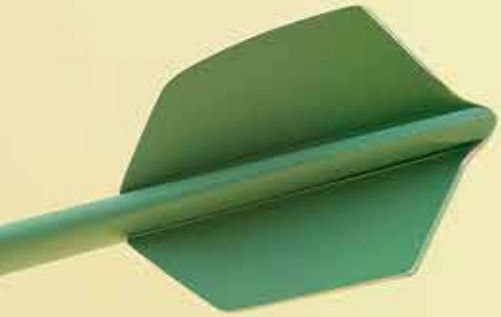
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BATTERY



01
Company Overview





Vision and Mission Statement

Vision

"Millat to be a global group of companies, recognized for a range of quality products with innovative design capabilities."

Mission

"To be market leader in agricultural tractors and machinery, building Company's image through innovation and competitiveness, grow by investing into group companies, ensuring satisfaction to customers and stakeholders and to fulfill social obligations."

Company Overview

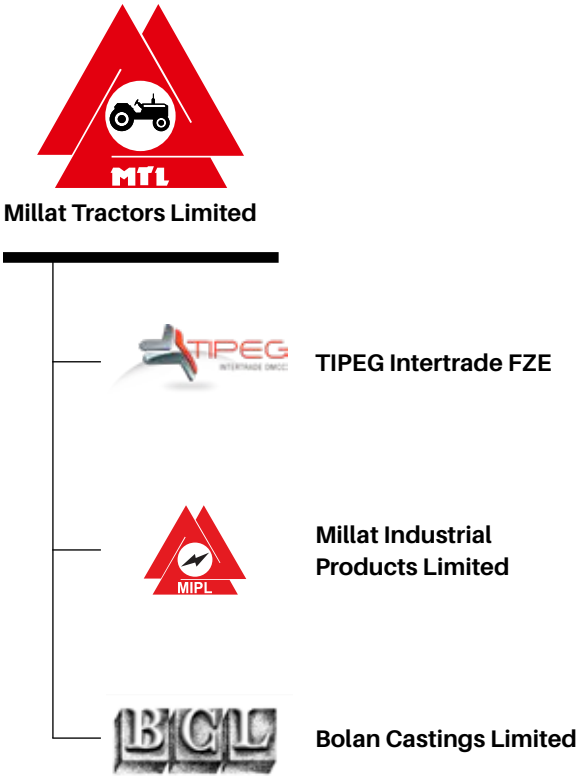
Millat Tractors Limited (MTL), an ISO 9001:2008 certified company, is Pakistan's leading engineering concern in the automobile sector, engaged in the manufacturing and marketing of the world-renowned Massey Ferguson (MF) tractors, under licensing agreement with M/s AGCO Inc., USA; Heli forklift trucks under license from Anhui Forklift Trucks, China; diesel engines; diesel generating sets and a range of allied agricultural and industrial implements.

MTL has played a pivotal role in transfer of technology and transformation of fledgling local light engineering sector into a robust, vibrant, quality conscious auto vending industry. The Company is regarded as a pioneer in setting up country's automotive vendor base. Today, a local content of more than 90% has been achieved in Massey Ferguson tractors. The company offers twelve tractor models in the range of 50 HP - 100 HP, diesel generator sets of capacities ranging from 12.5kVA to 300 kVA, and a 3 ton forklift truck, agriculture implements and genuine spare parts.

The Company is a partner agent of IFS applications in Pakistan. Accordingly, the Company is engaged in the sale, implementation and support of IFS applications in Pakistan and abroad.



Group Structure



TIPEG Intertrade FZE

TIPEG Intertrade FZE, a limited liability company registered with Dubai Multi Commodities Centre (FZE) Authority, is a subsidiary of Millat Tractors Limited, which holds 75% of the company's equity. The principal place of business of the company is located at Jumeirah Lake Towers, Dubai-UAE. The company is formed for trading of machinery and heavy equipment and registered office of the company is situated at Unit No.705, Fortune Executive Tower, Jumeirah Lake Towers, Dubai, United Arab Emirates.

Millat Industrial Products Limited

Millat Industrial Products Limited, an unlisted public company registered under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017), is a subsidiary of Millat Tractors Limited, which holds 64.09% of the company's equity. The company is engaged in the business of manufacturing of industrial, domestic and vehicular batteries, cells and components. The geographical location and address of the Company's business units, including mills/plant is as under:

- The registered office of the company is situated at 9 KM, Lahore - Sheikhupura Road, Shahdara, Lahore.
- The manufacturing facility of the company is located at 49 KM, off Multan Road, Bhai Pheru, District Kasur.

Bolan Castings Limited

Bolan Castings Limited, a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017), and listed on the Pakistan Stock Exchange, is a subsidiary of Millat Tractors Limited, which holds 46.26% of the company's equity. The company is engaged in the business of manufacturing of castings for tractors and automotive parts thereof. The geographical location and address of the Company's business unit, including plant, is RCD Highway, Hub Chowki, District Lasbela, Balochistan, Pakistan.

Financial Highlights

Revenue from contracts with customers

2025	Rs. in Million
52,109	63,755

Profit After Tax

2025	Rs. in Million
6,373	7,841

No. of Outstanding Shares

2025	(000's)
199,516	399,032

Earning per Share

2025	Rs.
15.97	19.65

Dividend

2025	Rs. / Share
60.00	21.00

Dividend payout ratio

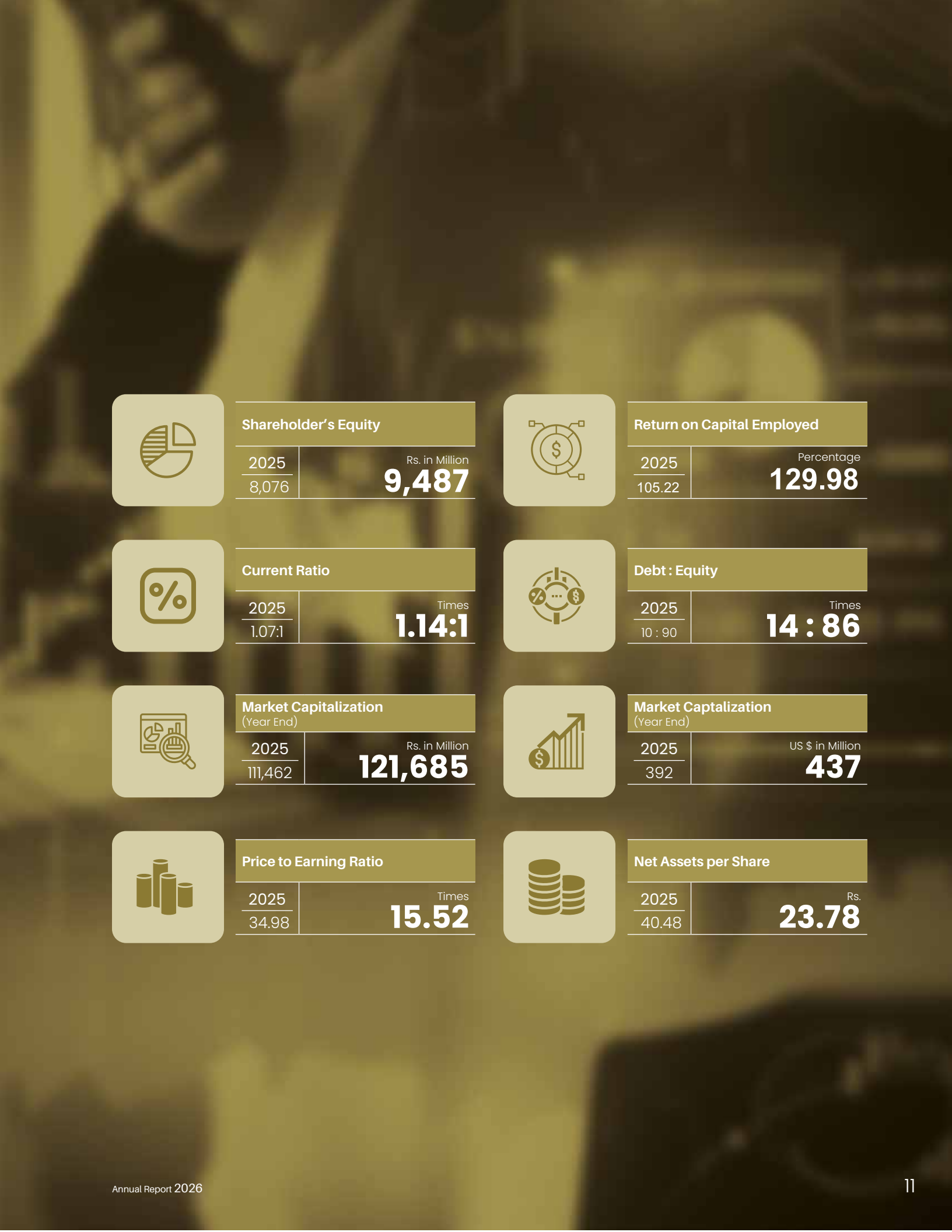
2025	Percentage
187.84	106.87

Long Term Investments

2025	Rs. in Million
6,007	6,489

Total Current Assets

2025	Rs. in Million
24,974	22,873



Shareholder's Equity

2025	Rs. in Million
8,076	**9,487**

Return on Capital Employed

2025	Percentage
105.22	**129.98**

Current Ratio

2025	Times
1.07:1	**1.14:1**

Debt : Equity

2025	Times
10 : 90	**14 : 86**

Market Capitalization
(Year End)

2025	Rs. in Million
111,462	**121,685**

Market Captalization
(Year End)

2025	US $ in Million
392	**437**

Price to Earning Ratio

2025	Times
34.98	**15.52**

Net Assets per Share

2025	Rs.
40.48	**23.78**

Corporate Information

Board of Directors

Chairman

Mr. Sikandar Mustafa Khan

Chief Executive

Mr. Raheel Asghar

Directors

Mr. Sohail Bashir Rana
Mr. Laeeq Uddin Ansari
Mr. Qaiser Saleem
Mr. Saad Iqbal
Mr. Muhammad Mustafa Khan
Mr. Muhammad Mustafa Sohail
Mr. Murad Naseer uddin Ansari
Mr. Nasar Us Samad Qureshi
Mr. Muhammad Javed Rashid
Mr. Manzoor Ahmed
Mrs. Zara Salman Bandial

Company Secretary

Mr. Mudassar Siddique

Chief Financial Officer

Mr. Sohail A. Nisar

Auditors

M/s. A.F. Ferguson & Co.
Chartered Accountants

Legal Advisors

RIAA Barker Gillette
Akhtar Ali & Associates
Ch. Law Associates Inn

Company Share Registrar

Karachi

CDC Share Registrar Services Limited.
CDC House, 99 - B, Block 'B',
S.M.C.H.S., Main Shahra-e-Faisal,
Karachi-74400.
Tel: Customer Support Services (Toll Free)
0800-CDCPL (23275)
Fax: (92-21) 34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

Lahore

Mezzanine Floor, South Tower, LSE Plaza,
Khayaban-E-Aiwan-E-Iqbal,
Lahore.
Tel: (92-42)- 36362061-66

Islamabad

Room # 410,
4th Floor, ISE Towers, 55-B, Jinnah Avenue,
Blue Area,
Islamabad.
Tel. (92-51) 2895456-9

Bankers

Bank Alfalah Limited
Habib Bank Limited
MCB Bank Limited
Bank of Punjab Limited
Allied Bank Limited
Meezan Bank Limited

Registered Office and Plant

9 - km Sheikhupura Road, Distt. Sheikhupura,
Tel: 042-37911021-25
UAN: 111-200-786
Fax: 042-37924166, 37925835
Website: www.millat.com.pk
E-mail: info@millat.com.pk

Millat Precision Engineering

10 - km Raiwind Road, Lahore.

Regional Offices

Karachi

3-A, Faiyaz Centre, Sindhi Muslim
Co-operative Housing Society, Karachi.
Tel: 021-34553752
UAN: 111-200-786
Fax: 021-34556321

Islamabad

H. No. 22, St. No. 41, Sector F-6/1,
Islamabad.
Tel: 051-2271470
UAN: 111-200-786
Fax: 051-2270693

Multan Cantt.

Garden Town, (Daulatabad), Shershah Road,
Multan Cantt.
Tel: 061-6537371
Fax: 061-6539271

Sukkur

House No B/106, Akuwat Nagar Society,
Near Gol Masjid, Airport Road, Sukkur.
Tel: 071-5815041
Fax: 071-5815042

Code of Conduct

The Company's Code of Conduct conforms to the Millat Group's Vision and the Company's Mission Statement.

The Code of Conduct defines the expected behaviors for all employees of Millat Tractors Limited (MTL). MTL will conduct its business fairly, impartially, in an ethical and proper manner, in full compliance with all applicable laws and regulations, and consistent with the values of the Company, Integrity must be ensured in all Company business relationships, including those with customers, suppliers, shareholders, other communities and among employees. The highest standards of ethical business conduct are required of employees in the performance of their responsibilities. Employees will not engage in any conduct or activity that may raise doubts to the honesty, impartiality and reputation of the organization or result in embarrassment to the Company.

The code is applicable to every director, senior management and employees of the Company and each one shall ensure that he/she:

- Shall not engage in any activity, either directly or indirectly, with a customer, vendor, supplier or any third party, which are inconsistent with, or contrary to, the business activities of the Company. Conflict of interest shall be disclosed where it exists and guidance sought.
- Shall not take advantage of his/her position for personal gain through the inappropriate use of Company name or non-public information or abuse his/her position.
- Shall refrain from insider trading and shall not use any material information pertaining to the Company, before it is made public, for financial or other personal benefit and also shall not provide such information to others.
- Shall follow all restrictions on use and disclosure of information. This includes protecting Company's information and ensuring that non-company proprietary information is used and disclosed only as authorized by the owner of the information or as otherwise permitted by law and abide by the employee non-disclosure and confidentiality undertaking already signed by him/her.
- Shall observe fair dealing in all of his/her transactions and interactions.
- Shall protect all assets of the Company and use them only for appropriate Company-approved activities.
- Without exception, shall comply with all statutory applicable laws, regulations, company policies and rules etc.

Conflict of Interest Policy

The Board of Directors has an approved conflict of interest policy. The policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between Millat Tractors Limited and any of its related parties in compliance with applicable laws and regulations as may be amended from time to time.

This policy applies to transactions between the Company and one or more of its related parties. It provides a framework for governance and reporting of related party transactions, including material transactions.

Core Values

Our customers are our first priority.

Profitability for the prosperity of our stakeholders that allows us to constantly invest, improve and succeed.

Corporate social responsibilities to enrich the lives of community where we operate.

Recognition and reward for the talented and high performing employees.

Excellence in everything we do.

Integrity in all our dealings.

Respect for our customers and each other.



Environment, Health and Safety Policy

At Millat Tractors Limited, we recognize that excellence in Health, Safety, and Environment (HSE) is fundamental to our long-term success and sustainability. As a responsible corporate entity, we are committed to embedding HSE best practices across all our operations from manufacturing to supply chain and beyond.

Our Vision

To create a zero-harm workplace and contribute to a sustainable environment while delivering world-class agricultural machinery.

Our Commitments

- ### Safe Work Environment

  We are dedicated to providing a safe, secure, and healthy work environment for all employees, contractors, and visitors. We promote a safety-first culture, ensuring that each individual is empowered and equipped to identify risks and act responsibly.

- ### Environmental Responsibility

  Millat Tractors strives to reduce its environmental footprint by minimizing emissions, optimizing energy use, managing waste responsibly, and conserving resources. We pursue continuous improvement in environmental performance through innovation and operational discipline.

- ### Compliance & Governance

  We strictly adhere to all applicable HSE regulations, standards, and legal requirements. Our internal governance frameworks ensure accountability, periodic audits, and transparent reporting on HSE performance.

- ### Employee Engagement & Training

  We invest in ongoing HSE training and awareness programs, fostering a culture where safety and environmental stewardship are core values shared by all.

- ### Continuous Improvement

  We actively measure, review, and improve our HSE management systems. By setting clear objectives and learning from every incident, we strive for excellence in every aspect of HSE.

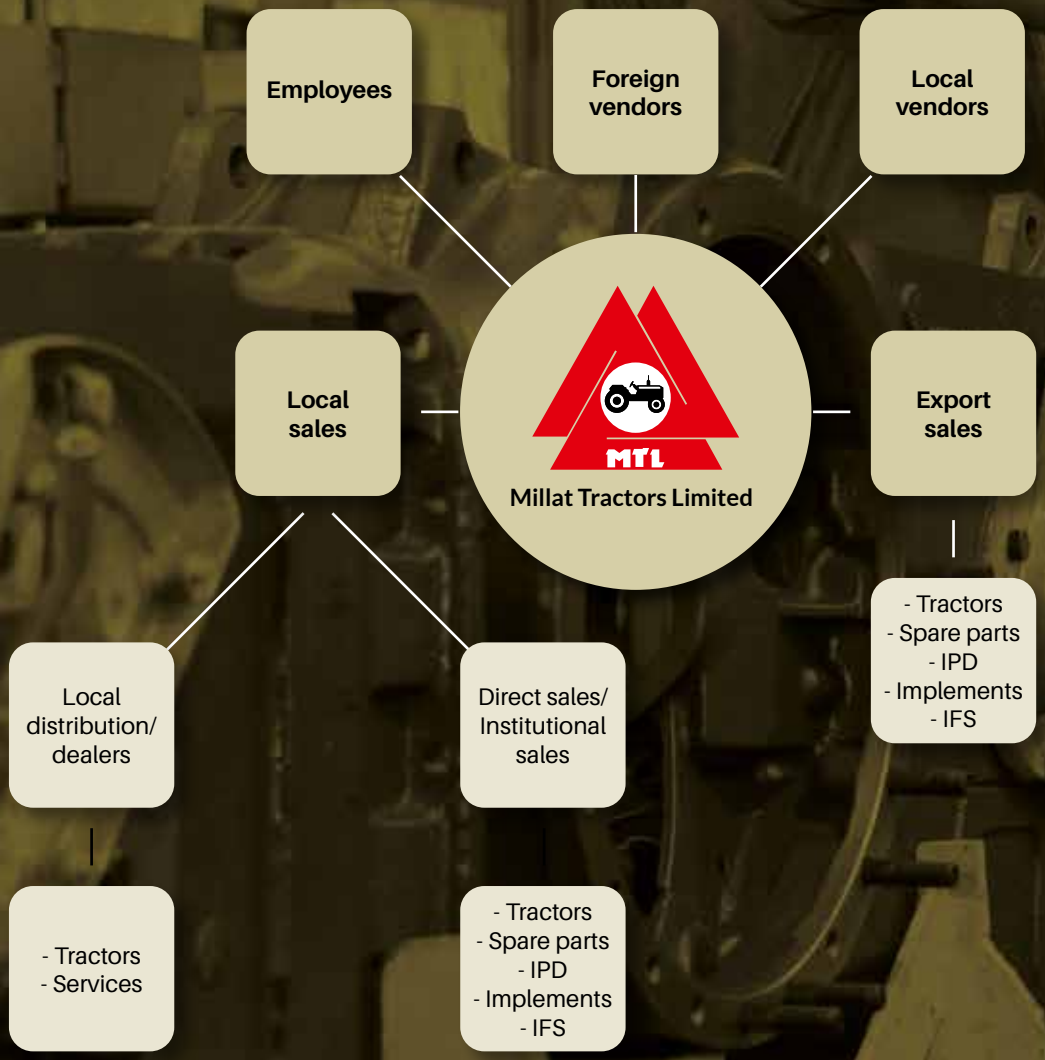
Our Goal

Zero incidents. Zero harm. Sustainable operations.



Position of the organization within the value chain

Millat Tractors Limited is an assembler of agricultural tractors, implements, forklifts, generators and multi-application products. The raw material is procured from local and international vendors and the company employs around 454 permanent personnel.





Once the raw material is procured, value addition and assembly is done in-house to deliver the best tractors to the customers. Therefore, pre-delivery inspection and continuous after-sales services are an integral part of our operations.

Value addition and assembly

Pre-delivery inspection

Handing over to dealers

After-sales services

PESTLE Analysis



Political

Description	Change during the year 2025-26	Response
Political situation and its stability affect other factors which in turn affect your company	The country is in a relatively stable political environment. Accordingly, the Government has started few long-term planning and strategic innovations.	Periodic review of the situation to assess the impact, if any, and adjusting the business policies to address these risks.



Economic

Description	Change during the year 2025-26	Response
Inflation, currency devaluation, economic growth and economic stability directly affect purchasing power of customers which can impact supply / demand factors	Inflation on average remained at 7.05 percent during the year as compared to 4.49 percent during the last year. Pak Rupee (PKR) appreciated by 2 percent (approx.) due to economic stability but still measures are being taken by the State Bank of Pakistan to further stabilize (PKR). Appreciation of Pak Rupee is also depicted through the gross domestic product of the country that showed a growth rate of 3.7 percent.	Worked on increasing the share in global market, due to slow down of national economy, and managed to enhance the exports manifold.



Social

Description	Change during the year 2025-26	Response
A change in brand perception, loyalty or how a customer sees a certain product can greatly affect performance of a company	Emphasis on quality and greater value for money.	Free service campaigns and emphasis on "Right-First-Time" analogy to deliver quality products.

T
Technological

Description	Change during the year 2025-26	Response
Rapid change in technological landscape requires constant upkeep, otherwise product(s) may become obsolete or outdated	No significant change, as farmers are usually content with proven technology and value proposition by local tractor manufacturers. However, with an aim to obtain a share in global market, the company needs to innovate and move towards environment friendly and sustainable products.	Continuous research and development coupled with launch of new products, and constant improvements in assembly of products for the global market.

L
Legal

Description	Change during the year 2025-26	Response
Tax and regulatory measures can have a significant impact on how a company operates and presents its financial and legal information	Significant updates in tax and regulatory environment, such as: -Taxation laws; -Labour related laws; -SBP regulations; and -Environmental laws.	Continuous review of compliance with legal, regulatory and reporting requirements.

E
Ecological

Description	Change during the year 2025-26	Response
Global warming, availability of water and shift in seasons are impacting agriculture significantly, which can have a significant impact on the company's performance	During the year, agriculture sector performance was not as per last year. The sector grew by 2.89% against last year's growth of 0.56%.	Focus on sustainable and eco-friendly measures to protect the environment.

SWOT Analysis

Strengths

- Market leader
- Comprehensive 3S and 2S dealer network throughout the country
- Partnership with AGCO for technology and expertise sharing
- A vast vendor-ship network for procurement of supplies
- Strong technical knowledge of the product due to technology transfer



Weaknesses

- Limited diversification
- Quality and reliability of the supply chain
- Limited market – Only local and limited exports



Opportunities

- Expanding export market by increasing presence in Africa and Middle East
- After sales market share by expanding spare parts sales
- Farm mechanization

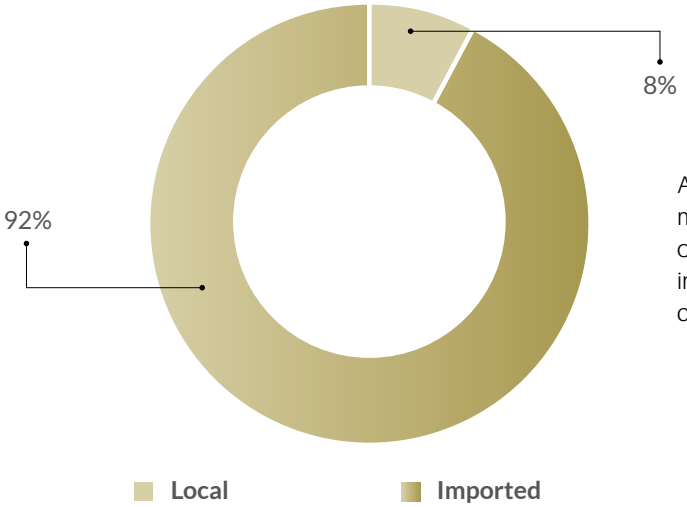


Threats

- Global warming
- Inflation and currency devaluation
- Inconsistent taxation policies
- New entrants in the sector

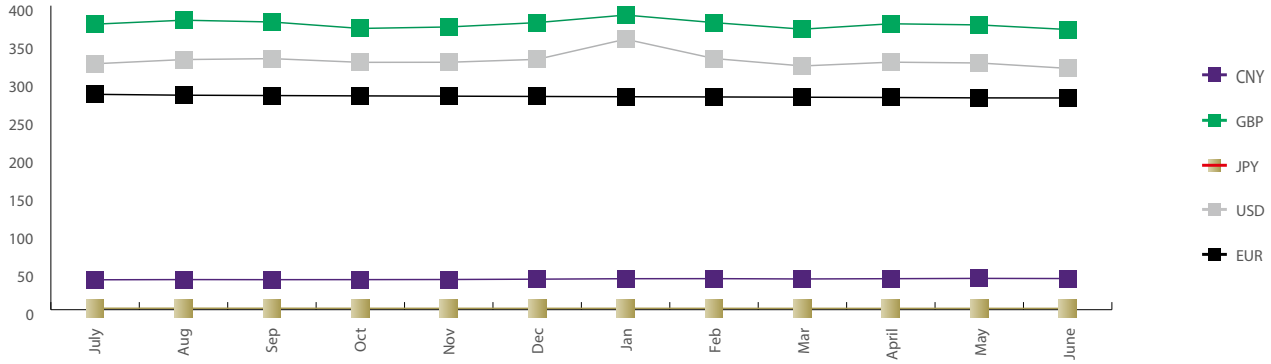


Composition of Local versus Imported Material and Sensitivity Analysis



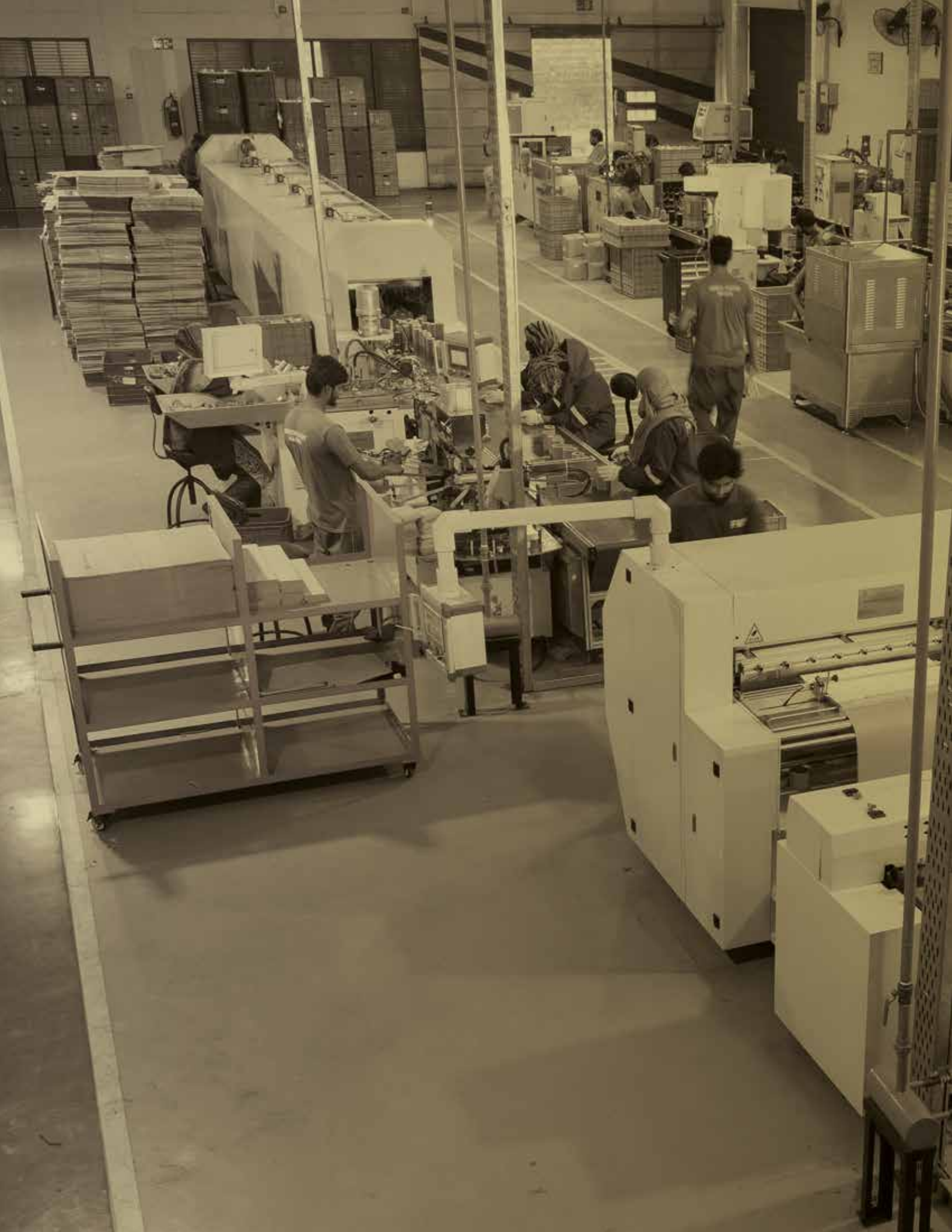
Average composition of raw material for products manufactured by the company is as above. However, most of the base raw materials for local components are indirectly imported by vendors, resulting in exposure to foreign currency.

The fluctuation in major foreign currencies during the year is as presented in the below graph:



Source: SBP DOMESTIC MARKETS AND MONETARY MANAGEMENT DEPARTMENT WEIGHTED AVERAGE CUSTOMER EXCHANGE RATES

The Company is actively monitoring its exposure, and since no hedging options are available, selling prices will be adjusted as and when needed, to maintain profitability.





02

Strategy and Resource Allocation

Strategic Objectives

Long term objectives

- Constantly endeavor to be a market leader in terms of market share.
- Technology pace-setters in areas of operations.
- Drive sustainable and environment-friendly growth.
- Continuously improve efficiency and competitive strength.
- Enhance customer satisfaction through quality products and support services at competitive prices.
- Creation of value for all stakeholders.
- Enhance creativity and job satisfaction.
- Equal opportunities to all employees for personal development.
- Creating value for the national economy, with a strong sense of responsibility for the society and environment.

Medium and short-term objectives

- Increase local and export market share.
- Meeting working capital requirements by effective cash flow management.
- Ensure employee retention.
- Safeguard stakeholders' value.

Strategic plan

Millat Tractors Limited ensures that its facilities and operations are state of the art and enabled with latest technology to deliver quality products at optimum price point. In order to achieve this, the Company will continue to invest in its employees and technology.
The Company will continue to enable its vendors through technological and financial support. The Company also plans to work closely with those charged with governance of this country to ensure maximum value creation for all stakeholders.

Liquidity analysis

It is important to discuss and assure our stakeholders of the Company's liquidity position during these times when the economy is fluctuating. Despite all these challenges, we have managed to stabilize the liquidity position of the Company to an acceptable level.

During the year, sales tax refunds of the Company stood up to PKR 7.411 billion, the liquidity position could have been stronger had the pending sales tax refunds been paid to the Company in time. Management of the Company is actively pursuing this matter at every possible forum; and meanwhile,



managing the operations of the Company through cash generated from operations, and utilization of adequate borrowing facilities, where required.

Significant plans

The Company aims to expand its global outreach by expanding its export operations and focusing on diversification through providing Information Technology enabled solutions. Furthermore, the company is also diversifying its product range by introducing combine harvesters, higher and lower HP tractors. The immediate goal is to drive growth, while ensuring safety and well-being of all stakeholders and employees.

Changes in objectives

There has been no significant change in strategy and objectives from the previous years.



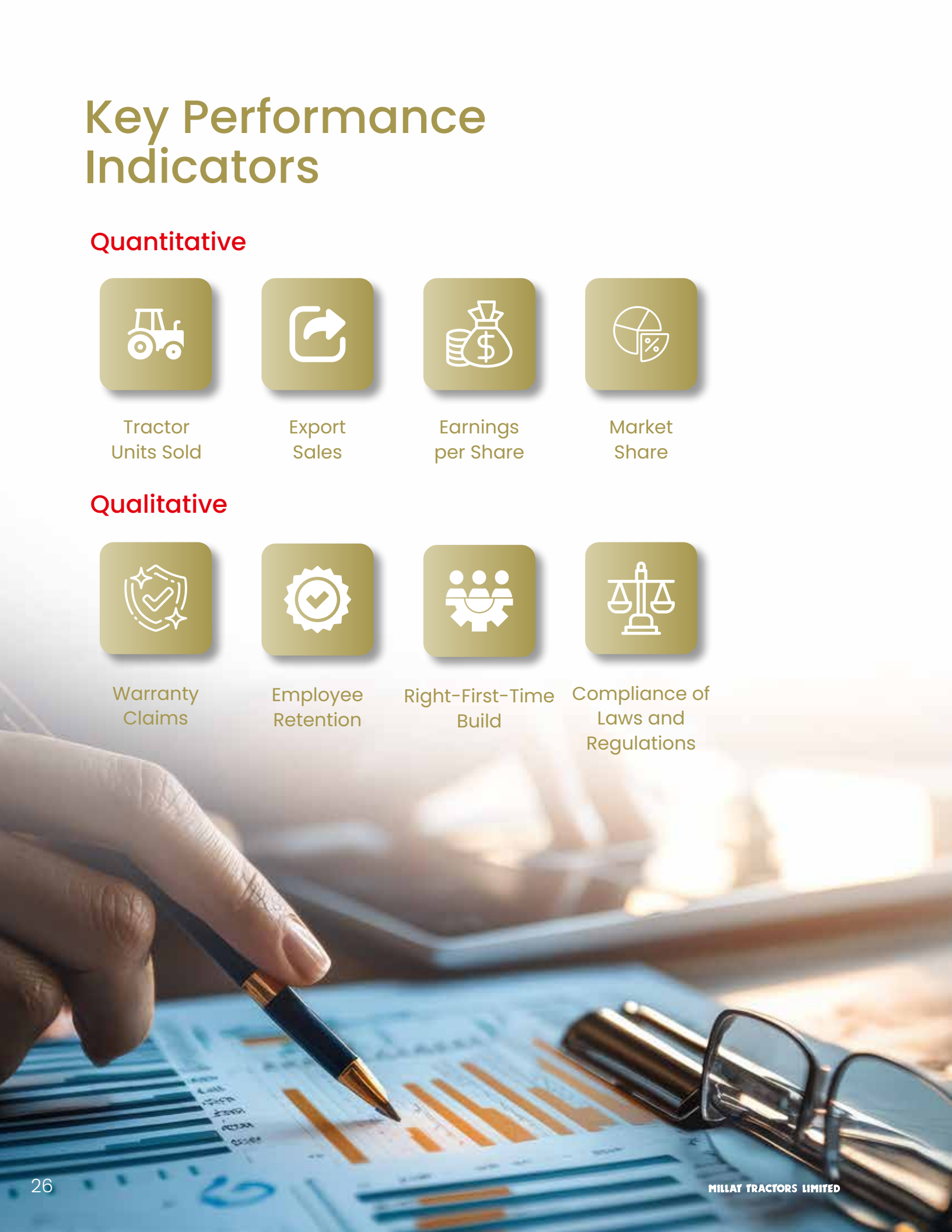
Key Performance Indicators

Quantitative

- Tractor Units Sold
- Export Sales
- Earnings per Share
- Market Share

Qualitative

- Warranty Claims
- Employee Retention
- Right-First-Time Build
- Compliance of Laws and Regulations

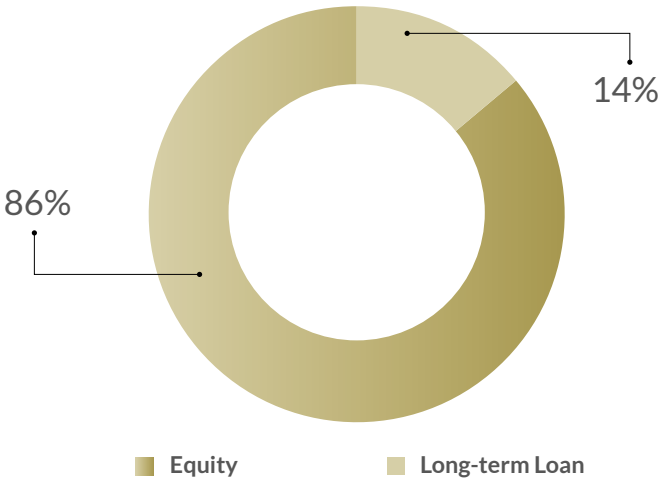


Resource Allocation Plans

Human Capital	Financial Capital	Manufactured Capital	Intangible Capital	Relationship Capital
• Annual performance appraisals allows the resource to set its objectives • On-job training and development provided to each employee on the basis of TNA prepared / updated on yearly basis.	• Continuous monitoring of working capital requirements • Investment of surplus funds to generate additional income • No long-term financing requirements	• Right-first-time manufacturing concept • Continuous research and development activities for development and manufacturing of cost effective parts, products and design • Strong affiliation with AGCO and Massey Ferguson to develop quality and cost effective tractors • Diversification through other products such as forklifts, power generators, combine harvester, implements and multi-application products	• Development of in-house and independent information technology service provider • Partnership with International Financial Solutions (IFS) to develop Oracle based ERP • Registration of Massey Ferguson brand in Pakistan by Millat Tractors Limited	• Cordial relationship with all supply chain stakeholders • Liaison and co-operation with government • Compliance with laws and regulations • Sustainable growth of the community by providing job opportunities for local population

The company periodically reviews its plans to effectively and efficiently utilize its available resources as outlined above. The senior management is involved in monitoring and supervision of day to day activities to ensure accurate and appropriate actions.

Capital Structure of the Company



The company uses a mixture of long term debt and equity to maintain its capital structure. The company calculates its debt ratio as 'Long term debt / (Long term debt + Equity)'.

The company has obtained the following long term loans as at June 30, 2026:

- Loan from a commercial bank for the purpose of re-profiling of balance sheet; and
- Loan under renewable energy finance scheme by the State Bank of Pakistan.



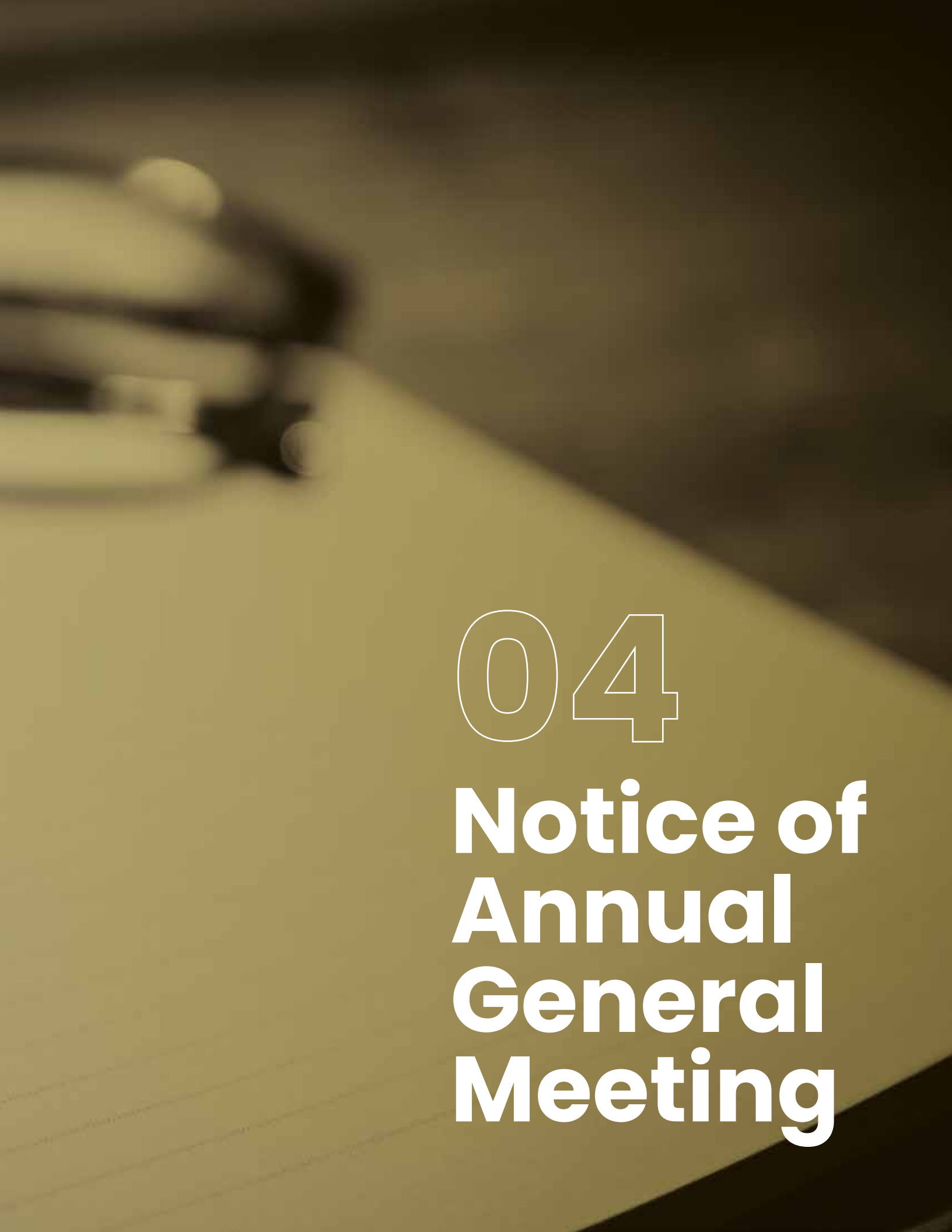
03
Risks and Opportunities

Risks and Opportunities

Risks	Source	Magnitude	Chance of occurrence	Plan to address
Liquidity risk: The company currently has net sales tax refundable, due to lower output tax rate on sale of its tractors. Delay in the release of sales tax refunds may create liquidity issues for the company which will hamper its operations.	External	High	Medium	1. Timely compliance with the requirements of laws and regulations to avoid delay(s) in processing. 2. Actively engaging with relevant tax authorities for release of sales tax refunds.
Environment and sustainability: Recent global awareness with respect to climate change risk, environmental harm and other sustainability related issues, has increased disclosure and compliance requirements on part of the company, failure of which may result in legal action or penalties by relevant authorities or reputation loss.	External	Medium	Low	1. Developing and implementing sustainability related policies and practices. 2. Periodic review of business performance to devise a mitigating plan, if necessary. 3. Engaging with stakeholders to include investors, consumers and regulators, to understand their expectations and concerns.
Deterioration in quality of products: Deterioration in quality of products: Quality plays an important role in product image, market share and customer perception. Quality of the company's products may deteriorate due to following factors: • Supply of low quality products by a single-source vendor • Decrease in Right-First-Time assembly due to untrained staff • Failure to detect procurement of low quality components This may result in loss of sales and reputation among prospective customers as well as reduction in market share.	Internal	Low	Low	1. Ensuring proper quality checks of supplies from vendors by qualified and trained staff. 2. Conducting periodic trainings of staff to ensure their competency. 3. Strict vendor screening and monitoring process.
Increase in costs due to currency devaluation and inflation: Inflation and devaluation of PKR against USD affects the company directly as well as indirectly. Bill of imports increases on account of PKR devaluation. On the other hand, local vendors are likely to push for price increase as majority of their raw material is also imported. These factors have a direct bearing on profitability of the company.	External	High	Medium	Continuous monitoring of costs and impact of currency devaluation to evaluate any change required in strategy and targets.

Risks	Source	Magnitude	Chance of occurrence	Plan to address
Information system / Enterprise Resource Planning (ERP) system failure: ERP system in place may malfunction or stop working, causing delays in operations and / or loss of sensitive information. Although there is a disaster recovery site in place, restoration of ERP database takes considerable time.	Internal	Low	Low	1. Keeping disaster recovery plan up to date, and ensuring its implementation in case of any event. 2. Training relevant personnel with respect to disaster recovery plan. 3. Ensuring that an effective business continuity plan is put up in concurrence with disaster recovery plan.
High turnover of key employees resulting in loss of expertise: There is a risk that employees at key position may leave the company for better opportunity elsewhere. This may result in diminishing of competitive manpower.	Internal	High	Medium	1. Training people to develop specialized skills and add width to their job description through role transition / job rotation. 2. Developing and maintaining an effective succession plan to minimize sudden loss of key personnel, if any.
Opportunities	**Source**	**Magnitude**	**Chance of occurrence**	**Plan to capture**
Foreign expansion: The company is still making efforts in global markets, especially Africa, Middle East and Afghanistan to increase its global market share. Further, it has negotiated a deal with MF for exporting tractors to Mexico.	External	High	Medium	1. Enhancing quality of products to compete globally. 2. Engaging in research to develop tailored products for different markets. 3. Active engagement with principal (AGCO) to explore new avenues.
Diversification/ Local expansion: The company is foreseeing to establish retail outlets in different cities in order to expand its spare parts sales. Based on its performance, there is a large potential in establishing more retail outlets all over Pakistan to capture this market as well. Further, the company has also diversified it's product line by introducing combine harvester and 30 HP tractors. Moreover, there is also huge potential for agricultural related accessories as customer awareness for new technology is enhancing.	Internal	Medium	Medium	1. Educating customers about importance of usage of genuine spare parts. 2. Expanding spare parts' dealer network. 3. Introducing new categories of implements.





04

Notice of Annual General Meeting

Notice of Annual General Meeting

Notice is hereby given that 63rd Annual General Meeting of Millat Tractors Limited will be held at the Registered Office of the Company at 9 K.M. Sheikhupura Road, Shahdara, Lahore, on Tuesday October 27, 2026, at 12:00 P.M as well as through Video Conferencing facility to transact the following business:

A. Ordinary Business

1) To confirm minutes of the Extra Ordinary General Meeting held on June 05, 2026.

2) To receive, consider and adopt the financial statements of the Company and the Group for the year ended June 30, 2026, together with the Chairman's Review, Directors' and Auditors' Reports thereon.

   [The Financial Statements of the Company have been uploaded on the website of the Company which can be downloaded from the following link: (www.millat.com.pk) or please scan the QR code below to access the Annual Report]

3) To approve final cash dividend of Rs. 11.00 per share i.e., 220% in addition to the interim dividend of Rs. 10.00 per share i.e., 200% already paid making a total cash dividend of Rs. 21.00 per share i.e., 420%.

4) To appoint auditors M/s. A.F Ferguson & Co., Chartered Accountants and fix their remuneration for the year ending June 30, 2027.

B. Special Business

5) To ratify and approve transactions conducted with subsidiary/associated companies for the year ended June 30, 2026 by passing the following special resolution with or without modification.

   "Resolved that the following transactions conducted with subsidiary/associated companies for the year ended June 30, 2026 be and are hereby ratified, approved and confirmed".

2026 (AMOUNT IN RUPEES)			
Particulars	TIPEG INTERTRADE FZE	MILLAT INDUSTRIAL PRODUCTS LIMITED	BOLAN CASTINGS LIMITED
Purchase of components	1,081,872,445	444,826,258	1,676,465,813
Sale of components	4,070,057,414	-	943,738

6) To authorize Chief Executive of the Company to approve transactions with subsidiary/associated companies for the year ending June 30, 2027 by passing the following special resolution with or without modification.

   "Resolved that the Chief Executive of the Company be and is hereby authorized to approve all the transactions with subsidiary/associated companies on case to case basis in normal course of business during the period from 63rd Annual General Meeting till the next Annual General Meeting of the Company".

   "Further resolved that these transactions shall be placed before the shareholders in the next Annual General Meeting for their ratification/approval".

C. Any Other Business

To transact any other business with the permission of the Chair.

By order of the Board

-SD-

Mudassar Siddique

Company Secretary

Lahore:
October 06, 2026

NOTES

1. The share transfer books of the Company will remain closed from October 20, 2026 to October 27, 2026 (both days inclusive) and no transfer will be accepted during this period. Transfers received, complete in all respect by the Shares Registrar, M/s. CDC Share Registrar Services Limited, CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400 by the close of business on October 19, 2026 will be considered in time for the purpose of payment of final cash dividend, and for the purpose of attending and voting at the meeting.

2. A member entitled to attend and vote at this meeting may appoint another person as his/her proxy to attend the meeting and vote for him/her. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed not less than 48 hours before the meeting.

3. Members, who have deposited their shares into Central Depository Company of Pakistan will further have to follow the under mentioned guidelines.

A. Attending of Meeting in Person

i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration detail are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC)/ original passport at the time of attending the meeting.

ii) In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature of the nominee shall be produced at the time of meeting.

B. Appointment of Proxies

i) In case of individuals, the account holder or sub-account holder and /or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirement.

ii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iii) The proxy shall produce his/her original CNIC/ original passport at the time of the meeting.

iv) In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted along with proxy form to the Company.

4. Participation in the Annual General Meeting

SECP, through its time to time guidelines, has directed the listed companies to also arrange the provision of video link facility. Accordingly, in the best health interest of our valued shareholders and to ensure maximum participation, the Company has also arranged video link facility for attending this AGM. The shareholders interested in attending AGM through video link are requested to register their following particulars by sending an email at corporate.affairs@millat.com.pk

Folio / CDC Account No.	Company Name	No. of shares held	Name	CNIC	Cell No.	Email Address
	Millat Tractors Limited					

The video link and login credentials will be shared with the shareholders whose emails, containing all the requested particulars, are received at the above email address by or before the close of business hours (5:00 P.M.) on Sunday, October 25, 2026.

5. Video Conference Facility

Without prejudice to the requirements and the arrangements as described in "Note 4" above, keeping in view the requirements of Section 132(2) and 134(1) (b) of the Companies Act, 2017 read with SECP Circular 10 of 2014, if the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the Annual General Meeting (AGM) through video conference at least seven days prior to the date of AGM, the Company will arrange a video conference facility in that city subject to availability of such facility in that city. The Company will intimate members regarding the video conference facility venue at least 5 days before the date of the AGM along with the complete information needed to access the facility.

If you would like to avail video conferencing facility, as per above, please fill the following and submit to registered office of the Company at least 07 days before AGM.

I/ We, _____ of _____ being a member of Millat Tractors Limited, holder of _____ Ordinary Share(s) as per Register Folio No / CDC Account No. _____ hereby opt for video conference facility at _____.

6. Polling on Special Business Resolutions

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 ("the Regulations") issued by the Securities and Exchange Commission of Pakistan ("SECP"), SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of Millat Tractors Limited (the "Company") will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming Annual General Meeting to be held on Tuesday October 27, 2026 at 12:00 P.M, in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

For the convenience of the Members, ballot paper is annexed to this notice and the same is also available on the Company's website at www.millat.com.pk for download.

Procedure for E-Voting:

I. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on October 19, 2026.

II. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).

III. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.

IV. E-Voting lines will start from October 24, 2026, and shall close on October 26, 2026 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

Procedure for Voting Through Postal Ballot

The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company's registered address at 9 K.M. Sheikhupura Road, Shahdara, Lahore or email at corporate.affairs@millat.com.pk during working hours one day before the Annual General Meeting to be held on October 27, 2026. The signature on the ballot paper shall match the signature on CNIC.

7.

Non-CDC Shareholders are requested to notify the change of address, if any, immediately and submit, if applicable, the CZ-50 Form (for non deduction of Zakat) to the Registrar of the Company M/s. CDC Share Registrar Services Limited, CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400, All the shareholders holding shares through CDC are requested to update their addresses and Zakat status with their participants. This will assist in prompt receipt of Dividend.

8. Mandatory submission of CNIC

As per clause 6 of the Companies (Distribution of Dividends) Regulations, 2017 read with Section 242 of the Companies Act, 2017, the company has withheld and in future will also withhold cash dividend payment to shareholders who have not yet provided their valid CNIC number. In case your cash dividend is withheld due to aforesaid reason, you are requested to kindly provide legible copy of your valid CNIC to Company's Share Registrar if you hold shares in physical form or to the respective Participant/Investor Account Services if shares are held in book entry form.

9. Payment of Cash Dividend Electronically

As per provision of Section 242 of Companies Act, 2017 any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Notices of the foregoing seeking information from shareholders for payment of dividend through electronic mode were sent earlier. The shareholders who have not submitted their details are now once again requested to provide their folio number, name and details of bank account consisting of bank name, branch name, branch code, Account number, Title of Account and IBAN in which they desire their dividend to be credited, failing which the Company will be unable to pay the dividend through any other mode. Standard request form has also been placed on website of the Company. The members are requested to send the information on the same at the earliest possible.

In case shares are held in CDC then the form must be submitted directly to shareholder's Participant/CDC Investor Account Services.

10. E-Dividend Registration

Central Depository Company (CDC) has developed a Centralized Cash Dividend Register (CCDR), an eServices web portal which would incorporate details pertaining to cash dividends paid, unpaid or withheld by company. Counter foil of cash dividend showing details of dividend, tax withheld and Zakat deducted etc. shall be available electronically via CCDR Web Portal. Shareholders can get the counterfoil and complete information of all cash dividends paid by the company by registering and accessing CCDR Web Portal at following link:https://cdcaccess.com.pk/#/login

11. Placement of Accounts on website

The financial statements of the Company for the year ended June 30, 2026 along with reports have been placed at the website of the Company www.millat.com.pk.

12. Circulation of Notice and Audited Financial Statements Through Email

Pursuant to S.R.O 452(I)/2025, dated March 17, 2025, Notice of the AGM alongwith audited financial statements shall be circulated to members (whose email address is available in company record) at their registered email addresses provided to the Company, in accordance with applicable laws.

13. Circulation of Company's Annual Audited Financial Statements through QR Enabled Code and Web link

SECP through SRO. 389 (1)/2023 dated March 21, 2023 has allowed listed companies to circulate the Annual Audited Financial Statements to their members through QR enabled code and web-link. Accordingly, the annual audited financial statements are being circulated through following QR Enabled code and weblink.

Weblink	QR Code
www.millat.com.pk	

14. Conversion of Physical Shares in to Book Entry Form

Securities and Exchange Commission of Pakistan (SECP) through its circular no. CSD/ED/Misc/2016-639-640 dated March 26, 2021 has advised the Listed Companies to adhere with the provisions of section 72 of the Companies Act, 2017 (the Act) by replacing shares issued by them in physical form with the shares to be issued in the Book entry Form. The shareholders having physical folios/share certificates are requested to convert their shares from physical form to book entry form at the earliest. The shareholders may contact any stock broker, CDC Participant (member of PSX) or CDC Investor Account services for assistance in opening of CDS Account and subsequent deposit of physical shares into the account in Book entry form.

The same would facilitate the shareholders in many ways including safe custody of shares, no loss of shares, avoidance of formalities required for issuance of duplicate shares and readily available for sale and purchase in open market at prevailing better rates. The shareholders may contact our share registrar for details.

15. Prohibition of Gift Items in General Meetings

In pursuance of directive issued by the Securities & Exchange Commission of Pakistan, no gifts will be distributed at the meeting.

STATEMENT U/S 134(3) OF THE COMPANIES ACT, 2017

AGENDA ITEM NO.5 (Related Party Transactions (RPTs))

(As per Regulation 5(1) of The Companies (Related party Transactions and Maintenance of Related Records) regulations, 2018

During financial year ended on June 30, 2026, transactions with subsidiary/associated companies in the normal course of business were made by the Company. As per Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, transactions carried out in normal course of business with subsidiary/associated companies (Related Parties) were required to be approved by the Board on quarterly basis duly recommended by the Audit Committee. Majority of directors were interested in these transactions due to their common directorship and holding of shares in the subsidiary/associated companies, the quorum of directors could not be formed for approval of these transactions, therefore the shareholders in their last Annual General Meeting had authorized the Chief Executive of the Company to approve these transactions in the normal course of business subject to final approval/ratification by the shareholders. Therefore, these transactions have to be approved/ratified by the shareholders in the Annual General Meeting. The Board of Directors has approved the ratification of these transactions in its meeting held on September 16, 2026 and recommends the members to approve the same.

It may be noted that principal activity of the company is assembly/manufacture of Agri tractors for which components are procured from approximately 150 vending industries including group companies in the normal course of business. Bolan Castings Limited (BCL) manufacture intricate tractor components i.e., major tractor castings etc. for which limited sources are available in the country. Millat Industrial Products Limited (MIPL) manufactures tractor batteries while tractors and components are exported through TIPEG INTERTRADE FZE (TIPEG). In addition, components are imported through TIPEG for in house use by the Company. During the year sale of scrap and swarf etc was also made to BCL for in house consumption.

The commercial reasons for entering into RPTs are the following.

a. Availability of state of the art production facilities.
b. Advanced Technical Know How.
c. Dedicated production facilities.
d. Elaborated testing facilities for MTL.
e. Smooth supply chain

The Company has the following equity in the Subsidiary Companies.

TIPEG Inter Trade DMCC	75.00%
Millat Industrial Products Limited	64.09%
Bolan Castings Limited	46.26%

The common directors and their relatives have the following shareholding in the associated companies.

		TIPEG	MIPL	BCL
Sr. No.	**Name of Director(s)**	**No. of Shares**	**No. of Shares**	**No. of Shares**
1	Mr. Sikandar Mustafa Khan & Relatives	100	625,312	166,369
2	Mr. Sohail Bashir Rana & Relatives	100	416,874	4,359
3	Mr. Laeeq Uddin Ansari & Relatives	100	416,875	3,120
4	Mr. Qaiser Saleem & Relatives	–	228,205	3,622
	TOTAL	**300**	**1,687,266**	**177,470**
	PERCENTAGE OF SHAREHOLDING	15.00%	16.38%	1.55%

The information of the Related party transactions as required under Regulation 5(1) of the Companies (Related Party Transactions and Maintenance of Related Records) Regulations, 2018 is as under:-

Name of related party		**TIPEG**	**MIPL**	**BCL**
Names of interested or concerned persons or directors		Mr. Sikandar Mustafa Khan Mr. Sohail Bashir Rana Mr. Laeeq Uddin Ansari Mr. Qaiser Saleem (Not a Director in TIPEG and BCL)		
Nature of relationship, interest or concern along with complete information of financial or other interest or concern of directors, managers or key managerial personnel in related party		Common Directorship & shareholding: Mr. Sikandar Mustafa Khan Mr. Sohail Bashir Rana Mr. Laeeq Uddin Ansari Mr. Qaiser Saleem (Not a Director in TIPEG and BCL)		
Detail, description, terms and conditions of transactions		1. Purchase of components against Confirmed orders 2. Sale of components against Confirmed orders	1. Purchase of components against Confirmed orders 2. Sale of components against Confirmed orders 3. Services	1. Purchase of components against Confirmed orders 2. Sale of components against Confirmed orders 3.Services
Amount of Transactions	Purchase of components/ assets	1,081,872,445	444,826,258	1,676,465,813
	Sale of components	4,070,057,414	-	943,738
Time frame or duration of the transactions or contracts or arrangements.		01-07-2025 to 30-06-2026	01-07-2025 to 30-06-2026	01-07-2025 to 30-06-2026
Pricing Policy	Purchase of components	At Mutually Agreed price		
	Sale of components	At Mutually Agreed price		

The Directors are interested in the resolution to the extent of their common directorships and shareholding in the group companies.

AGENDA ITEM NO.6

Authorization to CEO for Related Party Transactions (RPTs)[transactions with subsidiary/associated companies]

The Company shall be conducting Related Party Transactions (RPTs) with subsidiary/associated companies during the year ending June 30, 2027 in the normal course of business. Seven out of thirteen directors are interested in these transactions due to their common directorship and shareholding in the subsidiary/associated companies. After exclusion of interested directors and in case of absence of any uninterested director from the meeting, the remaining directors cannot form a valid quorum for the purpose of required approvals. Therefore, in order to satisfy the aforesaid requirement of approval by the Board on quarterly basis and in the absence of formation of required quorum for the purpose, the transactions with subsidiary/associated companies will be presented in next AGM for seeking approval/ratification.

Further, in order to avoid non-compliance of any regulatory provision and to ensure routine approval of these transactions throughout the year, the shareholders may authorize the Chief Executive to approve the transactions carried out and to be carried out in normal course of business with subsidiary/associated companies during the period from 63rd AGM to next AGM.

The Directors are interested in the resolution to the extent of their common directorships and shareholding in the subsidiary companies.

ڈائریکٹرز گروپ کمپنیوں میں اپنی مشترکہ ڈائریکٹرشپ اور شیئر ہولڈنگ کی حد تک قرارداد میں دلچسپی رکھتے ہیں۔

ایجنڈا آئٹم نمبر-6

ریلیٹڈ پارٹی ٹرانزیکشنز (RPTs) (ماتحت/ وابستہ کمپنیوں کے ساتھ ریلیٹڈ پارٹی ٹرانزیکشنز) کیلئے CEO کو اجازت

کمپنی، 30 جون، 2027 کو ختم ہونے والے سال کے دوران ماتحت/ وابستہ کمپنیوں کیساتھ معمول کے کاروبار میں ریلیٹڈ پارٹی ٹرانزیکشنز (RPTs) کرے گی، 13 میں سے 7 ڈائریکٹرز اپنی مشترکہ ڈائریکٹرشپ اور ماتحت/ وابستہ کمپنیوں میں شیئر ہولڈنگ کی وجہ سے اس لین دین میں دلچسپی رکھتے ہیں۔ دلچسپی رکھنے والے ڈائریکٹرز کے اخراج کے بعد اور دلچسپی نہ رکھنے والے ڈائریکٹرز کی اجلاس میں غیر موجودگی کی صورت میں، باقی ڈائریکٹرز مطلوبہ منظوریوں کے مقصد کیلئے درست کورم نہیں بنا سکتے۔ لہٰذا، سہ ماہی بنیادوں پر بورڈ کی جانب سے منظوریوں کی مذکورہ بالا ضرورت کو پورا کرانے کیلئے اور اس مقصد کیلئے مطلوبہ کورم کی تشکیل کی عدم موجودگی میں، ماتحت کمپنیوں کیساتھ لین دین کو منظوریوں/ توثیق کے حصول کیلئے اگلی AGM میں پیش کیا جائیگا۔

مزید برآں، کسی بھی ریگولیٹری پرووژن کی عدم تعمیل سے بچنے کیلئے اور سال بھر ان لین دین کی معمول کی منظوری کو یقینی بنانے کیلئے، حصص یافتگان 63 ویں AGM سے اگلی AGM تک کی مدت کے دوران کیلئے، چیف ایگزیکٹو کو اختیار دے سکتے ہیں کہ وہ کئے گئے لین دین کی منظوری دے سکے اور ماتحت/ وابستہ کمپنیوں کے ساتھ کاروبار کو معمول کے مطابق کیا جائے۔

ڈائریکٹرز اس قرارداد میں اپنی مشترکہ ڈائریکٹرشپ اور ماتحت کمپنیوں میں شیئر ہولڈنگ کی حد تک دلچسپی رکھتے ہیں۔

مشترکہ ڈائریکٹرز اور انکے رشتہ داروں کی ذیلی کمپنیوں میں درج ذیل شیئر ہولڈنگ ہے:

نمبر شمار	ڈائریکٹرز (ڈائریکٹران) کے نام	ٹائی پیگ	ایم آئی پی ایل	بی سی ایل
		حصص کی تعداد	حصص کی تعداد	حصص کی تعداد
-1	جناب سکندر مصطفیٰ خان اور رشتے دار	100	625,312	166,369
-2	جناب سہیل بشیر رانا اور رشتے دار	100	416,874	4,359
-3	جناب لئیق الدین انصاری اور رشتے دار	100	416,875	3,120
-4	جناب قیصر سلیم اور رشتے دار	-	228,205	3,622
	ٹوٹل	300	1,687,266	177,470
	شیئر ہولڈنگ کا تناسب	15.00%	16.38%	1.55%

ریلیٹڈ پارٹی ٹرانزیکشنز کی معلومات، جیسا کہ کمپنیز ریگولیشن (1) 5 کے تحت درکار ہے (ریلیٹڈ پارٹی ٹرانزیکشنز اور مینٹی نینس آف ریلیٹڈ ریکارڈز) ریگولیشن 2018 درج ذیل ہے:

ریلیٹڈ پارٹی کا نام		ٹائی پیگ	ایم آئی پی ایل	بی سی ایل
دلچسپی رکھنے والے یا متعلقہ افراد یا ڈائریکٹرز کا نام			جناب سکندر مصطفیٰ خان جناب سہیل بشیر رانا جناب لئیق الدین انصاری جناب قیصر سلیم (ٹائی پیگ اور بی سی ایل میں ایک ڈائریکٹر نہیں ہیں)	
ریلیٹڈ پارٹی میں ڈائریکٹرز، منیجرز یا کلیدی انتظامی اہلکاروں کے مالی یا دیگر مفادات یا تحفظات کی مکمل معلومات کیساتھ تعلقات، مفادات یا تحفظات کی نوعیت			مشترکہ ڈائریکٹر شپ اور شیئر ہولڈنگ: جناب سکندر مصطفیٰ خان جناب سہیل بشیر رانا جناب لئیق الدین انصاری جناب قیصر سلیم (ٹائی پیگ اور بی سی ایل میں ایک ڈائریکٹر نہیں ہیں)	
لین دین سے متعلق تفصیل، شرائط وضوابط		1-تصدیق شدہ آرڈرز کیلئے پرزوں کی خریداری 2-تصدیق شدہ آرڈرز پر پرزوں کی فروخت	1-تصدیق شدہ آرڈرز کیلئے پرزوں کی خریداری 2-تصدیق شدہ آرڈرز پر پرزوں کی فروخت 3-سروسز	1-تصدیق شدہ آرڈرز کیلئے پرزوں کی خریداری 2-تصدیق شدہ آرڈرز پر پرزوں کی فروخت 3-سروسز
لین دین کی رقم	پرزوں/اثاثوں کی خریداری	1,081,872,445	444,826,258	1,676,465,813
	پرزوں کی فروخت	4,070,057,414	-	943,738
لین دین یا معاہدوں یا انتظامات کا ٹائم فریم یا دورانیہ		01-07-2025 تا 30-06-2026	01-07-2025 تا 30-06-2026	01-07-2025 تا 30-06-2026
قیمتوں کا تعین کرنے کی پالیسی	پرزوں کی خریداری	باہمی متفقہ قیمت پر		
	پرزوں کی فروخت	باہمی متفقہ قیمت پر		

QR کوڈ	ویب سائٹ
	www.millat.com.pk

14۔ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرنا:

سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) نے اپنے سرکلر نمبر CSD/ED/Misc/3026-639-640 مورخہ 26 مارچ، 2021 کے ذریعے لسٹڈ کمپنیوں کو ہدایت کی ہے کہ وہ کمپنیز ایکٹ 2017 (ایکٹ) کی شق 72 کی دفعات پر، ان کی جانب سے فزیکل فارم میں جاری کردہ حصص کی جگہ بک آف انٹری فارم میں جاری کر کے عمل کریں۔ فزیکل فولیو/شیئر سرٹیفکیٹ رکھنے والے حصص یافتگان سے درخواست کی جاتی ہے کہ وہ جلد از جلد اپنے حصص کو فزیکل فارم سے بک انٹری فارم میں تبدیل کریں، حصص یافتگان کسی بھی اسٹاک بروکر، سی ڈی سی پارٹیسپینٹ (PSX کا ممبر) یا سی ڈی سی اکاؤنٹ سروسز سے CDS اکاؤنٹ کھولنے اور اسکے بعد فزیکل شیئرز کو بک انٹری فارم میں اکاؤنٹ میں جمع کروانے میں مدد کیلئے رابطہ کر سکتے ہیں۔

یہ حصص یافتگان کو کئی طریقوں سے سہولت فراہم کرے گا جن میں حصص کی محفوظ تحویل، حصص کا نقصان نہ ہونا، ڈیلیکیٹ حصص کے اجرأ کیلئے درکار رسمی کارروائیوں سے گریز اور موجودہ بہتر نرخوں پر اوپن مارکیٹ میں فروخت اور خریداری کیلئے آسانی سے دستیاب ہے، حصص یافتگان تفصیلات کیلئے ہمارے شیئر رجسٹرار سے رابطہ کر سکتے ہیں۔

15۔ جنرل میٹنگز میں تحائف کی ممانعت

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے جاری کردہ ہدایات کی تعمیل میں، میٹنگ کے دوران کسی قسم کے تحائف تقسیم نہیں کیے جائیں گے۔

کمپنیز ایکٹ 2017 کی شق 134(3) کے تحت بیان

ایجنڈا آئٹم نمبر 5 (متعلقہ پارٹی ٹرانزیکشنز) (RPTs)

(کمپنیز (ریلیٹڈ پارٹی ٹرانزیکشنز اینڈ ریلیٹڈ ریکارڈ مینٹی نینس) ریگولیشنز 2018 کے ضابطے 5(1) کے مطابق:

30 جون، 2026 کو ختم ہونے والے مالی سال کے دوران، کمپنی کی جانب سے کاروبار کے معمول کے مطابق ماتحت / وابستہ کمپنیوں کے ساتھ لین دین کئے گئے۔ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے ضابطہ 15 کے مطابق، ماتحت/ وابستہ کمپنیوں (ریلیٹڈ پارٹیز) کے ساتھ کاروبار کے معمول کے دوران کئے جانے والی ٹرانزیکشنز کو سہ ماہی بنیادوں پر آڈٹ کمیٹی کی باقاعدہ منظوری کیساتھ، منظور کیا جانا ضروری تھا، زیادہ تر ڈائریکٹران ٹرانزیکشنز میں دلچسپی رکھتے تھے کیونکہ ان کی مشترکہ ڈائریکٹرشپ اور ماتحت/ ذیلی کمپنیوں میں حصص رکھنے کی وجہ سے ان ٹرانزیکشنز کی منظوری کیلئے ڈائریکٹرز کا کورم نہیں بن سکا، اس لئے حصص یافتگان نے اپنے گزشتہ سالانہ اجلاس عام میں شیئر ہولڈرز کی حتمی منظوری/ توثیق سے مشروط، کمپنی کے چیف ایگزیکٹو کو ان ٹرانزیکشنز کو معمول کے کاروبار میں منظور کرنے کیلئے اتھارائز ڈ کرنے کی منظوری دی تھی، لہٰذا، ان ٹرانزیکشنز کو سالانہ اجلاس عام میں شیئر ہولڈرز کی جانب سے منظور/ توثیق کرنی ہوگی۔ بورڈ کے ڈائریکٹرز نے 16 ستمبر، 2026 کو منعقدہ اپنے اجلاس میں ان لین دین کی توثیق کی منظوری دی ہے اور اراکین کو بھی اس کی منظوری دینے کی سفارش کی ہے۔

واضح رہے کہ کمپنی کی اصل سرگرمی زرعی ٹریکٹروں کی اسمبلی/ مینوفیکچرنگ ہے، جس کیلئے تقریباً 150 ویلڈنگ انڈسٹریز سے پرزہ جات حاصل کئے جاتے ہیں جن میں گروپ کمپنیاں بھی شامل ہیں، بولان کاسٹنگز لمیٹڈ (BCL) ٹریکٹر کے پیچیدہ پرزے یعنی بڑے ٹریکٹر کاسٹنگ وغیرہ تیار کرتے ہیں جن کیلئے ملک میں محدود ذرائع دستیاب ہیں، ملت انڈسٹریل پروڈکٹس لمیٹڈ (MIPL) ٹریکٹر کی بیٹریاں تیار کرتا ہے جبکہ ٹریکٹر اور پرزے TIPEG (INTERTRADE FZE (TIPEG کے ذریعے برآمد کئے جاتے ہیں، اسکے علاوہ، کمپنی کے ذریعے گھریلو استعمال کیلئے پرزے TIPEG کے ذریعے درآمد کئے جاتے ہیں، سال کے دوران اسکریپ اور برادہ وغیرہ کی فروخت بھی ذاتی استعمال کیلئے BCL کو کی گئی۔

RPTs میں داخل ہونے کی تجارتی وجوہات درج ذیل ہیں:

ا) جدید ترین پیداواری سہولتوں کی دستیابی۔

ب) اعلیٰ درجے کی تیکنیکی معلومات۔

پ) مخصوص پیداواری سہولیات۔

ت) ایم ٹی ایل کیلئے تفصیلی جانچ کی سہولیات۔

ٹ) ہموار سپلائی چین۔

ماتحت کمپنیوں میں کمپنی کے پاس درج ذیل ایکویٹی ہیں:

ٹائی پیگ انٹرٹریڈ (ایف زیڈ ای)	75.00 فیصد
ملت انڈسٹریل پروڈکٹس لمیٹڈ	64.09 فیصد
بولان کاسٹنگز لمیٹڈ	46.26 فیصد

ای ووٹنگ کا طریقہ کار۔

I- ای ووٹنگ کی سہولت کی تفصیلات کمپنی کے ان اراکین کیساتھ ایک ای میل کے ذریعے شیئر کی جائیں گی جن کے کارآمد CNIC نمبر، سیل نمبر اور ای میل ایڈریس کمپنی کے ممبران کے رجسٹر میں 19 اکتوبر، 2026 کو کاروبار کے اختتام تک دستیاب ہونگے۔

II- ویب ایڈریس، لاگ ان کی تفصیلات، اور پاس ورڈ سے ای میل کے ذریعے اراکین کو مطلع کیا جائیگا، سی ڈی سی شیئر سروسز لمیٹڈ (ای ووٹنگ سروس فراہم کنندہ ہونے کے ناطے) کے ویب پورٹل سے بذریعہ SMS اراکین کو سیکورٹی کوڈز کی اطلاع دی جائیگی۔

III- ای ووٹنگ کے ذریعے ووٹ ڈالنے کا ارادہ رکھنے والے اراکین کی شناخت الیکٹرونک دستخط یا لاگ ان کیلئے تصدیق کے ذریعے کی جائیگی۔

iv- ای ووٹنگ لائنز 24 اکتوبر، 2026 سے شروع ہونگی اور 26 اکتوبر، 2026 کو شام 5:00 بجے بند ہونگی۔ ممبران اس مدت کے دوران کاروباری اوقات میں کسی بھی وقت اپنا ووٹ ڈال سکتے ہیں، ایک بار جب کسی رکن کی جانب سے قرارداد پر ووٹ ڈال دیا جائیگا، تو اسے بعد ازاں تبدیل کرنے کی اجازت نہیں ہوگی۔

پوسٹل بیلٹ کے ذریعے ووٹ ڈالنے کا طریقہ کار۔

ممبران اس بات کو یقینی بنائیں گے کہ کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) کی کاپی کیساتھ، درست طریقے سے پُر اور دستخط شدہ بیلٹ پیپر، اجلاس کے چیئرمین کے پاس، کمپنی کے رجسٹرڈ ایڈریس 9 K.M، شیخوپورہ روڈ، شاہدرہ، لاہور یا ای میل corporate.affairs@millat.com.pk پر مورخہ 27 اکتوبر, 2026 کو ہونے والے سالانہ اجلاس عام سے ایک روز قبل پہنچ جائیں، بیلٹ پیپر پر دستخط CNIC پر دستخط سے مماثل ہونا چاہئے۔

7۔ نان سی ڈی سی حصص یافتگان سے درخواست کی جاتی ہے کہ پتہ کی تبدیلی (اگر کوئی ہو) سے فوری طور پر مطلع کریں اور اگر قابل اطلاق ہو تو CZ-50 فارم (زکوٰۃ کی عدم کٹوتی کیلئے) کمپنی کے رجسٹرار میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-B، بلاک S.M.C.H.S.B، مین شاہراہ فیصل، کراچی-74400 کے پاس جمع کرائیں، سی ڈی سی کے ذریعے حصص رکھنے والے تمام حصص یافتگان سے درخواست ہے کہ وہ اپنے شرکا کیساتھ اپنے پتے اور زکوٰۃ کی حیثیت کو اپ ڈیٹ کریں، اس سے ڈیویڈنڈ کی فوری وصولی میں مدد ملے گی۔

8۔ سی این آئی سی جمع کرانا لازمی:

کمپنیز (ڈسٹری بیوشن آف ڈیویڈنڈ) ریگولیشنز 2017 کی شق 6 اور کمپنیز ایکٹ 2017 کی شق 242 کے مطابق، کمپنی نے ان حصص یافتگان کو ڈیویڈنڈ کی ادائیگی روک دی ہے اور مستقبل میں بھی کیش ڈیویڈنڈ کی ادائیگی نہیں کی جائیگی، جنہوں نے ابھی تک اپنا درست CNIC نمبر، ای میل اور موبائل نمبر فراہم نہیں کیا ہے، اگر آپ کا کیش ڈیویڈنڈ مذکورہ وجہ سے روک دیا جاتا ہے، تو آپ سے درخواست کی جاتی ہے کہ اگر آپ کے پاس فزیکل فارم میں حصص ہیں تو براہ مہربانی اپنے کارآمد CNIC کی صاف کاپی، ای میل اور موبائل نمبر کمپنی کے شیئر رجسٹرار کو فراہم کریں یا اگر حصص بک انٹری فارم میں رکھے گئے ہیں تو متعلقہ شرکت کنندہ/انوسٹرا کاؤنٹ سروسز کو فراہم کریں۔

9۔ نقد ڈیویڈنڈز کی الیکٹرونک ادائیگی:

کمپنیز ایکٹ 2017 کی شق 242 کے اطلاق کے مطابق، نقد میں قابل ادائیگی کوئی بھی ڈیویڈنڈ صرف الیکٹرونک موڈ کے ذریعے براہ راست حقدار حصص یافتگان کے نامزد کردہ بینک اکاؤنٹ میں ادا کیا جائیگا، الیکٹرونک موڈ کے ذریعے ڈیویڈنڈ کی ادائیگی کیلئے حصص یافتگان سے معلومات طلب کرنے کے نوٹس پہلے بھیجے گئے تھے، جن حصص یافتگان نے اپنی تفصیلات جمع نہیں کرائی ہیں اب ایک بار پھر ان سے درخواست کی جاتی ہے کہ وہ اپنا فولیو نمبر، نام اور بینک اکاؤنٹ کی تفصیلات فراہم کریں جس میں بینک کا نام، برانچ کا نام، برانچ کا کوڈ، اکاؤنٹ نمبر، اکاؤنٹ کا ٹائٹل اور IBAN شامل ہوں، جس میں وہ اپنا منافع چاہتے ہیں، کریڈٹ کیا جائیگا، جس میں ناکام رہنے کی صورت میں کمپنی کسی دوسرے طریقے سے ڈیویڈنڈ ادا کرنے سے قاصر ہوگی، درخواست فارم کمپنی کی ویب سائٹ پر بھی رکھا گیا ہے، ممبران سے گزارش ہے کہ جلد از جلد اس بارے میں معلومات ارسال کریں۔

اگر حصص سی ڈی سی میں رکھے گئے ہیں تو فارم کو براہ راست حصص یافتہ کے شرکت کنندہ/سی ڈی سی انوسٹر اکاؤنٹ سرسز میں جمع کرانا چاہئے۔

10۔ ای ڈیویڈنڈ رجسٹریشن:

سینٹرل ڈپازٹری کمپنی (سی ڈی سی) نے ایک سینٹرلائزڈ کیش ڈیویڈنڈ رجسٹر (CCDR) تیار کیا ہے، ایک ای سروسز ویب پورٹل جس میں کمپنی کی جانب سے ادا کردہ، غیر ادا کردہ، غیر ادا شدہ یا روکے گئے نقد منافع سے متعلق تفصیلات شامل ہوں گی، کیش ڈیویڈنڈ کا کاؤنٹر پروفائل جس میں ڈیویڈنڈ، ٹیکس روکے گئے اور زکوٰۃ کی کٹوتی وغیرہ کی تفصیلات ظاہر ہوتی ہیں، CCDR ویب پورٹل کے ذریعے الیکٹرونک طور پر دستیاب ہونگی، حصص یافتگان درج ذیل لنک پر رجسٹریشن اور C C D R ویب پورٹل https://cdcaccess.com.pk/#/login تک رسائی حاصل کر کے کمپنی کی جانب سے ادا کئے گئے تمام نقد منافع کی معلومات حاصل کر سکتے ہیں۔

11۔ ویب سائٹ پر اکاؤنٹس:

30 جون، 2026 کو ختم ہونے والے سال کیلئے کمپنی کے مالیاتی گوشواروں کیساتھ رپورٹس کمپنی کی ویب سائٹ پر www.millat.com.pk پر رکھی گئی ہیں۔

12۔ ای میل کے ذریعے سالانہ مالیاتی گوشواروں اور نوٹس کی ترسیل:

S.R.O 452 /(i)2025 مؤرخہ 17 مارچ، 2025 کے تحت، AGM کا نوٹس بمعہ آڈٹ شدہ مالیاتی گوشوارے ان اراکین کو، جن کے ای میل ایڈریس کمپنی کے ریکارڈ میں دستیاب ہیں، کمپنی کو فراہم کردہ ان کے رجسٹرڈ ای میل ایڈریس پر، قابلِ اطلاق قوانین کے مطابق ارسال کیے جائیں گے۔

13۔ QR فعال کوڈ اور ویب لنک کے ذریعے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کی ترسیل:

SECP نے SRO.389(1)/2023 مورخہ 21 مارچ، 2023 کے ذریعے لسٹڈ کمپنیوں کو اجازت دی ہے کہ وہ اپنے سالانہ آڈٹ شدہ مالیاتی گوشوارے اپنے ممبران کو QR فعال کوڈ اور ویب لنک کے ذریعے بھیجیں، اسی مناسبت سے، سالانہ آڈٹ شدہ مالیاتی گوشواروں کو درج ذیل QR فعال کوڈ اور ویب لنک کے ذریعے ارسال کیا جا رہا ہے۔

نوٹس:

1۔ کمپنی کے حصص کی منتقلی کی کتابیں 20 اکتوبر، 2026 سے 27 اکتوبر، 2026 (دونوں دن شامل ہیں) تک بند رہیں گی اور اس مدت کے دوران کوئی منتقلی قبول نہیں کی جائیگی، شیئر رجسٹرڈ، میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-B، بلاک S.M.C.H.S، B، شاہراہ فیصل، کراچی-74400 کے ذریعے 19 اکتوبر، 2026 کو کاروبار کے اختتام تک ہر لحاظ سے مکمل موصول ہونے والی منتقلی کو ڈیویڈنڈ کی ادائیگی، اجلاس میں شرکت کرنے اور ووٹنگ کیلئے بروقت تصور کیا جائیگا۔

2۔ اس اجلاس میں شرکت کرنے اور ووٹ دینے کا حقدار رکن کسی دوسرے شخص کو اپنی جانب سے اجلاس میں شرکت کرنے اور ووٹ دینے کیلئے اپنا پراکسی مقرر کرسکتا ہے، مؤثر ہونے کیلئے پراکسیز کو اجلاس سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں باقاعدہ مہر اور دستخط شدہ، موصول ہوجانی چاہئے۔

3۔ جن ممبران نے اپنے حصص سینٹرل ڈپازٹری کمپنی آف پاکستان میں جمع کرائے ہیں، انہیں مزید مندرجہ ذیل ہدایات پر عمل کرنا ہوگا:

الف) ذاتی طور پر اجلاس میں شرکت:

i) افراد کے معاملے میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور/ یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیل ضوابط کے مطابق اَپ لوڈ کی گئی ہے، اجلاس میں شرکت کے وقت اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) / اصل پاسپورٹ دکھا کر اپنی شناخت کی تصدیق کرے گا۔

ii) کارپوریٹ ادارے کی صورت میں، اجلاس کے وقت بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی نامزد شخص کے دستخط کیساتھ پیش کیا جائیگا۔

ب) پراکسیوں کی تقرری

i) افراد کے معاملے میں، اکاؤنٹ ہولڈر یا ذیلی اکاؤنٹ ہولڈر اور/ یا وہ شخص جس کی سیکورٹیز گروپ اکاؤنٹ میں ہیں اور ان کی رجسٹریشن کی تفصیلات ضوابط کے مطابق اَپ لوڈ کی گئی ہیں، مندرجہ بالا ضرورت کے مطابق پراکسی فارم جمع کرائیں گے۔

ii) بینیفیشل اونرز کے CNIC یا پاسپورٹ کی تصدیق شدہ کاپیاں، پراکسی فارم کیساتھ پیش کرنا ہوں گی۔

iii) پراکسی کو اجلاس کے وقت اپنا اصل CNIC / اصل پاسپورٹ پیش کرنا ہوگا۔

iv) کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/ پاور آف اٹارنی نمونہ دستخط کیساتھ کمپنی کو پراکسی فارم کے ساتھ جمع کرانا ہوگا۔

4۔ سالانہ اجلاس عام میں شرکت:

SECP نے وقتاً فوقتاً اپنی ہدایات کے ذریعے، لسٹڈ کمپنیوں کو وڈیو لنک کی سہولت کی فراہمی کا بھی بندوبست کرنے کی ہدایت کی ہے، اسی مناسبت سے، ہمارے قابل قدر حصص یافتگان کی بہترین صحت کیلئے اور زیادہ سے زیادہ شرکت کو یقینی بنانے کیلئے، کمپنی نے اس AGM میں شرکت کیلئے وڈیو لنک کی سہولت کا بھی انتظام کیا ہے، وڈیو لنک کے ذریعے AGM شرکت کرنے میں دلچسپی رکھنے والے حصص یافتگان سے درخواست کی جاتی ہے کہ وہ اپنی درج ذیل تفصیلات corporate.affairs@millat.com.pk پر ای میل کریں۔

فولیو/ CDC اکاؤنٹ نمبر	کمپنی نام	موجود حصص کی تعداد	نام	CNIC	سیل نمبر	ای میل ایڈریس
	ملت ٹریکٹرز لمیٹڈ					

وڈیو لنک اور لاگ ان کی تفصیلات ان حصص یافتگان کے ساتھ شیئر کیا جائیگا جن کی ای میلز، تمام درخواست کردہ تفصیلات پر مشتمل، مذکورہ ای میل ایڈریس پر بروز اتوار، 25 اکتوبر 2026 کو کاروباری اوقات کے اختتام (شام 5:00 بجے) سے قبل موصول ہوئی ہوں۔

5۔ وڈیو کانفرنس کی سہولت

کمپنیز ایکٹ 2017 کی شق 132 جسے SECP کی جانب سے جاری کردہ سرکلر 10 بابت 2014 کیساتھ ملا کر پڑھا جائے، کو مدنظر رکھتے ہوئے جیسا کہ مندرجہ بالا ''نوٹ 4'' میں بیان کیا گیا تقاضوں اور انتظامات کو متاثر کئے بغیر، AGM کی تاریخ سے کم از کم سات روز قبل وڈیو کانفرنس کے ذریعہ سالانہ اجلاس عام (AGM) میں شرکت کرنے کیلئے، اگر کمپنی کو مجموعی 10% یا اس سے زیادہ جغرافیائی محل وقوع پر رہائش پذیر شیئر ہولڈنگ ممبران سے رضامندی حاصل ہوتی ہے، کمپنی اس شہر میں وڈیو کانفرنس کی سہولت کا انتظام کرے گی جو کہ اس شہر میں اس طرح کی دستیابی سے مشروط ہوگی۔ کمپنی AGM کی تاریخ سے کم از کم 5 دن قبل وڈیو کانفرنس کی سہولت کے مقام کے بارے میں ممبران کو آگاہ کرے گی اور اس سہولت تک رسائی کیلئے درکار معلومات فراہم کرے گی۔

اگر آپ وڈیو کانفرنسنگ کی سہولت حاصل کرنا چاہتے ہیں، جیسا کہ اوپر دیا گیا ہے، تو براہ کرم درج ذیل کو پر کریں اور AGM سے کم از کم 07 روز قبل کمپنی کے رجسٹرڈ آفس میں جمع کرائیں۔

میں/ ہم، ملت ٹریکٹرز لمیٹڈ کے ممبر ہونے کے ناطے _____ کا _____، رجسٹر فولیو نمبر/ سی ڈی سی اکاؤنٹ نمبر _____ کے مطابق _____ عام حصص کا حامل _____ پر وڈیو کانفرنس کی سہولت کا انتخاب کرتا ہوں۔

6۔ خصوصی امور پر پولنگ:

ممبران کو بذریعہ ہذا مطلع کیا جاتا ہے کہ کمپنیز (پوسٹل بیلٹ) ریگولیشنز، 2018 (''ریگولیشنز'') جو کہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") کے جاری کردہ ہیں، کے مطابق، SECP نے تمام لسٹڈ کمپنیوں کو خصوصی امور کے تحت درجہ بند تمام امور پر ممبران کو بذریعہ ڈاک ووٹ دینے کا حق فراہم کرنے کی ہدایت کی ہے۔

اسکے مطابق، ملت ٹریکٹرز لمیٹڈ (''کمپنی'') کے ممبران کو اسکے آنے والے سالانہ اجلاس عام جو کہ بروز منگل 27 اکتوبر، 2026 دوپہر 12:00 بجے، منعقد ہوگا، میں ضروریات کے مطابق اور مذکورہ بالا ضوابط میں موجود شرائط سے مشروط، خصوصی امور کیلئے الیکٹرونک ووٹنگ کی سہولت یا ڈاک کے ذریعہ ووٹ دینے کا حق استعمال کرنے کی اجازت ہوگی۔

ممبران کی سہولت کیلئے بیلٹ پیپر اس نوٹس کیساتھ منسلک ہے اور یہ کمپنی کی ویب سائٹ www.millat.com.pk پر بھی ڈاؤن لوڈ کیلئے دستیاب ہے۔

نوٹس برائے سالانہ اجلاسِ عام

اطلاع دی جاتی ہے کہ ملت ٹریکٹرز لمیٹڈ کا 63واں سالانہ اجلاس عام بروز منگل 27 اکتوبر، 2026، دوپہر 12:00 بجے کمپنی کے رجسٹرڈ دفتر 9 کلومیٹر شیخوپورہ روڈ، شاہدرہ، لاہور میں درج ذیل امور کی انجام دہی کے لیے منعقد ہوگا جس میں ویڈیو کانفرنسنگ کے ذریعے شرکت کی سہولت بھی ہوگی۔

الف) عمومی امور

1۔ 05 جون، 2026 کو ہونے والے غیر معمولی سالانہ اجلاس عام کی کارروائی کی توثیق کرنا۔

2۔ چیئرمین کے جائزہ، ڈائریکٹرز اور آڈیٹرز کی رپورٹس کیساتھ، 30 جون، 2026 کو ختم ہونے والے سال کیلئے کمپنی اور گروپ کے مالیاتی گوشواروں پر غور کرنا اور اپنانا۔

کمپنی کے مالیاتی بیانات کمپنی کی ویب سائٹ پر اپ لوڈ کر دیے گئے ہیں، جنہیں درج ذیل لنک سے ڈاؤن لوڈ کیا جا سکتا ہے۔

(یا براہ کرم سالانہ رپورٹ تک رسائی کے لیے نیچے دیا گیا کیو آر کوڈ اسکین کریں۔: www.millat.com.pk)

3۔ حتمی منافع منقسمہ 11.00 روپے فی حصص یعنی 220 فی صد اور عبور منافع منقسمہ 10.00 روپے فی حصص یعنی 200 فی صد (جو کہ پہلے سے ادا شدہ ہے) جو کہ مجموعی نقد منافع منقسمہ 21.00 روپے فی حصص جو کہ 420 فیصد بنتا ہے کی منظوری۔

4۔ آڈیٹرز میسرز اے۔ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹینٹس کی تقرری نیز 30 جون، 2027 کو ختم ہونے والے سال کیلئے ان کا معاوضہ طے کرنا۔

ب) خصوصی امور

5۔ 30 جون، 2026 کو ختم ہونے والے سال کیلئے ذیلی/وابستہ کمپنیوں کے ساتھ کئے گئے لین دین کی توثیق اور منظوری کیلئے درج ذیل خصوصی قرارداد کو ترمیم کیساتھ یا اسکے بغیر منظور کرنا۔

''قرار پایا کہ ذیلی/وابستہ کمپنیوں کیساتھ 30 جون، 2026 کو ختم ہونے والے سال کیلئے کی گئے مندرجہ ذیل لین دین کی توثیق، منظوری اور تصدیق کی جاتی ہے''

(رقم روپوں میں) 2026			
تفصیلات	ٹائی پیگ انٹرٹریڈ (ایف زیڈ ای)	ملت انڈسٹریل پروڈکٹ لمیٹڈ	بولان کاسٹنگ لمیٹڈ
اشیاء کی خریداری	1,081,872,445	444,826,258	1,676,465,813
اشیاء کی فروخت	4,070,057,414	-	943,738

6۔ کمپنی کے چیف ایگزیکٹو کو 30 جون، 2027 کو ختم ہونے والے سال کیلئے ذیلی/وابستہ کمپنیوں کے ساتھ لین دین کی منظوری کیلئے درج ذیل خصوصی قرارداد کو ترمیم کیساتھ یا اسکے بغیر منظور کرنا۔

''طے پایا کہ کمپنی کے چیف ایگزیکٹو کو کمپنی کے 63ویں سالانہ اجلاس عام سے لے کر اگلے سالانہ اجلاس عام تک کی مدت کے دوران امور کو معمول کے مطابق ذیلی/وابستہ کمپنیوں کیساتھ تمام لین دین کی منظوی دینے کا اختیار ہے''

''مزید طے پایا کہ ان لین دین کو اگلے سالانہ اجلاس عام میں شیئر ہولڈرز کے سامنے ان کی توثیق/منظوری کیلئے رکھا جائیگا''

سی) امورِ دیگر

چیئرمین کی اجازت سے کوئی دیگر امور

بحکم بورڈ

مدثر صدیق
کمپنی سیکریٹری

لاہور:
06 اکتوبر، 2026





05 Governance

Board of Directors



Mr. Sikandar M. Khan
Chairman



Mr. Raheel Asghar
CEO



Mr. Sohail Bashir Rana
Executive Director



Mr. Laeeq Uddin Ansari
Executive Director



Mr. Qaiser Saleem
Non-Executive Director



Mr. Saad Iqbal
Non-Executive Director



Mr. Muhammad Mustafa Khan
Non-Executive Director



Mr. Muhammad Mustafa Sohail
Non-Executive Director



Mr. Murad Naseer Uddin Ansari
Non-Executive Director



Mr. Nasar Us Samad Qureshi
Independent Director



Mr. Muhammad Javed Rashid
Independent Director



Mr. Manzoor Ahmed
Independent Director



Ms. Zara Salman Bandial
Independent Director

Board Committees

AUDIT COMMITTEE

Mr. Nasar Us Samad Qureshi	Chairman
Mr. Qaiser Saleem	Member
Mr. Muhammad Mustafa Khan	Member
Mr. Muhammad Mustafa Sohail	Member
Mr. Murad Naseer Uddin Ansari	Member

The terms of reference are as per Code of Corporate Governance.

HUMAN RESOURCE AND REMUNERATION COMMITTEE

1.	Mr. Muhammad Javed Rashid	Chairman
2.	Mr. Qaiser Saleem	Member
3.	Ms. Zara Salman Bandial	Member
4.	Mr. Raheel Asghar	Member

The terms of reference are as follows:

i) Recommend to the Board for consideration and approval a policy framework for determining remuneration of directors (both executive and non-executive directors);

ii) Recommending human resource management policies to the Board.

iii) Recommending to the Board regarding the appointment of chief financial officer, company secretary and head of internal audit.

iv) Keeping the structure, size and composition of the Board under regular review and for making recommendations to the Board with regard to any changes necessary.

FINANCE COMMITTEE

1.	Mr. Sohail Bashir Rana,	Chairman
2.	Mr. Laeeq Uddin Ansari	Member
3.	Mr. Raheel Asghar	Member

The terms of reference are as follows

i) Product(s) pricing including tractors.

ii) Approval of mutual funds for investment/disinvestment of Company funds.

iii) Capital Expenditure as per authority table.

iv) Review Budget proposals prior to finalization.

v) Approval of Traveling Abroad up to Executive Grade.

vi) Retainership (approval and fixation of compensation).

vii) Any matter(s) brought to the notice of committee for consideration.

The Chairman of the Board shall monitor functioning of the committee.

MARKETING COMMITTEE

1.	Mr. Sohail Bashir Rana	Chairman
2.	Mr. Laeeq Uddin Ansari	Member
3.	Mr. Raheel Asghar	Member

The terms of reference of the Marketing Committee are as follows:

i) Formulation of sales/marketing strategy.

ii) Appointment/termination of dealers including agreements.

iii) Allowing commission /discounts.

iv) Approval of priority for early delivery.

v) Introducing of incentive schemes.

vi) Other matters relating to sales & marketing.

The Chairman of the Board shall monitor functioning of the committee.

BOARD'S COMMITTEE FOR GROUP SUPERVISION (BCGS)

1.	Mr. Sikandar Mustafa Khan	Chairman
2.	Mr. Sohail Bashir Rana	Member
3.	Mr. Laeeq Uddin Ansari	Member
4.	Mr. Qaiser Saleem	Member
5.	Mr. Muhammad Mustafa Khan	Member
6.	Mr. Muhammad Mustafa Sohail	Member
7.	Mr. Murad Naseer Uddin Ansari	Member

The terms of reference are as follows

i) Approve plan for future growth, expansion and new project of the Company.

ii) Review over all business performance.

iii) Approve major projects including new investments.

ESG COMMITTEE

1.	Mr. Saad Iqbal	Chairman
2.	Mr. Sohail Bashir Rana	Member
3.	Ms. Zara Salman Bandial	Member
4.	Mr. Raheel Asghar	Member

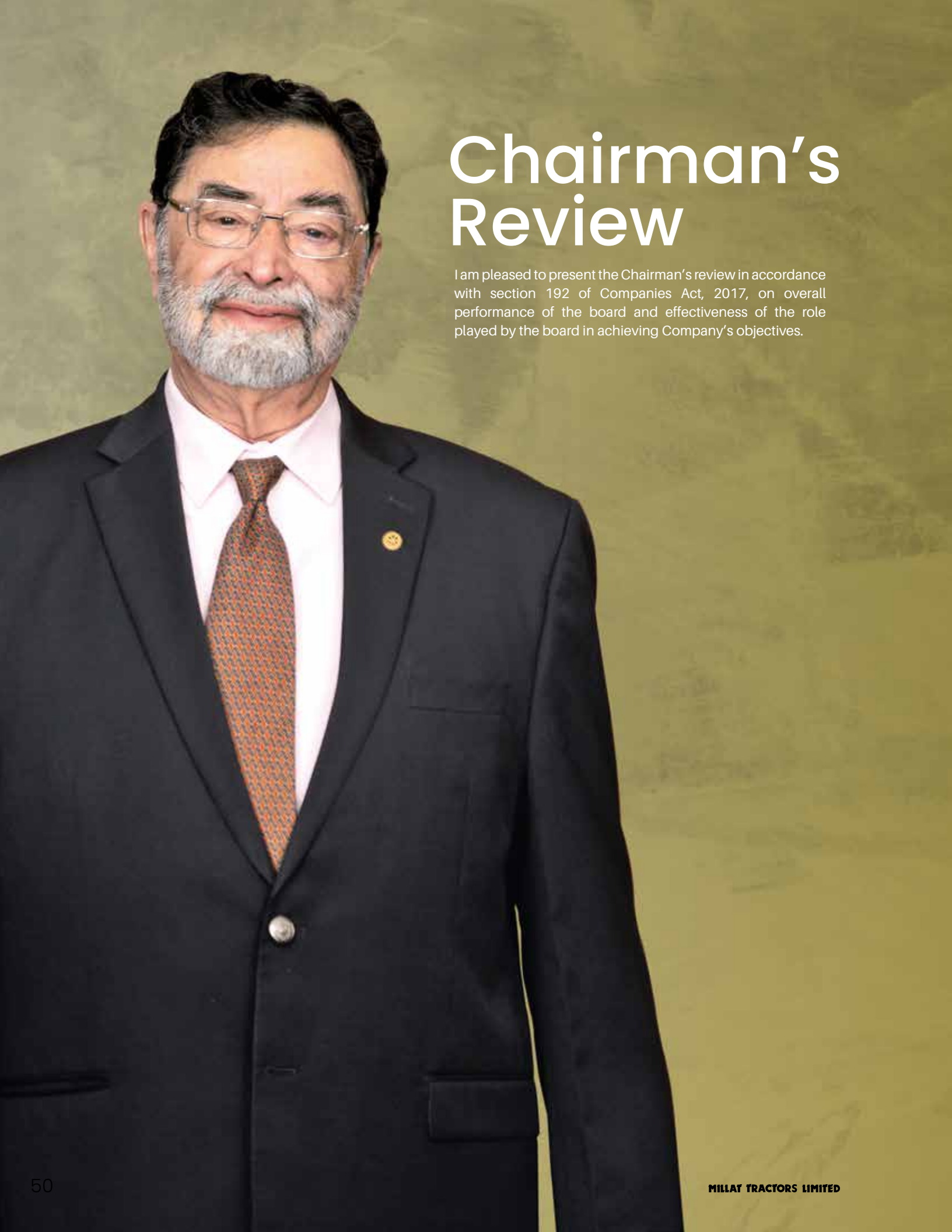
The terms of reference shall be as follows

i) Monitor and review sustainability related risks and opportunities of the company.

ii) Ensure DE&I practices are in effect at various board committees.

iii) Oversee compliance of relevant laws pertaining to relevant sustainability related considerations and its appropriate disclosures.

iv) Submit a report to the board, at least once a year, on embedding sustainability principles into the organization's strategy and operations to increase corporate value.



Chairman's Review

I am pleased to present the Chairman's review in accordance with section 192 of Companies Act, 2017, on overall performance of the board and effectiveness of the role played by the board in achieving Company's objectives.

During the financial year-2026, your Company delivered 18,883 tractors compared to last year figure of 18,580 tractors, reflecting a modest recovery despite persisting economic challenges.

GOVERNANCE ROLE OF THE BOARD

Composition and dynamics of the Board

Board's role is to provide entrepreneurial leadership of the Company within a framework of prudent effective controls, which enables risk to be assessed and managed. The Board performs three major roles in a Company – it provides direction (i.e. sets the strategic direction of the company), monitors and provides advisory support to management (advisory role). These roles are in accordance with the vision and mission for achieving the Company's business objectives in accordance with Companies Act, 2017.

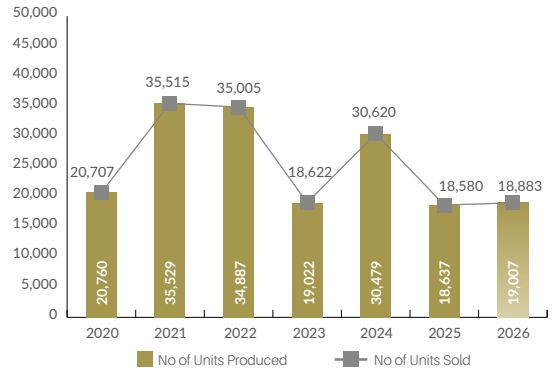
The composition of the Board is given below:

- Independent Directors: 04
- Executive Directors: 03
- Non-Executive Directors: 06

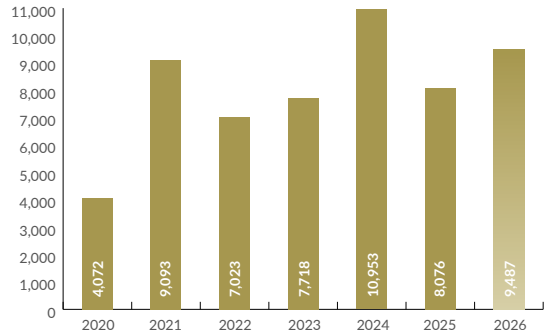
In order to ensure stewardship and monitor the direction, the Board has made sub-committees which in my opinion have significantly contributed in steering and managing the Company. These committees ensure due compliance of Code of Corporate Governance and include:

- Audit Committee
- Human Resource and Remuneration Committee
- Finance Committee
- Marketing Committee
- Board Committee for Group Supervision
- Environmental Social Governance Committee (ESG)

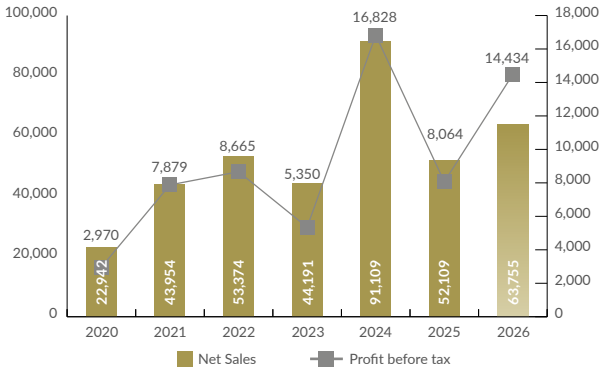
Sale / Production Volume Units



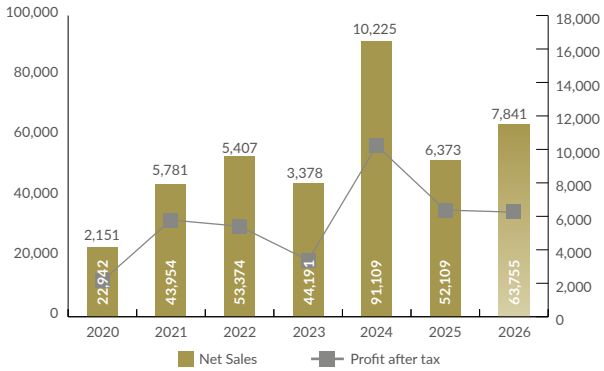
Shareholders Equity (Rs. In Million)



Sales / Pre-Tax Profit (Rs. In Million)



Sales / After-Tax Profit (Rs. In Million)



Board Evaluation

As required under the Code of Corporate Governance and as per past practice, a mechanism consisting of a comprehensive questionnaire was circulated to all directors for evaluation of performance of Board's and its committee's performance. The key areas covered included:

- Strategy and planning
- Board operations and effectiveness
- Measuring and monitoring of performance
- Professional development

Individual feedback was obtained and on the basis of that feedback the average rating of the performance of the Board and role of Chairman regarding governing the BOD was found up to the mark as is evident by the performance of the company and its overall image.

Overall Economic and Industry Review

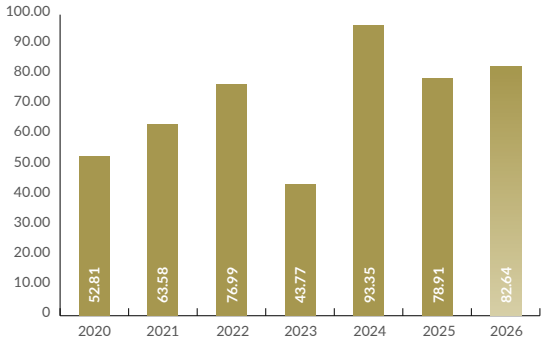
During Financial year 2026, Pakistan's economy continued its stabilization and achieved GDP growth of 3.7%, the fastest pace in four years, due to improved fiscal indicators and macroeconomic stability. The agriculture sector grew by 2.89%, a marked improvement over last year, despite significant losses caused by the 2025 floods, estimated at Rs.430 billion. Important crops recorded a modest growth of 0.6%, as gains in wheat (+4.3%), sugarcane (+6.2%) and rice (+2.8%) were partly offset by declines in cotton (-0.5%) and maize (-2.7%). The manufacturing sector recorded a strong growth of 6.6% in financial year 2026, compared to 1.3% in financial year 2025. Large Scale Manufacturing also rebounded sharply, growing by 6.11%, the highest in four years, as against a contraction of 1.5% in the preceding year.*

*(Source Economic Survey of Pakistan)

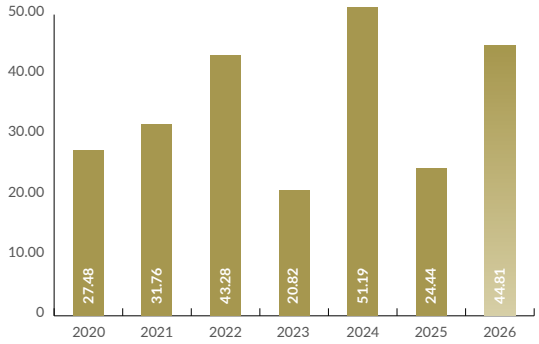
The tractor industry recorded a marginal decline in sales to 28,667 units as against 29,192 units in the preceding year. Despite subdued industry volumes, your Company improved its market share to 66% by selling 18,883 tractors which also included 7,133 tractors sold under Green Tractor Subsidy Scheme of the Government of Punjab. The tractor industry continued to grapple with liquidity challenges and policy-driven disruptions, including delayed tax refunds and weakened farm economics.

Sales in value terms increased from Rs. 52.11 billion to Rs. 63.76 billion, i.e., an increase of 22.36%. The EPS for the year was Rs. 19.65

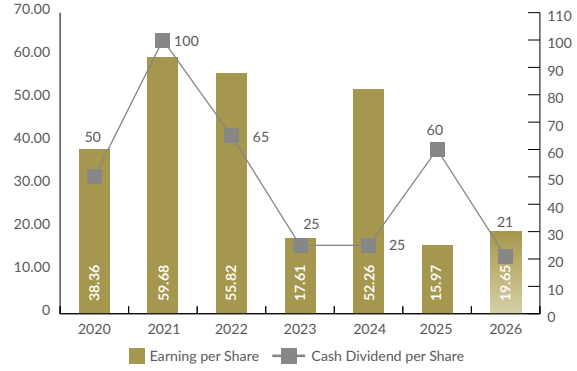
Return on Equity (Percentage)



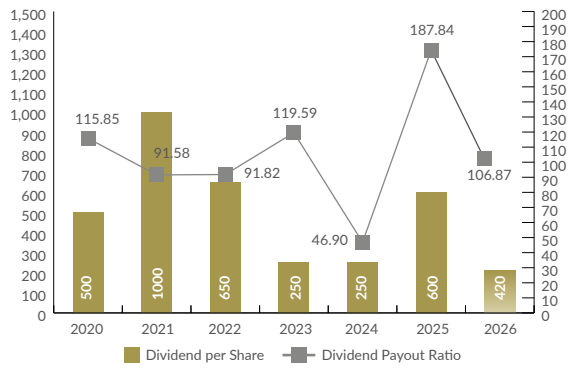
Return on Assets (Percentage)



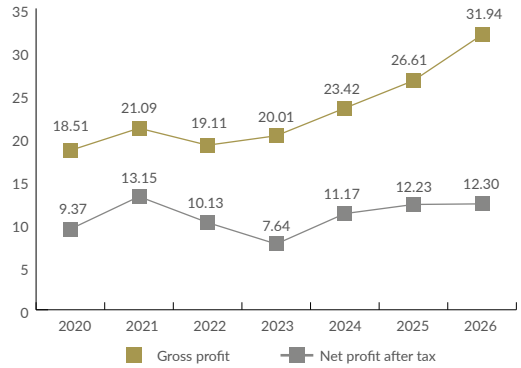
Earning / Dividend Per Share (Rupees)



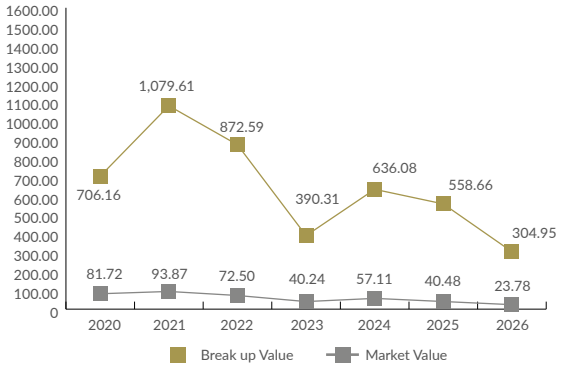
Dividend Payout Ratio (Percentage)



Gross Profit / Net Profit After Tax (Percentage)



Break up / Market Value Per Share (Rupees)



as compared to EPS of Rs. 15.97 (Restated) of the corresponding period of last year.

Millat group, through its subsidiary, Millat Industrial Products Limited, in which Millat tractors Limited (MTL) holds 64% shareholding, has invested in the import and indigenization of two-wheeler electric bikes in Pakistan. This strategic investment is expected to contribute positively to the Group's future growth and, hopefully, will generate attractive returns for the MTL shareholders.

Sales Tax refunds of around Rs.7.41 billion are outstanding which has resulted in liquidity issues for the company and additional financial costs to fund the borrowing needed to continue operations.

Despite the overall economic and financial challenges, your Company has managed to increase its sales volumes and maintain profitability while keeping its supply chain intact in the outgoing fiscal year. We are optimistic that the improving economic situation of Pakistan, which is now firmly on a path of recovery and growth, will result in further improved performance of the Company.

I extend my gratitude towards Board of Directors, shareholders, vendors, dealers and employees of MTL and acknowledge their hard-work. Being an agricultural country, the farmers will continue to be dependent on tractor for mechanized farming.



Sikandar Mustafa Khan
Chairman

Millat Tractors Limited
Lahore: September 16, 2026

18,883 ٹریکٹرز فروخت کر کے اپنی مارکیٹ شیئر کو بڑھا کر 66 فیصد کر لیا، جس میں حکومتِ پنجاب کی گرین ٹریکٹر سبسڈی اسکیم کے تحت فروخت کیے گئے 7,133 ٹریکٹرز بھی شامل ہیں۔

ٹریکٹر انڈسٹری کو مسلسل لیکویڈیٹی کے مسائل اور پالیسی سے متعلق رکاوٹوں کا سامنا رہا، جن میں ٹیکس ریفنڈز میں تاخیر اور زرعی معیشت کی کمزور صورتحال شامل ہیں۔

رقم کے لحاظ سے فروخت 52.11 ارب روپے سے بڑھ کر 63.76 ارب روپے ہوگئی، جو 22.36 فیصد اضافہ ہے۔ سال کے دوران فی حصص آمدنی (EPS) 19.65 روپے رہی، جبکہ گزشتہ سال اسی مدت کی فی حصص آمدنی (EPS) 15.97 (ری سٹیٹڈ) روپے تھی۔

ملّت گروپ، نے اپنی ذیلی کمپنی (Millat Industrial Products Limited) کے ذریعے، جس میں Millat Tractors Limited (MTL) کی 64 فیصد حصص داری ہے، پاکستان میں دو پہیوں والی الیکٹرک بائیکس کی درآمد اور مقامی سطح پر تیاری کے منصوبے میں سرمایہ کاری کی ہے۔ توقع ہے کہ یہ اسٹریٹجک سرمایہ کاری گروپ کی مستقبل کی ترقی میں مثبت کردار ادا کرے گی اور امید ہے کہ MTL کے شیئر ہولڈرز کے لیے پرکشش منافع کا باعث بنے گی۔

تقریباً 7.41 ارب روپے کے سیلز ٹیکس ریفنڈز تاحال واجب الادا ہیں، جس کے نتیجے میں کمپنی کو لیکویڈیٹی کے مسائل کا سامنا ہے۔ اس کے علاوہ، آپریشنز جاری رکھنے کے لیے درکار قرضوں کی مالی اعانت کے باعث کمپنی کو اضافی مالیاتی اخراجات بھی برداشت کرنا پڑ رہے ہیں۔

مجموعی معاشی اور مالی مشکلات کے باوجود، آپ کی کمپنی نے گزشتہ مالی سال کے دوران اپنی فروخت کے حجم میں اضافہ کرنے اور منافع بخش کارکردگی برقرار رکھنے کے ساتھ ساتھ اپنی سپلائی چین کو بھی برقرار رکھا۔ ہم پرامید ہیں کہ پاکستان کی معاشی صورتحال میں بہتری، جو اب مضبوطی سے بحالی اور ترقی کی راہ پر گامزن ہے، کمپنی کی کارکردگی میں مزید بہتری کا باعث بنے گی۔

میں بورڈ آف ڈائریکٹرز، شیئر ہولڈرز، وینڈرز، ڈیلرز اور ایم ٹی ایل کے ملازمین کا تہہ دل سے شکریہ ادا کرتا ہوں اور ان کی محنت اور کاوشوں کو سراہتا ہوں۔ پاکستان ایک زرعی ملک ہونے کی حیثیت سے، ہمارے کسان مشینی کاشت کاری کے لیے ٹریکٹرز پر اپنا انحصار جاری رکھیں گے۔



سکندر مصطفیٰ خان
چیئرمین

ملت ٹریکٹرز لمیٹڈ

لاہور: 16 ستمبر، 2026

چیئرمین کا جائزہ

میں کمپنیز ایکٹ، 2017 کے سیکشن 192 کے تحت بورڈ کی مجموعی کارکردگی اور کمپنی کے مقاصد کے حصول کے لئے بورڈ کے مؤثر کردار پر چیئرمین کی جانب سے دیئے گئے جائزے کو پیش کرنے پر خوشی محسوس کرتا ہوں۔

مالی سال 2026 کے دوران آپ کی کمپنی نے گزشتہ سال کے 18,580 ٹریکٹرز کے مقابلے میں 18,883 ٹریکٹرز فروخت کیے، جو مسلسل معاشی مشکلات کے باوجود کاروباری کارکردگی میں معمولی بہتری کی عکاسی کرتا ہے۔

بورڈ کا انتظامی کردار

بورڈ کی تشکیل اور ساخت

بورڈ کا کردار کمپنی کو ایک فریم ورک کے اندر کاروباری قیادت فراہم کرنا ہے جو محتاط اور مؤثر کنٹرولز پر مبنی ہوتا ہے تاکہ خطرات کا اندازہ لگایا جاسکے اور انہیں مؤثر طریقے سے نمٹا جاسکے۔ بورڈ کمپنی میں تین بڑے کردار ادا کرتا ہے – یہ رہنمائی فراہم کرتا ہے (یعنی کمپنی کی اسٹریٹجک سمت متعین کرتا ہے)، مینجمنٹ کی نگرانی کرتا ہے اور مشاورتی معاونت فراہم کرتا ہے (مشاورتی کردار)۔ یہ تمام کردار کمپنی کے کاروباری مقاصد کے حصول کے لیے اس کے وژن اور مشن کے مطابق اور کمپنیز ایکٹ 2017 کے تحت ہیں۔

بورڈ کی ساخت درج ذیل ہے۔

- خودمختار ڈائریکٹرز	04
- ایگزیکٹو ڈائریکٹرز	03
- دیگر نان ایگزیکٹو ڈائریکٹرز	06

راہنمائی کو یقینی بنانے اور سمت کی نگرانی کے لیے بورڈ نے ذیلی کمیٹیاں تشکیل دی ہیں، جو میری رائے میں کمپنی کو آگے بڑھانے اور مؤثر طور پر منظم کرنے میں نمایاں کردار ادا کر چکی ہیں۔ یہ کمیٹیاں کارپوریٹ گورننس کے ضابطہ اخلاق کی مکمل تعمیل کو یقینی بناتی ہیں اور یہ درجہ ذیل پر مشتمل ہے:

- آڈٹ کمیٹی
- ہیومن ریسورس اور ریمنریشن کمیٹی
- فنانس کمیٹی
- مارکیٹنگ کمیٹی
- گروپ سپرویژن کے لئے بورڈ کمیٹی
- انوائرمینٹل سوشل گورننس کمیٹی (ای ایس جی)

بورڈ کی کارکردگی کا جائزہ

کارپوریٹ گورننس کے ضابطے کے مطابق اور سابقہ عمل کے تحت، بورڈ اور اس کی کمیٹیوں کی کارکردگی کے جائزے کے لیے ایک جامع سوالنامہ تمام ڈائریکٹرز میں تقسیم کیا گیا۔ اس میں درج ذیل اہم شعبہ جات شامل تھے:

- حکمتِ عملی اور منصوبہ بندی
- بورڈ کے عملی امور اور مؤثریت
- کارکردگی کی پیمائش اور نگرانی
- پیشہ ورانہ ترقی

انفرادی آراء حاصل کی گئیں اور ان آراء کی بنیاد پر بورڈ کی کارکردگی اور چیئرمین کے کردار بطور بورڈ آف ڈائریکٹرز کے سربراہ کی اوسط درجہ بندی تسلی بخش پائی گئی، جس کا ثبوت کمپنی کی کارکردگی اور اس کی مجموعی ساکھ سے ظاہر ہوتا ہے

مجموعی اقتصادی اور صنعتی جائزہ

مالی سال 2026 کے دوران پاکستان کی معیشت نے استحکام کی جانب پیش رفت جاری رکھی اور GDP میں 3.7 فیصد کی شرح سے اضافہ ہوا، جو گزشتہ چار سالوں میں سب سے تیز رفتار شرحِ نمو ہے۔ یہ بہتری مالیاتی اشاریوں میں بہتری اور مجموعی معاشی استحکام کے باعث ممکن ہوئی۔ زرعی شعبے میں 2.89 فیصد اضافہ ریکارڈ کیا گیا، جو گزشتہ سال کے مقابلے میں نمایاں بہتری ہے، اگرچہ 2025 کے سیلابوں کے باعث تقریباً 430 ارب روپے کے تخمینہ شدہ نقصانات کا سامنا کرنا پڑا۔ اہم فصلوں میں مجموعی طور پر 0.6 فیصد معمولی اضافہ ہوا۔ گندم کی پیداوار میں 4.3 فیصد، گنے میں 6.2 فیصد اور چاول میں 2.8 فیصد اضافہ ہوا، جبکہ کپاس کی پیداوار میں 0.5 فیصد اور مکئی میں 2.7 فیصد کمی نے اس شرحِ نمو کو جزوی طور پر متاثر کیا۔ مالی سال 2026 میں مینوفیکچرنگ سیکٹر نے 6.6 فیصد کی مضبوط شرحِ نمو حاصل کی، جبکہ مالی سال 2025 میں یہ شرح 1.3 فیصد تھی۔ اسی طرح Large Scale Manufacturing (LSM) میں بھی نمایاں بحالی ہوئی اور اس میں 6.11 فیصد اضافہ ریکارڈ کیا گیا، جو گزشتہ چار سالوں میں سب سے زیادہ ہے، جبکہ گزشتہ سال اس شعبے میں 1.5 فیصد کمی ریکارڈ کی گئی تھی۔*

*(ماخذ: اکنامک سروے آف پاکستان)

ٹریکٹر انڈسٹری کی فروخت گزشتہ سال کے 29,192 یونٹس کے مقابلے میں معمولی کمی کے ساتھ 28,667 یونٹس رہی۔ صنعت میں مجموعی فروخت کے کمزور حجم کے باوجود، آپ کی کمپنی نے



Directors' Report

To The Shareholders

The Directors feel pleasure in presenting their 63rd annual report together with audited financial statements of the Company for the year ended June 30, 2026.

APPROPRIATIONS

Your Directors recommended a payment of final cash dividend @ Rs. 11 per share (220%).
The aforesaid payout shall be in addition to the interim cash dividend of Rs. 10.00 per share (200%) already paid, making a total of Rs. 21 per share (420%) as cash dividend.

The following appropriations were made during the year:

	General Reserve	Un-appropriated Profit
	(Rupees in thousands)	
Opening balance-	2,278,935	2,039,519
Total Comprehensive Income for the year ended June 30, 2026		7,806,335
Transfer of fair value reserve on sale of Baluchistan Wheels Limited investment to unappropriated profit		135,699
Less: Final dividend @ Rs 15 for year ended June 30, 2025		(2,992,739)
Less: Interim dividend @ Rs 10 of 2026		(3,990,319)
Un-appropriated profit carried forward	2,278,935	2,998,495

EARNINGS PER SHARE

Earnings per share for the year ended June 30, 2026 was Rs. 19.65 as against Rs. 15.97(restated) of the preceding year.

BOARD OF DIRECTORS

The Board comprises of thirteen directors as on June 30, 2026.

(a) Male:	12
(b) Female:	01
Composition:	
(i) Independent Directors:	04
(ii) Other Non-Executive Directors:	06
(iii) Executive Directors:	03

Name(s) of Directors

1. Mr. Sikandar M. Khan-Chairman (Non-Executive Director)	2. Mr. Raheel Asghar-CEO (Executive Director)
3. Mr. Sohail Bashir Rana (Executive Director)	4. Mr. Laeeq Uddin Ansari (Executive Director)
5. Mr. Qaiser Saleem (Non-Executive Director)	6. Mr. Saad Iqbal (Non-Executive Director)
7. Mr. Muhammad Mustafa Khan (Non-Executive Director)	8. Mr. Muhammad Mustafa Sohail (Non-Executive Director)
9. Mr. Murad Naseer Uddin Ansari (Non-Executive Director)	10. Mr. Nasar Us Samad Qureshi (Independent Director)
11. Mr. Muhammad Javed Rashid (Independent Director)	12. Mr. Manzoor Ahmed (Independent Director)
13. Mrs. Zara Salman Bandial (Independent Director)	

The present Board was constituted after election of directors in Extra Ordinary General Meeting, held on October 30, 2024. Since the last report, there has been no change in the composition of the Board. The three years term of the present Board shall expire on October 30, 2027.

Board Meetings

The Board ensures that the Company achieves its strategic objectives. The Board discharges its responsibilities through a schedule of meetings. During the current fiscal year seven meetings were held, which were also attended by the Chief Financial Officer and the Company Secretary.

Board Committees

The names of members of Board Committees as on June 30, 2026 are as follows:-

1. Audit Committee

Mr. Nasar Us Samad Qureshi,	Chairman
Mr. Qaiser Saleem,	Member
Mr. Muhammad Mustafa Khan,	Member
Mr. Muhammad Mustafa Sohail	Member
Mr. Murad Naseer Uddin Ansari	Member

2. Human Resource & Remuneration Committee

Mr. Muhammad Javed Rashid,	Chairman
Mr. Qaiser Saleem,	Member
Mrs. Zara Salman Bandial,	Member
Mr. Raheel Asghar,	Member

3. Finance Committee

Mr. Sohail Bashir Rana,	Chairman
Mr. Laeeq Uddin Ansari,	Member
Mr. Raheel Asghar,	Member

4. Marketing Committee

Mr. Sohail Bashir Rana,	Chairman
Mr. Laeeq Uddin Ansari,	Member
Mr. Raheel Asghar,	Member

5. Board's Committee For Group Supervision

Mr. Sikandar Mustafa Khan,	Chairman
Mr. Sohail Bashir Rana,	Member
Mr. Laeeq Uddin Ansari,	Member
Mr. Qaiser Saleem,	Member
Mr. Muhammad Mustafa Khan,	Member
Mr. Muhammad Mustafa Sohail	Member
Mr. Murad Naseer Uddin Ansari	Member

6. Environmental Social Governance Committee (Esg)

Mr. Saad Iqbal	Chairman
Mr. Sohail Bashir Rana	Member
Mrs. Zara Salman Bandial	Member
Mr. Raheel Asghar,	Member

Director's Remuneration Policy

The Directors Remuneration policy of non-executive directors including independent directors as approved by the Board is as follows:-

I) Non-Executive Directors (Including Independent Directors)

Any fee / remuneration payable to the Independent and / or Non-Executive Directors of the Company shall be in following manner.

Meeting Fee

Independent and / or Non- Executive Director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee(s) thereof as per Articles of Association of the Company.

Performing Extra Service

The remuneration for performing extra service may be paid to Non- Executive Director(s) as may be decided by the Board of Directors of the Company from time to time, depending on the extra time and effort as may be devoted and contribution as may be made by the Non-Executive Director(s).

Reimbursement of actual expenses incurred

Independent and / or Non- Executive Director(s) may also be paid / reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such Directors for attending Board / Committee Meetings.

Aggregate Directors' Remuneration

Details of the Directors' remunerations for the year ended June 30, 2026 are as under:

	Chief Executive Officer	Executive Directors	Non Executive Directors	Independent Directors
Number of Persons	1	2	6	4
	Rupees "000"			
Managerial remuneration	39,076	18,506	15,429	-
Cost of living allowance	-	18,506	15,429	-
Bonus	5,836	17,318	12,078	-
House rent	17,584	8,328	6,943	-
Contribution to Provident Fund	3,910	-	-	-
Medical Expenses	1,217	4,077	1,451	-
Utilities	1,061	3,495	2,004	-
Other allowances	4,024	4,818	3,542	-
Fees	-	-	4,585	3,665
Expenses reimbursed	-	-	262	85

Principal Activities, Development And Performance Of Company's Business During Financial Year-2026

The Company is principally engaged in assembly and manufacture of agricultural tractors, farm equipment and multi-application products including forklift trucks and generators.

The financial statements of the Company truly reflect the state of Company's affairs and fair review of its business. Country's economy registered a moderate GDP growth of 3.7 percent which was a result of effective and stable macroeconomic management and improved fiscal indicators. The Agri sector showed a modest growth by 2.89% due to increase in major crop production. Important crops recorded a modest growth of 0.6% due to increase in cultivation area and supportive weather conditions.

The above factors resulted in increased tractor sales of the company which remained at 18,883 units compared to 18,580 units sold last year. The sales also included 7,133 tractors under the Green Tractor Subsidy Scheme of Government of Punjab.

Gross profit margin remained at 31.94%. Net profit for the period was 12.30% of sales versus 12.23% in previous year. The increase was due to significant improvement in sales revenue and decrease in finance cost for the year.

Principal Risks and Uncertainties Facing the Company

Effective risk management is the key to sustainable business. Our risk management framework, coupled with our internal control policies have helped us maintain our focus and mitigating principal risks affecting our Company. The internal control framework established by the Company ensures appropriate risk mitigation plans by assigning designated accountability and policy framework for upward

communication of any material issues and incidents. The Company is susceptible to the following principal risks which are mitigated via specific policies and plans:

Operational risks

Operational risks are those which hinder the entity from running its operations smoothly. Our main operational risks are:

Taxation regime of Pakistan

The taxation measures taken by the government during the fiscal year to increase tax-net seem to have not been fruitful due to inconsistencies in the application of law and frequent ad-hoc operational changes. This was most evident in processing of sales tax refunds, which have accumulated to Rs. 7.411 billion. Extreme measures need to be taken to rationalize tax laws and increase investors' confidence.

Environmental Risk

Pakistan has been recognized as one of the top ten nations most affected by climate change globally. The country is experiencing unpredictable weather patterns, leading to occurrences such as cloud bursts, flash floods, severe droughts, glacial lake outbursts, intense heat waves, and erratic rainfall. Consequently, its ecosystems and landscapes are steadily deteriorating. These factors are critical indicators of the fact that we need to ramp up our efforts to address this risk quickly and effectively. Changes in environment may hamper the growth trajectory of the agricultural products, which is worrisome for a country that relies so much on it financially and economically. Our company is also directly linked with agriculture and any adverse impact severely affects company's performance as well.

Financial Risks

Financial risks are those that may cause financial loss to the entity. Financial risk has been described in detail in note 46 of the attached financial statements that include market risks, credit risks and liquidity risk.

Compliance Risk

Non-compliance with laws and regulations may result in imposition of punitive action. Therefore, the Company has zero tolerance policy for non-compliance activities and behaviours. In addition, to mitigate such risks, a very comprehensive and effective compliance function is in place in the Company. Further, the Company's Code of Conduct clearly defines expectations from employees of the Company. The Company encourages employees and business partners to report compliance violations that they may encounter.

Changes During Financial Year Concerning the Nature of the Business of the Company

There has been no change in the principal activity of the Company during the year. The Company continued to increase its efforts in retail and exports sector.

Future Prospects of Profit

Tractor sales are expected to retain the same trajectory in upcoming fiscal year. However, Punjab Government's subsidized tractor scheme announced for FY 2026 have a potential to help the industry towards recovery.

Adequacy of Internal Financial Controls

The Board of Millat Tractors Limited is responsible for the establishment and maintenance of the Company's system of internal control in order to identify and manage risks faced by the Company.

The System provides reasonable, though not absolute, assurance that:

- assets are safeguarded against unauthorized use or disposition;

- proper and reliable accounting records are available for use within the business;
- adequate control mechanisms have been established within the operational businesses; and
- internal financial controls deployed within the Company have been satisfactory throughout the year.

Main Trends and Factors Likely to Affect the Future Development, Performance and Position of The Company's Business

The major factors that are likely to affect the company's business are:

- Rupee parity
- Kharif and Rabi season crop output
- Supply chain performance
- Pace of CPEC and other development projects

Shift in any of these parameters will impact company's performance. It is anticipated that upcoming fiscal year will be on the same trajectory as current year.

Duty and Taxes

Information about taxes and levies is given in the respective notes to the annexed financial statements.

Auditors

The present auditors M/s. A. F. Ferguson & Company, Chartered Accountants, Lahore retire and offer themselves for re-appointment. The Board Audit Committee and Board of Directors of the Company have endorsed their appointment at remuneration of Rs. 7,507,500 for shareholders' consideration at the forthcoming Annual General Meeting. The external auditors have certified that they have been given satisfactory rating under the Quality Control Review of the Institute of Chartered Accountants of Pakistan and are registered with Audit Oversight Board of Pakistan and being eligible offer themselves for re-appointment.

Directors' Orientation Program

An orientation course was arranged for the Directors to acquaint them with the code, applicable laws, their duties and responsibilities to enable them to effectively manage affairs of the Company for and on behalf of the shareholders. Written material was also provided to them.

Subsequent Events

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company and the date of this report except as disclosed in this report.

Auditor's Observations

No adverse remark, observation was given by the auditors' in their report for the year ended June 30, 2026.

Statement on Corporate Financial Reporting Frame Work

The Company has complied with all the requirements of the Code of Corporate Governance.

Accordingly, the Directors are pleased to confirm the following:

a) The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 2017. These statements present fairly the Company's state of affairs, the results of its operations, cash flow and changes in equity.

b) Proper books of accounts of the Company have been maintained.

c) Appropriate accounting policies have been consistently applied in the preparation of financial statements, except for the changes as disclosed in Note no. 4 of the

financial statements, which conform to the International Accounting and Reporting Standards as applicable in Pakistan. The accounting estimates, wherever required are based on reasonable and prudent judgement.

d) The International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.

e) The system of internal control is sound in design and has been effectively implemented and monitored.

f) There are no significant doubts upon the Company's ability to continue as a going concern.

g) There has been no material departure from the best practices of Corporate Governance.

h) The key operating and financial data for the last six years is annexed.

i) The value of investments of provident, gratuity and pension funds based on their audited accounts as on June 30, 2026 were as follows:

-	Provident Fund	Rs. 697,697,957
-	Gratuity Fund	Rs. 99,253,287
-	Pension Fund	Rs. 1,330,267,874

The value of investment includes accrued interest.

j) The purchase of shares by director during the year was as follows :-

Purchase Of Shares	No. of Shares Purchased
Mr. Sikandar Mustafa Khan, Chairman	13,555
Mr. Muhammad Mustafa Khan, Director	1,064
Mr. Adil Umer Bandial (Spouse)	3,650
Mrs. Ayesha Sohail (Spouse)	4,916
Gift Of Shares	**No. of Shares Gifted**
Mr. Sikandar Mustafa Khan, Chairman (Gift Out)	7,557,263
Mrs. Cyma Khan, Spouse (Gift In)	7,557,263
Mr. Mudassar Siddique, Company Secretary (Gift in)	16,425
Mrs. Quratulain Mudassar, (Spouse) (Gift out)	16,425
Sale Of Shares	**No. of Shares Sold**
Mr. Mudassar Siddique, Co. Secretary	8,000



Code of Conduct

In order to put in place professional standards and corporate values for promotion of integrity of the Board, senior management and other employees, the board has approved and disseminated a Code of Conduct, defining therein acceptable and unacceptable behaviors. The same has also been placed on the Company's website.

Statement of Compliance with the Code of Corporate Governance

The requirements of the Code of Corporate Governance, relevant for the year ended June 30, 2026 have been duly complied with. A statement to this effect is annexed separately with the report.

Chairman's Review

The Directors of your Company endorse the contents of the Chairman's Review.

Related Party Transactions

The related party transactions conducted with group companies had to be approved by the board duly recommended by the audit committee periodically pursuant to regulation 15 of the Code of Corporate Governance. However, in the last Annual General Meeting, the shareholders had authorized the Chief Executive of the Company to approve these transactions in the normal course of business subject to final approval/ratification by the shareholders as majority of directors were interested in these transactions at the time of authorization, therefore these transactions will be placed before the shareholders in next Annual General Meeting for final approval/ratification.

Pattern of Shareholding

The pattern of shareholding is annexed.

Number of Employees

The numbers of permanent employees as on June 30, 2026 were 454 compared to 464 of last year.

Consolidated Financial Statements

Consolidated financial statements of the Company as on June 30, 2026 are annexed.

Corporate Social Responsibility

Disclosure of Corporate Social Responsibility is annexed and forms part of this report.

Disclosure Regarding Assessment of Sustainability Related Risks

Disclosure as required under Regulation 10A (6) of the Code of Corporate Governance is annexed and forms part of this report.

Web Presence

Company's periodic financial statements for the current financial year including previous annual reports are available on the Company's website www.millat.com.pk for information of the investors.

For and on behalf of the Board.

Chairman

Chief Executive Officer

Lahore:

Lahore: September 16, 2026

سرمایہ کاری کی رقم میں وصول شدہ انٹرسٹ شامل ہے۔

خ۔ سال کے دوران ڈائریکٹرز کی جانب سے خرید وفروخت کیے گئے شیئرز درجہ ذیل ہے۔

خریدے گئے شیئرز	خریدے گئے شیئرز کی تعداد
مسٹر سکندر مصطفےٰ خان، چیئرمین	13,555
مسٹر محمد مصطفےٰ خان، ڈائریکٹر	1,064
مسٹر عادل عمر بندیال، (مس زارہ سلمان بندیال کے شریک حیات)	3,650
مسز عائشہ سہیل (مسٹر سہیل بشیر رانا کی شریک حیات)	4,916

گفٹ کیے گئے شیئرز	گفٹ کیے گئے شیئرز کی تعداد
مسٹر سکندر مصطفےٰ خان، چیئرمین (گفٹ آؤٹ)	7,557,263
مسز سائمہ خان، (مسٹر سکندر مصطفےٰ خان کی شریک حیات) گفٹ ان	7,557,263
مسٹر مدثر صدیق، (کمپنی سیکرٹری) گفٹ ان	16,425
مسز قراۃ العین، (مسٹر مدثر صدیق کی شریک حیات (گفٹ آؤٹ)	16,425

فروخت کیے گئے شیئرز	فروخت کیے گئے شیئرز کی تعداد
مسٹر مدثر صدیق، (کمپنی سیکرٹری)	8,000

ضابطہ اخلاق:

پروفیشنل اسٹینڈرڈز اور کارپوریٹ اقدار کے فروغ، سینئر مینجمنٹ، دیگر ملازمین اور بورڈ کی سالمیت برقرار رکھنے کے لئے بورڈ نے ایک ضابطہ اخلاق کی منظوری دی ہے جس میں قابل قبول اور نا قابل قبول عمل کی وضاحت کی گئی ہے۔ یہ ضابطہ اخلاق کمپنی کی ویب سائٹ پر بھی موجود ہے۔

کارپوریٹ گورننس کے ضابطہ اخلاق کی تعمیل کا بیان

30 جون، 2026 کو ختم ہونے والے سال کیلئے متعلقہ کوڈ آف کارپوریٹ گورننس کے تقاضوں کی تعمیل کی گئی ہے۔ اِس سے متعلق ایک بیان رپورٹ کے ساتھ علیحدہ سے منسلک ہے۔

چیئرمین کا جائزہ

آپ کی کمپنی کے ڈائریکٹرز چیئرمین کے جائزہ کی تائید کرتے ہیں۔

ریلیٹڈ پارٹی کی ٹرانزیکشنز

گروپ کمپنیوں کے ساتھ کیے گئے متعلقہ فریق کے لین دین کو کوڈ آف کارپوریٹ گورننس کے ضابطہ 15 کے مطابق وقتاً فوقتاً آڈٹ کمیٹی کے تجویز کردہ بورڈ کے ذریعے منظور کیا جانا تھا تاہم پچھلی سالانہ جنرل میٹنگ میں شیئر ہولڈرز نے کمپنی کے چیف ایگزیکٹو کو اختیار دیا تھا کہ وہ ان لین دین کو معمول کے کاروبار میں منظور کریں تاکہ شیئر ہولڈرز کی طرف سے حتمی منظوری/توثیق ہو کیونکہ اس وقت ڈائریکٹرز کی اکثریت ان لین دین میں دلچسپی رکھتی تھی۔ اس لیے ان ٹرانزیکشنز کی حتمی منظوری/توثیق کے لیے اگلی سالانہ جنرل میٹنگ میں شیئر ہولڈرز کے سامنے رکھا جائیگا۔

شیئر ہولڈنگ کا پیٹرن

شیئر ہولڈنگ کا پیٹرن منسلک کیا گیا ہے۔

ملازمین کی تعداد:

30 جون، 2026 کو ختم ہونے والے سال میں کمپنی کے مستقل ملازمین کی تعداد 454، جبکہ گزشتہ سال یہ تعداد 464 تھی۔

مجموعی مالیاتی اسٹیٹمنٹ

30 جون، 2026 تک کی مجموعی مالیاتی اسٹیٹمنٹ منسلک کی گئی ہے۔

کارپوریٹ سماجی ذمہ داری

کارپوریٹ سماجی ذمہ داریوں کے متعلق بیان منسلک ہے اور اس رپورٹ کا لازمی حصہ بنایا گیا ہے۔

پائیداری سے متعلق خطرات کی تشخیص کے حوالے سے مواد

کارپوریٹ گورننس کے ضابطہ کی شق 10A(6) کے تحت مطلوبہ مواد منسلک ہے اور اس رپورٹ کا حصہ ہے۔"

ویب سائٹ پر موجودگی

موجودہ مالی سال کے لئے کمپنی کی فنانشل اسٹیٹمنٹس بشمول گزشتہ سالانہ رپورٹس سرمایہ کاروں کی معلومات کیلئے کمپنی کی ویب سائٹ www.millat.com.pk پر موجود ہے۔

چیف ایگزیکٹو آفیسر

چیئرمین

لاہور: 16 ستمبر، 2026

مستقبل میں کمپنی کے کاروبار، ترقی، کارکردگی اور پوزیشن کو متاثر کرنے والے عوامل

کمپنی کے کاروبار کو متاثر کرنے والے بڑے عوامل مندرجہ ذیل ہیں۔

- روپے کی قدر
- ربیع وخریف کی فصل کی پیداوار
- سپلائی چین کی کارکردگی
- سی پیک اور دوسرے ترقیاتی منصوبے کی رفتار

مندرجہ بالا عوامل میں سے کسی ایک میں نمایاں تبدیلی کمپنی کی کارکردگی کو متاثر کرے گی۔ توقع کی جاتی ہے کہ آئندہ مالی سال بھی رواں مالی سال جیسا ہی ہوگا۔

ڈیوٹی اور ٹیکسز

ٹیکسز اور لیویز کے بارے میں معلومات منسلک مالیاتی سٹیٹمنس کے متعلقہ نوٹس میں دی گئی ہیں۔

آڈیٹرز

موجودہ آڈیٹرز میسرا ے ایف فرگوسن, چارٹرڈ اکاؤنٹنٹس لاہور ریٹائر ہو گے ہیں اور انہوں نے خود دوبارہ منتخب ہونے کی پیشکش کی ہے۔ بورڈ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے 7,507,500 روپے معاوضے پر انکی تقرری کی توثیق کی ہے اور آئندہ ہونے والے سالانہ اجلاس عام میں اسے شیئر ہولڈرز کی منظوری کیلئے پیش کیا جائے گا۔ ایکسٹرنل آڈیٹرز نے تصدیق کی ہے کہ انسٹی ٹیوٹ آف چارٹرڈ اکاؤنٹنٹس آف پاکستان کے کوالٹی کنٹرول جائزہ کے تحت اطمینان بخش درجہ بندی کی گئی ہے اور وہ آڈٹ اوورسائٹ بورڈ آف پاکستان کے ساتھ رجسٹرڈ ہیں اور اہل ہونے کے ناطے دوبارہ اپنی تعیناتی کے خواہش مند ہیں۔

ڈائریکٹرز کا تربیتی پروگرام

ڈائریکٹرز کے لئے ایک اوریئنٹیشن کورس تشکیل دیا گیا جس میں اُنہیں ضابطہ، قابل اطلاق قوانین اور اُن کی ذمہ داریوں وفرائض سے آگاہ کیا گیا تا کہ وہ موثر طریقے سے کمپنی اور شیئر ہولڈرز کی طرف سے معاملات سنبھال سکیں۔ اُنہیں تحریری مواد بھی فراہم کیا گیا۔

دیگر متعلقہ ایونٹس

کمپنی کے مالی سال کے اختتام سے موجودہ رپورٹ کی اشاعت کی تاریخ تک کمپنی کی مالی پوزیشن پر اثر انداز ہونے والی کوئی بھی تبدیلی رونما نہیں ہوئی۔ جبکہ ایسی کوئی بھی تبدیلی اس رپورٹ میں واضح کی گئی ہے۔

آڈیٹرز کا مشاہدہ

سال مختتمہ 30 جون، 2026 کی سالانہ رپورٹ میں آڈیٹرز نے اپنی رپورٹ میں کسی قسم کی منفی رائے نہیں دی۔

کارپوریٹ فنانشل رپورٹنگ فریم ورک کی اسٹیٹمنٹ

کمپنی نے کارپوریٹ گورننس کے ضابطہ اخلاق کی ضروریات کو مدِنظر رکھتے ہوئے درج ذیل قواعد مرتب کئے ہیں۔

ڈائریکٹرز انتہائی مسرت کے ساتھ تصدیق کرتے ہیں کہ:

ا۔ کمپنی کی طرف سے تیار کردہ مالی اسٹیٹمنٹس کمپنیز ایکٹ، 2017 کے مطابق ترتیب دی گئی ہیں اور اِس میں درج مالیاتی گوشوارے، کمپنی کے معاملات، کاروباری سرگرمیوں کے نتائج، کیش فلو اور ایکویٹی میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔

ب۔ کمپنی نے باضابطہ طور پر اکاؤنٹس کے کھاتوں کو تیار کر رکھا ہے۔

پ۔ اِن مالیاتی گوشواروں کی تیاری میں ضروری اور مخصوص اکاؤنٹنگ پالیسیوں کی پیروی کی گئی ہے ماسوائے مالیاتی گوشواروں کی شق نمبر 4 میں واضح کردہ تبدیلیوں کے جو بین الاقوامی اکاؤنٹنگ اور رپورٹنگ سٹینڈرڈز کے عین مطابق ہیں اور پاکستان میں قابل اِطلاق ہیں۔ کبھی بھی مطلوب ہونے والے اکاؤنٹنگ کے تخمینے انتہائی منطقی اور محتاط اندازے پر مبنی ہیں۔

ت۔ اِن مالیاتی گوشواروں کی تیاری میں بین الاقوامی فنانشل رپورٹنگ اسٹینڈرڈ (جہاں تک وہ پاکستان میں قابل اطلاق ہیں) کی پیروی کی گئی ہے۔

ٹ۔ اندرونی کنٹرول کا نظام اپنے ڈیزائن کے اعتبار سے مستحکم ہے اور اِس کا مؤثر اطلاق اور نگرانی کی جاتی ہے۔

ث۔ کمپنی کے مستقبل میں کام جاری رکھنے کی اہلیت پر کوئی شکوک وشبہات نہیں ہیں۔

ج۔ متعین شدہ اصول وضوابط میں درج کارپوریٹ گورننس کے رہنما اصولوں سے اِنحراف نہیں کیا گیا۔

چ۔ گزشتہ 6 سالوں کے اہم کاروباری اور مالیاتی حسابات درج ہیں۔

ح۔ 30 جون، 2026 کو آڈٹ شدہ اکاؤنٹس کی بنیاد پر پراویڈنٹ، گریجویٹی اور پنشن فنڈز کی سرمایہ کاری کی مالیت درج ذیل ہے۔

پراویڈنٹ فنڈ	697,697,957	روپے
گریجویٹی فنڈ	99,253,287	روپے
پنشن فنڈ	1,330,267,874	روپے

کمپنی کو درپیش خطرات اور غیر یقینی صورتحال

موثر رسک مینجمنٹ پائیدار کاروبار کی کلید ہے۔ ہمارا رسک مینجمنٹ فریم ورک اور اندرونی کنٹرول پالیسیز نے کمپنی کو اپنے مقاصد پر مرکوز رہنے اور بنیادی خطرات کو کم کرنے میں مدد فراہم کی ہے جو کمپنی پر اثر انداز ہو سکتے ہیں۔ کمپنی کا قائم کردہ اندرونی کنٹرول فریم ورک اس بات کو یقینی بناتا ہے کہ موزوں رسک مینجمنٹ پلانز موجود ہوں، جن میں نامزد ذمہ داری اور پالیسی فریم ورک شامل ہے تا کہ کسی بھی اہم مسئلے یا واقعے کی بروقت اوپر تک ترسیل ہو سکے۔ کمپنی درج ذیل بنیادی خطرات سے متاثر ہو سکتی ہے جنہیں مخصوص پالیسیوں اور منصوبوں کے ذریعے کم کیا جاتا ہے:

اموری خطرات

اموری خطرات کا تعلق ایسے عوامل سے ہے جو آپریشنز کو باآسانی چلانے سے روکتے ہیں۔ ہمارے نمایاں اموری خطرات مندرجہ ذیل ہیں۔

پاکستان میں ٹیکس کا نظام

ٹیکس کے دائرہ کار کو وسیع کرنے کے لیے مالی سال کے دوران حکومت کی جانب سے کیے گئے ٹیکس اقدامات بظاہر بار آور ثابت نہیں ہوئے، جس کی وجہ قانون کے نفاذ میں تضادات اور آپریشنل امور میں بار بار کی جانے والی ہنگامی نوعیت کی تبدیلیاں ہیں۔ اس صورتحال کا سب سے نمایاں اظہار سیلز ٹیکس ریفنڈز کی ادائیگی کے عمل میں ہوا، جو مجموعی طور پر 7.411 ارب روپے تک پہنچ چکے ہیں۔ ٹیکس قوانین کو معقول بنانے اور سرمایہ کاروں کا اعتماد بڑھانے کے لیے انتہائی ٹھوس اقدامات کی ضرورت ہے۔

ماحولیاتی خطرات

پاکستان کو دنیا کے ان دس ممالک میں شمار کیا گیا ہے جو ماحولیاتی تبدیلیوں سے سب سے زیادہ متاثر ہیں۔ ملک غیر متوقع موسمی پیٹرن کا سامنا کر رہا ہے، جس کے نتیجے میں بادل پھٹنے، اچانک سیلاب، شدید خشک سالی، گلیشیائی جھیلوں کے پھٹنے، شدید گرمی کی لہریں اور بے قاعدہ بارش جیسے واقعات رونما ہو رہے ہیں۔ اس کے نتیجے میں ملک کے ماحولیاتی نظام اور قدرتی مناظر مسلسل بگڑ رہے ہیں۔ یہ عوامل اس بات کے اہم اشارے ہیں کہ ہمیں اس خطرے سے جلد اور مؤثر طریقے سے نمٹنے کے لیے اپنی کوششوں کو تیز کرنا ہوگا۔ ماحولیاتی تبدیلیاں زرعی پیداوار کی ترقی کی رفتار کو متاثر کر سکتی ہیں، جو ایک ایسے ملک کے لیے باعثِ تشویش ہے جو مالی اور اقتصادی طور پر زرعی شعبے پر بہت زیادہ انحصار کرتا ہے۔ ہمارے ادارے کا تعلق بھی براہِ راست زراعت سے ہے، اور کسی بھی منفی اثرات کی صورت میں کمپنی کی کارکردگی بری طرح متاثر ہوتی ہے۔

مالیاتی خطرات

مالیاتی خطرات وہ ہیں جو کمپنی کو مالی طور پر نقصان پہنچا سکتے ہیں۔ منسلکہ فنانشل اسٹیٹمنٹس کے نوٹ 46 میں مالیاتی خطرات کے بارے میں تفصیل سے بیان کیا گیا ہے جس میں مارکیٹ، کریڈٹ اور لیکویڈیٹی خطرات شامل ہیں۔

کمپلائنس خطرات

قوانین اور ضوابط کی خلاف ورزی کی صورت میں تعزیری کارروائی عمل میں لائی جا سکتی ہے۔ لہٰذا کمپنی نے عدم تعمیل کی سرگرمیوں اور رویوں کے لیے زیرو ٹالرینس پالیسی اختیار کر رکھی ہے۔ مزید برآں، ایسے خطرات کو کم کرنے کے لیے کمپنی میں ایک نہایت جامع اور مؤثر کمپلائنس فنکشن قائم کیا گیا ہے۔ اسی کے ساتھ کمپنی کا ضابطہ اخلاق واضح طور پر ملازمین سے توقعات کی وضاحت کرتا ہے۔ کمپنی اپنے ملازمین اور بزنس پارٹنرز کی حوصلہ افزائی کرتی ہے کہ وہ کسی بھی کمپلائنس خلاف ورزی کی صورت میں اس کی رپورٹ کریں جس کا انہیں سامنا ہو۔

مالی سال کے دوران کمپنی بزنس کی نوعیت میں تبدیلی

سال کے دوران کمپنی کی بنیادی سرگرمی میں کوئی تبدیلی نہیں آئی۔ کمپنی نے لوکل اور برآمدات کے شعبے میں اپنی کوششوں کو بڑھانا جاری رکھا۔

منافع کے مستقبل کے امکانات

آئندہ مالی سال میں ٹریکٹر کی فروخت کے اسی رجحان پر قائم رہنے کی توقع ہے۔ تاہم، پنجاب حکومت کی سبسڈائزڈ ٹریکٹر اسکیم جو مالی سال 2026 کے لیے اعلان کی گئی ہے، جو کہ اس صنعت کو بحالی کی طرف لے جانے کی صلاحیت رکھتی ہے۔

موزوں داخلی مالیاتی کنٹرولز

ملت ٹریکٹرز لمیٹڈ کا بورڈ کمپنی کے اندرونی کنٹرول کے نظام کے قیام اور دیکھ بھال کا ذمہ دار ہے تا کہ کمپنی کو درپیش خطرات کی نشاندہی اور ان کا انتظام کیا جا سکے۔

اگرچہ حتمی نہیں لیکن سسٹم مناسب ضمانت دیتا ہے کہ:

- اثاثے غیر متعلقہ استعمال کے خلاف محفوظ ہیں۔
- مکمل اور قابل اعتبار اکاؤنٹنگ ریکارڈز بزنس کے اندر رہتے ہوئے استعمال کیلئے دستیاب ہیں۔
- آپریشنل بزنس کے اندر ایک مناسب کنٹرول میکانزم تشکیل دیا گیا ہے۔
- کمپنی کے اندر ترتیب دیئے جانے والے داخلی مالیاتی کنٹرولز سال بھر اطمینان بخش رہے۔

نان ایگزیکٹو ڈائریکٹرز (بشمول آزاد ڈائریکٹرز)

کمپنی کے نان ایگزیکٹو یا آزاد ڈائریکٹرز کو کسی بھی معاوضہ یا فیس کی ادائیگی مندرجہ ذیل اصول کے مطابق کی جائیگی۔

میٹنگ فیس

کمپنی کے آرٹیکلز آف ایسوسی ایشن کے مطابق نان ایگزیکٹو یا آزاد ڈائریکٹرز بورڈ یا کمیٹی کی میٹنگ میں شمولیت کے لئے فیس کی صورت میں معاوضہ وصول کریں گے۔

اضافی خدمات کی انجام دہی

اضافی خدمات کی انجام دہی کے لئے نان ایگزیکٹو ڈائریکٹرز کو پیش کئے جانے والا معاوضہ وقتاً فوقتاً کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے طے کیا جائے گا جسکا انحصار نان ایگزیکٹو ڈائریکٹرز کی اضافی کوشش اور اضافی وقت پر ہوگا۔

حقیقی اخراجات کی ادائیگی

نان ایگزیکٹیو اور/ آزاد ڈائریکٹرز کو فکسڈ الاؤنس کی مد میں یا پھر بورڈ/ کمیٹی میٹنگز میں شرکت کے لئے سفری، رہائشی یا دیگر حقیقی اخراجات کے عوض معاوضہ دیا/تفویض کیا جائے گا۔

ڈائریکٹرز کا مجموعی معاوضہ

30 جون، 2026 کو ختم ہونے والے سال کیلئے ڈائریکٹرز کے معاوضہ کی تفصیل حسب ذیل ہے:

	چیف ایگزیکٹو آفیسر	ایگزیکٹو ڈائریکٹر	نان ایگزیکٹو ڈائریکٹرز	آزاد ڈائریکٹرز
ممبران کی تعداد	1	2	6	4
		رقم ہزاروں میں		
انتظامی معاوضہ	39,076	18,506	15,429	-
کوسٹ آف لیونگ الاؤنس	-	18,506	15,429	-
بونس	5,836	17,318	12,078	-
گھر کا کرایہ	17,584	8,328	6,943	-
پروویڈنٹ فنڈ میں حصہ	3,910	-	-	-
طبی اخراجات	1,217	4,077	1,451	-
یوٹیلیٹیز	1,061	3,495	2,004	-
دیگر الاؤنسز	4,024	4,818	3,542	-
فیس	-	-	4,585	3,665
قابل واپسی اخراجات	-	-	262	85

مالیاتی سال 2026 کے دوران کمپنی کی کارکردگی اور کاروبار میں ترقی سے متعلق نمایاں سرگرمیاں

کمپنی بنیادی طور پر زرعی ٹریکٹرز، زرعی آلات اور کثیر المقاصد مصنوعات بشمول فورک لفٹ ٹرک اور جنریٹرز کی تیاری اور اسمبلنگ کے کاروبار میں مصروف ہے۔

کمپنی کے مالیاتی گوشوارے کمپنی کے معاملات کی حقیقی عکاسی کرتے ہیں اور اس کے کاروبار کا منصفانہ جائزہ پیش کرتے ہیں۔ ملک کی معیشت نے 3.7 فیصد کی معتدل جی ڈی پی (GDP) نمو ریکارڈ کی، جو کہ مؤثر اور مستحکم میکرو اکنامک (مجموعی معاشی) انتظام اور بہتر مالیاتی اشاریوں کا نتیجہ تھی۔ زرعی شعبے میں 2.89 فیصد کی معمولی نمو دیکھی گئی جس کی وجہ اہم فصلوں کی پیداوار میں اضافہ تھا۔ کاشت کے رقبے میں اضافے اور سازگار موسمی حالات کے باعث اہم فصلوں کی پیداوار میں 0.6 فیصد کی معمولی نمو ریکارڈ کی گئی۔

مذکورہ بالا عوامل کے نتیجے میں کمپنی کے ٹریکٹرز کی فروخت میں اضافہ ہوا اور یہ تعداد 18,883 یونٹس رہی، جبکہ گزشتہ سال 18,580 یونٹس فروخت ہوئے تھے۔ اس فروخت میں حکومتِ پنجاب کی 'گرین ٹریکٹر سبسڈی اسکیم' کے تحت فروخت ہونے والے 7,133 ٹریکٹرز بھی شامل تھے۔

مجموعی منافع کا مارجن (Gross profit margin) 31.94 فیصد رہا۔ اس مدت کے دوران خالص منافع (Net profit) فروخت کا 12.30 فیصد رہا، جبکہ گزشتہ سال یہ شرح 12.23 فیصد تھی۔ اس اضافے کی وجہ فروخت سے حاصل ہونے والی آمدنی میں نمایاں بہتری اور سال کے دوران مالیاتی اخراجات میں کمی تھی۔

ڈائریکٹرز کے نام

1۔	مسٹر سکندر مصطفےٰ خان۔چیئرمین	(نان ایگزیکٹو ڈائریکٹر)
2۔	مسٹر راحیل اصغر۔سی ای او	(ایگزیکٹو ڈائریکٹر)
3۔	مسٹر سہیل بشیر رانا	(ایگزیکٹو ڈائریکٹر)
4۔	مسٹر لئیق الدین انصاری	(ایگزیکٹو ڈائریکٹر)
5۔	مسٹر قیصر سلیم	(نان ایگزیکٹو ڈائریکٹر)
6۔	مسٹر سعد اقبال	(نان ایگزیکٹو ڈائریکٹر)
7-	مسٹر محمد مصطفےٰ خان	(نان ایگزیکٹو ڈائریکٹر)
8-	مسٹر محمد مصطفےٰ سہیل	(نان ایگزیکٹو ڈائریکٹر)
9-	مسٹر مراد نصیر الدین انصاری	(نان ایگزیکٹو ڈائریکٹر)
10۔	مسٹر نصر الصمد قریشی	(خود مختار ڈائریکٹر)
11۔	مسٹر محمد جاوید رشید	(خود مختار ڈائریکٹر)
12-	مسٹر منظور احمد	(خود مختار ڈائریکٹر)
13۔	محترمہ زارا سلمان بندیال	(خود مختار ڈائریکٹر)

موجودہ بورڈ ڈائریکٹرز کے انتخابات کے بعد تشکیل پایا جو کہ 30 اکتوبر، 2024 کو منعقدہ غیر معمولی عام اجلاس میں ہوا۔آخری رپورٹ کے بعد سے بورڈ کی تشکیل میں کوئی تبدیلی نہیں آئی ہے۔موجودہ بورڈ کی تین سالہ مدت 30 اکتوبر، 2027 کو مکمل ہوگا۔

بورڈ میٹنگز:

بورڈ اس بات کی یقین دہانی کرتا ہے کہ کمپنی اپنے سٹریٹجک مقاصد کا حصول یقینی بنائے۔بورڈ اپنی ذمہ داریاں شیڈول کردہ اجلاسوں میں سرانجام دیتا ہے۔موجودہ مالی سال کے دوران سات اجلاس منعقد ہوئے جس میں چیف فنانشل آفیسر اور کمپنی سیکرٹری نے بھی شرکت کی۔

بورڈ کمیٹیز

30 جون، 2026 تک بورڈ کمیٹیز کے ممبران کے نام مندرجہ ذیل ہیں۔

1۔آڈٹ کمیٹی

مسٹر نصر الصمد قریشی،	چیئرمین
مسٹر قیصر سلیم،	ممبر
مسٹر محمد مصطفےٰ خان،	ممبر
مسٹر محمد مصطفےٰ سہیل،	ممبر
مسٹر مراد نصیر الدین انصاری،	ممبر

2۔ہیومن ریسورس اینڈ ریمنریشن کمیٹی

مسٹر محمد جاوید رشید،	چیئرمین
مسٹر قیصر سلیم،	ممبر
محترمہ زارا سلمان بندیال،	ممبر
مسٹر راحیل اصغر،	ممبر

3۔فنانس کمیٹی

مسٹر سہیل بشیر رانا،	چیئرمین
مسٹر لئیق الدین انصاری،	ممبر
مسٹر راحیل اصغر،	ممبر

4۔مارکیٹنگ کمیٹی

مسٹر سہیل بشیر رانا،	چیئرمین
مسٹر لئیق الدین انصاری،	ممبر
مسٹر راحیل اصغر،	ممبر

5۔گروپ سپرویژن کے لئے بورڈ کمیٹی

مسٹر سکندر مصطفیٰ خان،	چیئرمین
مسٹر سہیل بشیر رانا،	ممبر
مسٹر لئیق الدین انصاری،	ممبر
مسٹر قیصر سلیم،	ممبر
مسٹر محمد مصطفےٰ خان،	ممبر
مسٹر محمد مصطفےٰ سہیل،	ممبر
مسٹر مراد نصیر الدین انصاری،	ممبر

6۔انوائرمینٹل سوشل گورننس کمیٹی (ای ایس جی)

مسٹر سعد اقبال،	چیئرمین
مسٹر سہیل بشیر رانا،	ممبر
محترمہ زارا سلمان بندیال،	ممبر
مسٹر راحیل اصغر،	ممبر

ڈائریکٹرز کی معاوضہ پالیسی:

بورڈ کی منظوری کے مطابق نان ایگزیکٹو ڈائریکٹرز اور آزاد ڈائریکٹرز کی معاوضہ پالیسی مندرجہ ذیل ہے۔

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز

ڈائریکٹران سال مختتمہ 30 جون، 2026 کیلئے کمپنی کی 63 ویں سالانہ رپورٹ مع مالیاتی گوشوارے پیش کرتے ہوئے انتہائی فخر محسوس کر رہے ہیں

تخصیص

آپ کے ڈائریکٹرز نے حتمی کیش ڈیویڈنڈ 11.00 روپے فی حصص (220 فیصد) کے حساب سے تجویز کیا ہے۔ یہ رقم پہلے سے جاری کردہ عبوری کیش ڈیویڈنڈ 10.00 روپے فی حصص (200 فیصد) بنتا ہے اس طرح بطور کیش ڈیویڈنڈ کل رقم 21.00 روپے فی حصص (420 فیصد) ہوگی۔"

سال کے دوران درج ذیل مختص کیے گئے

	جنرل ریزرو	غیر مختص منافع
	(رقم ہزاروں میں)	
اوپننگ بیلنس	2,278,935	2,039,519
مالی سال 30 جون، 2026 کا منافع	-	7,806,335
منفی: مالی سال 30 جون، 2025 کا حتمی ڈیویڈنڈ 15 روپے	-	(2,992,739)
منفی: سال 2026 کا عبوری ڈیویڈنڈ 10 روپے	-	(3,990,319)
غیر مختص منافع کیری فارورڈ	**2,278,935**	**2,998,495**

فی حصص آمدن

30 جون، 2026 کو ختم ہونے والے سال میں فی حصص آمدنی 19.65 روپے رہی جو کہ گزشتہ سال 15.97 (ریسٹیٹڈ) روپے تھی۔

بورڈ آف ڈائریکٹرز

30 جون، 2026 تک بورڈ 13 ڈائریکٹرز پر مشتمل ہے۔

(ا) مرد	12
(ب) خاتون	1

ساخت:

i۔ خودمختار ڈائریکٹرز	4
ii۔ دیگر نان ایگزیکٹو ڈائریکٹرز	6
iii۔ ایگزیکٹو ڈائریکٹرز	3



Corporate Social Responsibility

MTL strongly believes in discharging its responsibilities as a corporate citizen of Pakistan and acts as a contributory member of the society. MTL recognizes the importance of its employees, their work life balances, safety & security, reducing carbon footprints for better atmosphere, community uplift programs for the underprivileged, customers & products, ethical behavior, contribution to the national exchequer and community welfare programs.

MTL fulfills its Corporate Social Responsibilities (CSR) in a manner that positively impacts its customers, employees, shareholders, community, and the environment. The company demonstrates active corporate citizenship by promoting and patronizing various activities under its philanthropic and non-philanthropic CSR programs.

Educational Patronage

MTL promotes and patronizes multiple activities in the field of education under its CSR program. Children Education Award Scheme is one of such activities where the Company recognizes better educational performance of Employees' Children and awards scholarships.

The Company also recognises the significance of continuous learning and its importance in career development of its employees which eventually lead to benefit the society. Therefore, the Company provides assistance in improvement of educational qualification that outlines the relaxation in working hours to support educational initiatives of its employees.

During the year, the Company actively supported various social and educational initiatives as part of its Corporate Social Responsibility (CSR) efforts. Key contributions included:

- A donation of Rs. 100,000/- given to PHA, Bali Memorial Trust.
- A donation of Rs. 200,000/- given to Anjuman Behbood-e-Marreezan Lady Aitchison Hospital.
- A donation of Rs. 500,000/- given to Developments in Literacy.
- A donation of Rs. 900,000/- given to SOS Children's Villages Pakistan.
- A donation of Rs. 500,000/- given to Dawood Global Foundation for Ladies funds Breast Cancer Endowment Fund.
- A donation of Rs. 150,000/- given to friends of Mayo Hospital Lahore for supporting healthcare services and assisting underprivileged patients.
- A donation of Rs. 500,000/- given to U.S Embassy Islamabad.

Environmental Protection Measures

In recognition of the growing global challenge of climate change and its environmental impacts, MTL continued its commitment to environmental sustainability through various initiatives. During the year, the Company organized a tree plantation drive, encouraging employees to plant and nurture trees within the factory premises to support their long-term growth and contribute to a greener environment.

The Company also maintains in-house nurseries and vegetable farms for the cultivation of organic agricultural produce. In addition, MTL actively participated in various flower exhibitions throughout the year, promoting environmental stewardship, greenery, and biodiversity.

Community Welfare Schemes

MTL's CSR program patronizes several measures to protect the environment. One of these measures is active participation in flower shows.

Various sports activities were encouraged by the Company to bring the people together from various communities.

1. A sum of Rs. 2,316,376/- was spent to sponsor Governor Cup Golf Tournament.

2. The Company sponsored of Rs. 345,000/- to Chamber of Food & Agriculture's 2nd Agri-Expo / Kisan Mela 2025 in Sargodha.

3. The Company provide sponsorship of Rs. 500,000/- to Marketing Association of Pakistan for Annual Sponsorship of "MAP Corporate Seminar Session 2025-26".

4. The Company provide Golf sponsorship to Mr. Robin Masih & Rofin Shamim of Rs. 1,000,001/- in the year 2025-2026.

Consumer Protection

The company has modern production facility with a manufacturing capacity to meet the local as well as export requirements. The company continuously strives to provide a wide range of products built on global standards and powerful after sales support to its customers.

MTL also conducts multiple awareness programs and carries out surveys to obtain feedback from the market to improve its products. There are defined rules for customers' convenience, to directly contact the company in case of dissatisfaction.

Additionally, the Company has partnered with its principal M/s AGCO for product improvement plans to exceed customers' expectations.

Industrial Relations

The Company is an equal opportunity employer and maintains a cordial relationship between the management and workforce. The management holds regular meetings with the labor union leaders to ensure all their needs are fulfilled and to provide a safe and friendly work environment. The Company also facilitates education of employees' children and also provides financial assistance to employees to fulfill their religious obligations like; Hajj under Company's Hajj Scheme. Furthermore, the Company provides interest free loan to its workers on easy installment plans to support them in meeting their financial needs. The Company also provides to workers marriage and maternity allowances as part of its employee welfare initiatives.

In order to improve employee satisfaction and boost their morale, the company organizes various activities such as 'Annual Dinner' and 'Annual Gift Scheme'.

The Company contributes towards skilled human resource development by recruiting apprentices for three years with theoretical and on-the-job training programs. Upon completion, apprentices pursue employment opportunities in Pakistan and abroad contributing to the development of the technical workforce in society.

Employment of People with Special Needs

Since the company is an equal opportunity employer, it guarantees that its staffing process stays fair to physical disabilities subject to work requirements. Personnel with special physical needs are working in various capacities in Millat Tractors.

Occupational Safety and Health

MTL places the highest priority on the health, safety, and well-being of its employees and encourages all workers to remain vigilant and proactive in identifying and preventing potential workplace hazards. Employees are required to strictly adhere to established health and safety protocols and procedures to protect themselves and their fellow workers.
All personnel working within the factory premises are provided with appropriate Personal Protective Equipment (PPE) and the necessary safety equipment and facilities to maintain a safe, secure, and healthy working environment.

Ethics and Anti-corruption

MTL strongly believes in ethical business operation and condemns all sorts of unethical practices while doing business. The company actively discourages all forms of corruption and any form of conduct that violates principles of business ethics. The company is fully committed to be compliant with all principles of fairness, transparency and integrity.

To ensure compliance with professional, ethical and moral code as well as legal measures, the company has a formal Code of Conduct. It is an integral part of the formal governance regime in the company and is the key element in the Millat's way of doing business. The way company wants to achieve its ambitious goals, is elaborated in the Code which forms its ethical foundation, values for guiding the right behavior and leadership attitudes for driving corporate culture in the desired direction. The code defines the core principles and ethical standards that form the basis to create value in the company. The defined principles and standards are further incorporated in other governing documents as appropriate. The purpose of the code is to highlight the standards of behavior and conduct of employees while dealing with customers, suppliers, clients, co-workers, management and the general public. The code highlights expected behavior as well as punitive measures against violations.

Corporate Philanthropy

Beyond commercial activities, company has also contributed to spread awareness and knowledge in agriculture sector by sponsoring and participating exhibitions including; Pakistan Auto Show, KISSAN Mela, Pakistan Agri Expo, First Engineering and Health Care Show arranged by Trade Development Corporation of Pakistan, Green Pakistan Islamabad, NARC, Islamabad.

مزید برآں، کمپنی نے اپنی پرنسپل کمپنی AGCOM/s کے ساتھ شراکت داری کی ہے تاکہ مصنوعات کو بہتر بنانے کے منصوبوں پر عمل کیا جاسکے اور صارفین کی توقعات سے بڑھ کر خدمات فراہم کی جاسکیں۔

صنعتی تعلقات

کمپنی ایک مساوی مواقع فراہم کرنے والا آجر ہے اور انتظامیہ اور کارکنان کے درمیان خوشگوار تعلقات قائم رکھتی ہے۔ انتظامیہ مزدور یونین رہنماؤں کے ساتھ باقاعدگی سے ملاقاتیں کرتی ہے تاکہ ان کی ضروریات پوری کی جاسکیں اور ایک محفوظ اور دوستانہ ماحول فراہم کیا جاسکے۔ کمپنی ملازمین کے بچوں کی تعلیم میں سہولت فراہم کرتی ہے اور ملازمین کو مذہبی فرائض، جیسے حج، کی ادائیگی کے لیے کمپنی کی حج اسکیم کے تحت مالی معاونت بھی فراہم کرتی ہے۔ مزید برآں، کمپنی اپنے کارکنوں کی مالی ضروریات پوری کرنے میں معاونت کے لیے انہیں بلاسود قرضے آسان اقساط کی بنیاد پر فراہم کرتی ہے۔ کمپنی اپنے ملازمین کی فلاح و بہبود کے اقدامات کے تحت کارکنوں کو شادی اور زچگی الاؤنسز بھی فراہم کرتی ہے۔

ملازمین کے اطمینان میں اضافہ اور ان کے حوصلے بلند رکھنے کے لیے کمپنی مختلف سرگرمیوں کا انعقاد کرتی ہے، جن میں سالانہ عشائیہ (Annual Dinner) اور سالانہ تحفہ اسکیم (Annual Gift Scheme) شامل ہیں۔

کمپنی تین سالہ مدت کے لیے اپرنٹسز کی بھرتی کے ذریعے ہنرمند افرادی قوت کی ترقی میں بھی اپنا کردار ادا کرتی ہے، جس کے تحت انہیں نظریاتی تعلیم اور عملی تربیت (on-the-Job Training) فراہم کی جاتی ہے۔ تربیت کی تکمیل کے بعد یہ اپرنٹس پاکستان اور بیرونِ ملک روزگار کے مواقع حاصل کرتے ہیں، جس سے معاشرے میں تکنیکی افرادی قوت کی ترقی میں معاونت ملتی ہے۔

خصوصی ضروریات کے حامل افراد کی ملازمت

چونکہ کمپنی مساوی مواقع فراہم کرنے پر یقین رکھتی ہے، اس لیے یہ یقینی بناتی ہے کہ اس کا بھرتی کا عمل جسمانی معذوری کے حامل افراد کے لیے بھی منصفانہ ہو، بشرطیکہ وہ کام کی ضروریات پوری کرسکیں۔ ملٹ ٹریکٹرز میں خصوصی ضروریات کے حامل افراد مختلف حیثیتوں میں کام کر رہے ہیں۔

پیشہ ورانہ صحت اور حفاظت

ایم ٹی ایل اپنے ملازمین کی صحت، تحفظ اور فلاح و بہبود کو اولین ترجیح دیتی ہے اور تمام کارکنوں کی حوصلہ افزائی کرتی ہے کہ وہ کام کی جگہ پر ممکنہ خطرات کی نشاندہی اور ان کی روک تھام کے لیے چوکس اور فعال کردار ادا کریں۔ ملازمین کے لیے لازم ہے کہ وہ اپنی اور اپنے ساتھی کارکنوں کی حفاظت کے لیے مقررہ صحت و تحفظ کے ضوابط اور طریقہ کار پر سختی سے عمل کریں۔ فیکٹری کے احاطے میں کام کرنے والے تمام افراد کو موزوں ذاتی حفاظتی سامان (PPEPersonal Protective Equipment) اور ضروری حفاظتی آلات اور سہولیات فراہم کی جاتی ہیں، تاکہ کام کی جگہ پر محفوظ، پُرامن اور صحت مند ماحول کو برقرار رکھا جاسکے۔

اخلاقیات اور انسداد بدعنوانی

ایم ٹی ایل اخلاقی کاروباری طریقوں پر پختہ یقین رکھتی ہے اور کاروبار میں کسی بھی قسم کے غیر اخلاقی عمل کی مذمت کرتی ہے۔ کمپنی بدعنوانی کی ہر شکل کو فعال طور پر روکنے کے ساتھ ساتھ ایسے کسی بھی طرزِ عمل کی حوصلہ شکنی کرتی ہے جو کاروباری اخلاقیات کے اصولوں کے خلاف ہو۔ کمپنی مکمل طور پر شفافیت، دیانتداری اور انصاف کے اصولوں کی پابند ہے۔

کمپنی نے پیشہ ورانہ، اخلاقی اور قانونی ضابطوں کی تعمیل کو یقینی بنانے کے لیے باضابطہ "کوڈ آف کنڈکٹ" مرتب کیا ہے، جو کمپنی کے گورننس کے فریم ورک کا لازمی حصہ ہے۔ یہ کوڈ کمپنی کے کاروباری طریقہ کار کی اخلاقی بنیاد، درست رویے کی رہنمائی کے اقدار اور کارپوریٹ کلچر کو درست سمت دینے کے لیے قیادت کے رویوں کو واضح کرتا ہے۔ کوڈ میں بنیادی اصول اور اخلاقی معیارات شامل ہیں جو کمپنی میں قدر پیدا کرنے کی بنیاد ہیں۔ یہ اصول اور معیارات دیگر گورننس دستاویزات میں بھی شامل کیے گئے ہیں۔ کوڈ کا مقصد ملازمین کے رویے اور طرزِ عمل کے معیارات کو اجاگر کرنا ہے جب وہ گاہکوں، سپلائرز، کلائنٹس، ساتھی کارکنان، انتظامیہ اور عوام سے معاملہ کرتے ہیں۔ کوڈ میں متوقع رویے کے ساتھ ساتھ خلاف ورزی کی صورت میں سزا کے اقدامات بھی بیان کیے گئے ہیں۔

کارپوریٹ فلاحی سرگرمیاں

تجارتی سرگرمیوں سے آگے بڑھ کر، کمپنی نے زرعی شعبے میں آگاہی اور علم کے فروغ میں بھی حصہ ڈالا ہے اور مختلف نمائشوں میں شرکت اور اسپانسرشپ کی ہے، جن میں شامل ہیں: پاکستان آٹو شو، کسان میلہ، پاکستان ایگریکلچر ایکسپو، ٹریڈ ڈویلپمنٹ کارپوریشن آف پاکستان کے زیرِ اہتمام پہلا انجینئرنگ اور ہیلتھ کیئر شو، گرین پاکستان اسلام آباد، اور نیشنل ایگریکلچرل ریسرچ سینٹر (NARC) اسلام آباد۔

سی ایس آر رپورٹ

کارپوریٹ منصوبوں کو برقرار رکھنا

ایم ٹی ایل پاکستان کے ایک کارپوریٹ شہری کی حیثیت سے اپنی ذمہ داریاں ادا کرنے پر پختہ یقین رکھتی ہے اور معاشرے کے ایک فعال رکن کے طور پر اپنا کردار ادا کرتی ہے۔ ایم ٹی ایل اپنے ملازمین کی اہمیت، ان کی کام اور ذاتی زندگی میں توازن، حفاظت وسلامتی، بہتر ماحول کے لیے کاربن کے اثرات میں کمی، پسماندہ طبقے کے لیے کمیونٹی ترقی کے پروگرام، گاہکوں اور مصنوعات، اخلاقی طرزِ عمل، قومی خزانے میں شراکت اور کمیونٹی ویلفیئر پروگراموں کی اہمیت کو تسلیم کرتی ہے۔

ایم ٹی ایل اپنی کارپوریٹ سماجی ذمہ داریاں (CSR) اس انداز میں پوری کرتی ہے جس سے اس کے گاہکوں، ملازمین، حصص یافتگان، معاشرے اور ماحول پر مثبت اثرات مرتب ہوں۔ کمپنی اپنے فلاحی اور غیر فلاحی CSR پروگراموں کے تحت مختلف سرگرمیوں کو فروغ دے کر اور ان کی سرپرستی کر کے فعال کارپوریٹ شہریت کا عملی مظاہرہ کرتی ہے۔

تعلیمی خدمات

ایم ٹی ایل اپنے سی ایس آر (CSR) پروگرام کے تحت تعلیم کے شعبے میں متعدد سرگرمیوں کو فروغ دیتی اور ان کی سرپرستی کرتی ہے۔ بچوں کی ایجوکیشن ایوارڈ اسکیم ایسی سرگرمیوں میں سے ایک ہے جس کے تحت کمپنی اپنے ملازمین کے بچوں کی بہتر تعلیمی کارکردگی کو تسلیم کرتی ہے اور انہیں اسکالرشپ فراہم کرتی ہے۔

کمپنی مسلسل تعلیم کی اہمیت اور ملازمین کی پیشہ ورانہ ترقی میں اس کے کردار کو بھی تسلیم کرتی ہے، جو بالآخر معاشرے کے لیے فائدہ مند ثابت ہوتا ہے۔ اسی لیے کمپنی تعلیمی قابلیت میں بہتری کے لیے معاونت فراہم کرتی ہے، جس میں ملازمین کی تعلیمی سرگرمیوں کی حوصلہ افزائی کے لیے اوقاتِ کار میں نرمی بھی شامل ہے۔

سال کے دوران کمپنی نے اپنی کارپوریٹ سماجی ذمہ داری (CSR) کے تحت مختلف سماجی اور تعلیمی اقدامات کی بھرپور معاونت کی۔ اہم تعاون میں شامل ہیں:

100,000 روپے کا عطیہ پی ایچ اے، بالی میموریل ٹرسٹ کو دیا گیا۔

200,000 روپے کا عطیہ انجمن بہبودِ مریضاں، لیڈی ایچیسن ہسپتال کو دیا گیا۔

500,000 روپے کا عطیہ ڈویلپمنٹس ان لٹریسی (Developments in Literacy) کو دیا گیا۔

900,000 روپے کا عطیہ SOS چلڈرنز ولیجز پاکستان کو دیا گیا۔

500,000 روپے کا عطیہ داؤد گلوبل فاؤنڈیشن فار لیڈیز فنڈ زبریسٹ کینسر انڈومنٹ فنڈ کو دیا گیا۔

150,000 روپے کا عطیہ فرینڈز آف میو ہسپتال لاہور کو صحت کی سہولیات کی معاونت اور مستحق مریضوں کی مدد کے لیے دیا گیا۔

500,000 روپے کا عطیہ امریکی سفارتخانہ اسلام آباد (U.S. Embassy Islamabad) کو دیا گیا۔

ماحولیاتی تحفظ سے متعلق اقدامات

موسمیاتی تبدیلی اور اس کے ماحولیاتی اثرات کے بڑھتے ہوئے عالمی چیلنج کے پیشِ نظر، ایم ٹی ایل نے مختلف اقدامات کے ذریعے ماحولیاتی پائیداری کے لیے اپنے عزم کو جاری رکھا۔ سال کے دوران، کمپنی نے شجرکاری مہم کا انعقاد کیا، جس میں ملازمین کو فیکٹری کے احاطے میں درخت لگانے اور ان کی نگہداشت کرنے کی ترغیب دی گئی، تاکہ ان کی طویل مدتی نشوونما کو یقینی بنایا جا سکے اور سرسبز ماحول کے فروغ میں اپنا کردار ادا کیا جا سکے۔

کمپنی نامیاتی زرعی پیداوار کی کاشت کے لیے اندرونِ کمپنی نرسریاں اور سبزیوں کے فارمز بھی برقرار رکھتی ہے۔ اس کے علاوہ، ایم ٹی ایل نے سال کے دوران مختلف پھولوں کی نمائشوں میں بھی فعال طور پر شرکت کی، جس کا مقصد ماحولیاتی ذمہ داری، سرسبزی اور حیاتیاتی تنوع (Bio-diversity) کو فروغ دینا تھا۔

کمیونٹی ویلفیئر سکیمیں

ایم ٹی ایل کے CSR پروگرام کے تحت ماحول کے تحفظ کے لیے متعدد اقدامات کیے جاتے ہیں، جن میں پھولوں کی نمائشوں میں فعال شرکت بھی شامل ہے۔

کمپنی نے مختلف کھیلوں کی سرگرمیوں کی بھی حوصلہ افزائی کی تاکہ مختلف کمیونٹیز کے افراد کو ایک ساتھ لایا جا سکے۔

1. 2,316,376 روپے کی رقم گورنر کپ گالف ٹورنامنٹ کی اسپانسرشپ کے لیے خرچ کی گئی۔
2. کمپنی نے 345,000 روپے کی اسپانسرشپ چیمبر آف فوڈ اینڈ ایگریکلچر کے زیرِ اہتمام سرگودھا میں منعقد ہونے والے دوسرے ایگری ایکسپو/کسان میلہ 2025 کے لیے فراہم کی۔
3. کمپنی نے 500,000 روپے کی اسپانسرشپ مارکیٹنگ ایسوسی ایشن آف پاکستان (MAP) کو سالانہ اسپانسرشپ برائے "Corporate Seminar Session MAP" 2025-26 کے لیے فراہم کی۔
4. کمپنی نے مالی سال 26-2025 کے دوران مسٹر رابن مسیح اور روفن شمیم کو گالف اسپانسرشپ کی مد میں 1,000,001 روپے فراہم کیے۔

صارف کا تحفظ

کمپنی کے پاس جدید پیداواری سہولت موجود ہے جس کی تیاری کی صلاحیت مقامی ضروریات کے ساتھ ساتھ برآمدی تقاضوں کو بھی پورا کرتی ہے۔ کمپنی مسلسل کوشش کرتی ہے کہ عالمی معیار کے مطابق وسیع رینج کے مصنوعات فراہم کرے اور اپنے صارفین کو مؤثر بعد از فروخت خدمات مہیا کرے۔

ایم ٹی ایل مختلف آگاہی پروگرام بھی منعقد کرتی ہے اور مارکیٹ سے رائے حاصل کرنے کے لیے سروے کرتی ہے تاکہ اپنی مصنوعات کو مزید بہتر بنایا جا سکے۔ صارفین کی سہولت کے لیے واضح اصول مرتب کیے گئے ہیں جن کے تحت وہ کسی بھی عدم اطمینان کی صورت میں براہِ راست کمپنی سے رابطہ کر سکتے ہیں۔

Disclosures Regarding Sustainability

This disclosure presents Millat Tractors Limited's (MTL) key environmental, occupational health and safety, and social performance for FY2025-26, highlighting progress across key sustainability areas and, where relevant, developments from the previous reporting period.

Summary at Glance		
646.2 tons Total CO2e Avoided (tons)	760,241Kwh Renewable Electricity Generated	195,713m3 Total Water Consumption
2.22 million Safe Man-Hours	50+ Employee training sessions	

Renewable Energy & Carbon Emissions

Building on MTL's renewable energy investment made in 2022, the Company's 998.5 kW solar installation generated 760,241 kWh of renewable electricity during FY2025-26. Based on a grid emission factor of 0.85 kg CO2/kWh, this generation is estimated to have avoided approximately 646.2 tons of CO2 emissions.

The continued generation of renewable electricity from the solar installation supports MTL's efforts to increase renewable energy use, improve energy efficiency, and reduce emissions associated with electricity consumption, contributing to SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action).

Energy Efficiency & Conservation

MTL continued to enhance energy efficiency across its operations through lighting upgrades, energy-efficient equipment, and employee awareness initiatives. The LED lighting retrofit project was completed during FY2025-26, progressing from 60% completion in FY2024-25 to 100%. The project replaced conventional 400 W mercury vapor lamps with 120 W LED High Bay lights, reducing the connected lighting load by approximately 70% per replaced light.

In addition, energy-efficient motors were installed across selected production lines to support more efficient electricity use. An employee awareness initiative was also introduced to encourage switching off lights, machines, and other equipment during non-operational periods, including lunch breaks and after shifts.

These measures support MTL's continued focus on energy conservation and SDG 7 (Affordable and Clean Energy) and SDG 12 (Responsible Consumption and Production).

Water Management

During FY2025-26, MTL's total water consumption was 195,713 m3, compared with 235,582 m3 in FY2024-25, representing a reduction of approximately 16.9%. The Company continued to strengthen water conservation and resource-efficiency measures across key operational areas, including the Paint Shop, Engine Assembly Plant, and Casting facilities, through water reuse and leakage-control measures. These initiatives support responsible water stewardship and contribute to SDG 6 (Clean Water and Sanitation).

Waste Management

Materials including steel and iron scrap, cardboard, and wooden crates were provided to contractors for reuse and repurposing into internal shelters, waste bins, office furniture, and other functional structures, where applicable.
These practices help extend the useful life of materials, reduce disposal requirements, and promote SDG 12 (Responsible Consumption and Production).

Occupational Health & Safety

MTL remains committed to providing a safe and healthy working environment for employees, contractors, and other personnel. During FY2025-26, the Company achieved 2.22 million safe man-hours, reflecting its continued focus on accident prevention and workplace safety.

Key safety measures included regular workplace inspections, hazard identification and risk assessment, provision and proper use of PPE, safety awareness and training, emergency preparedness, incident reporting and investigation, and timely corrective actions. These measures support the continued development of a proactive safety culture across the organization.

Employee Training & Development

During FY2025-26, MTL conducted 50+ training sessions covering technical, safety, and professional development topics. Training was delivered through a combination of in-house sessions, online modules, and external/ outdoor sessions, with employees receiving an average of approximately 2 training hours during the year.

These initiatives reflect MTL's continued investment in workforce capability and support SDG 4 (Quality Education) and SDG 8 (Decent Work and Economic Growth).

Diversity & Inclusion

MTL is committed to fostering a diverse, inclusive, and equitable workplace through fair employment practices and equal opportunities for all employees. The Company's Diversity, Equity & Inclusion (DE&I) Policy provides a framework for promoting an inclusive work environment and supporting diversity across the organization. MTL continues to encourage the participation of women and differently-abled individuals through inclusive recruitment and employment practices, while working to strengthen diversity and equal opportunity across its workforce.

ملازمین کی تربیت اور ترقی

مالی سال 26-2025 کے دوران MTL نے تکنیکی، حفاظتی اور پیشہ ورانہ ترقی سے متعلق موضوعات پر 50 سے زائد تربیتی سیشنز منعقد کیے۔ تربیت مختلف طریقوں سے فراہم کی گئی، جن میں ان ہاؤس سیشنز، آن لائن ماڈیولز اور بیرونی تربیتی سیشنز شامل ہیں۔ سال کے دوران ہر ملازم نے اوسطاً تقریباً 2 گھنٹے کی تربیت حاصل کی۔

یہ اقدامات افرادی قوت کی صلاحیتوں میں اضافے کے لیے ایم ٹی ایل کی مسلسل سرمایہ کاری کی عکاسی کرتے ہیں اور SDG-4 (معیاری تعلیم) اور SDG-8 (مہذب کام اور معاشی ترقی) کے حصول میں معاون ہیں۔

تنوع اور شمولیت

ایم ٹی ایل منصفانہ روزگار کے طریقہ کار اور تمام ملازمین کے لیے مساوی مواقع فراہم کرتے ہوئے متنوع، جامع اور مساوی کام کے ماحول کے فروغ کے لیے پُرعزم ہے۔

کمپنی کی Diversity, Equity & Inclusion (DE&I) Policy ایک جامع اور شمولیتی کام کے ماحول کو فروغ دینے اور ادارے میں تنوع کی معاونت کے لیے ایک باقاعدہ فریم ورک فراہم کرتی ہے۔

ایم ٹی ایل جامع بھرتی اور روزگار کے طریقہ کار کے ذریعے خواتین اور خصوصی ضروریات رکھنے والے افراد (women and differently-abled individuals) کی شرکت کی حوصلہ افزائی جاری رکھے ہوئے ہے، جبکہ اپنی افرادی قوت میں تنوع اور مساوی مواقع کو مزید مضبوط بنانے کے لیے بھی اقدامات کر رہی ہے۔

پائیداری سے متعلق خطرات کے اندازے سے متعلق مواد

یہ مواد ملّت ٹریکٹرز لمیٹڈ (MTL) کی مالی سال 26-2025 کے دوران اہم ماحولیاتی، پیشہ ورانہ صحت و تحفظ اور سماجی کارکردگی پر مشتمل ہے۔ اس میں پائیداری کے اہم شعبوں میں ہونے والی پیش رفت اور، جہاں قابلِ اطلاق ہو، گزشتہ رپورٹنگ مدت کے مقابلے میں ہونے والی پیش رفت کو اجاگر کیا گیا ہے۔

ایک نظر میں خلاصہ

646.2 ٹن (کل CO2e اخراج میں کمی (ٹن)	760,241 کلو واٹ گھنٹے (قابلِ تجدید بجلی کی پیداوار)	195,713 مکعب میٹر (کل پانی کا استعمال)
2.22 ملین (محفوظ کام کے گھنٹے)	+50 ملازمین کے تربیتی سیشنز	

قابل تجدید توانائی اور کاربن کے اخراج میں کمی

2022 میں MTL کی جانب سے قابلِ تجدید توانائی میں کی جانے والی سرمایہ کاری کو مزید آگے بڑھاتے ہوئے، کمپنی کے 998.5 کلو واٹ سولر سسٹم نے مالی سال 26-2025 کے دوران 760,241 کلوواٹ گھنٹے قابلِ تجدید بجلی پیدا کی۔ 0.85 کلوگرام CO2 فی کلوواٹ گھنٹہ کے گرڈ ایمیشن فیکٹر کی بنیاد پر، اس بجلی کی پیداوار کے نتیجے میں تقریباً 646.2 ٹن CO2 اخراج سے بچاؤ کا تخمینہ لگایا گیا ہے۔

سولر سسٹم سے قابلِ تجدید بجلی کی مسلسل پیداوار، قابلِ تجدید توانائی کے استعمال میں اضافے، توانائی کی کارکردگی بہتر بنانے اور بجلی کے استعمال سے متعلق اخراج میں کمی کے لیے MTL کی کوششوں میں معاون ہے۔ یہ اقدامات SDG7 (سستی اور صاف توانائی) اور SDG-13 (موسمیاتی اقدامات) کے حصول میں بھی معاون ہیں۔

توانائی کی کارکردگی اور تحفظ

MTL نے لائٹنگ اپ گریڈ، توانائی کے مؤثر آلات کے استعمال اور ملازمین میں آگاہی کے اقدامات کے ذریعے اپنی سرگرمیوں میں توانائی کی کارکردگی کو مزید بہتر بنانے کا سلسلہ جاری رکھا۔ مالی سال 26-2025 کے دوران LED لائٹنگ تبدیلی کا منصوبہ مکمل کر لیا گیا، جو مالی سال 25-2024 میں 60 فیصد تک مکمل تھا اور اب 100 فیصد مکمل ہو چکا ہے۔ اس منصوبے کے تحت روایتی 400 واٹ مرکری ویپر لیمپس کو 120 واٹ LED High Bay Lights سے تبدیل کیا گیا، جس کے نتیجے میں ہر تبدیل شدہ لائٹ کے کنیکٹڈ لائٹنگ لوڈ میں تقریباً 70 فیصد کمی واقع ہوئی۔

اس کے علاوہ، بجلی کے زیادہ مؤثر استعمال کے لیے منتخب پیداواری لائنوں پر توانائی بچانے والی موٹرز بھی نصب کی گئیں۔ ملازمین میں آگاہی کے لیے ایک مہم بھی متعارف کرائی گئی، جس کا مقصد غیر فعال اوقات، بشمول کھانے کے وقفے اور شفٹ کے اختتام پر، لائٹس، مشینوں اور دیگر آلات کو بند کرنے کی حوصلہ افزائی کرنا تھا۔

یہ اقدامات توانائی کے تحفظ کے لیے MTL کی مسلسل کوششوں کو تقویت دیتے ہیں اور SDG-7 (سستی اور صاف توانائی) اور SDG-12 (ذمہ دارانہ استعمال اور پیداوار) کے حصول میں معاون ہیں۔

پانی کا انتظام

مالی سال 26-2025 کے دوران MTL کا کل پانی کا استعمال 195,713 مکعب میٹر رہا، جبکہ مالی سال 25-2024 میں یہ 235,582 مکعب میٹر تھا، جو تقریباً 16.9 فیصد کمی کو ظاہر کرتا ہے۔ کمپنی نے اہم آپریشنل شعبوں، جن میں پینٹ شاپ، انجن اسمبلی پلانٹ اور کاسٹنگ کی سہولیات شامل ہیں، میں پانی کے دوبارہ استعمال اور لیکیج کنٹرول کے اقدامات کے ذریعے پانی کے تحفظ اور وسائل کے مؤثر استعمال کو مزید مضبوط بنایا۔ یہ اقدامات پانی کے ذمہ دارانہ استعمال کو فروغ دیتے ہیں اور SDG-6 (صاف پانی اور صفائی ستھرائی) کے حصول میں معاون ہیں۔

ویسٹ مینجمنٹ

اسٹیل اور لوہے کا اسکریپ، کارڈ بورڈ اور لکڑی کے کریٹس سمیت مختلف مواد کو ٹھیکیداروں کو دوبارہ استعمال اور نئے مقاصد کے لیے فراہم کیا گیا، جہاں قابلِ اطلاق ہو، تاکہ انہیں اندرونی شیڈز، ویسٹ بنز، دفتری فرنیچر اور دیگر مفید ڈھانچوں میں استعمال کیا جا سکے۔

یہ طریقہ کار مواد کی مفید عمر بڑھانے، تلفی کی ضرورت کو کم کرنے اور SDG-12 (ذمہ دارانہ استعمال اور پیداوار) کے فروغ میں معاون ہیں۔

پیشہ ورانہ صحت اور تحفظ

ایم ٹی ایل اپنے ملازمین، ٹھیکیداروں اور دیگر متعلقہ افراد کے لیے محفوظ اور صحت مند کام کا ماحول فراہم کرنے کے لیے پُرعزم ہے۔ مالی سال 26-2025 کے دوران کمپنی نے 2.22 ملین محفوظ کام کے گھنٹے (Safe Man-Hours) حاصل کیے، جو حادثات کی روک تھام اور کام کی جگہ پر تحفظ کے لیے کمپنی کی مسلسل توجہ کی عکاسی کرتے ہیں۔

اہم حفاظتی اقدامات میں باقاعدہ ورک پلیس انسپیکشن، خطرات کی نشاندہی اور رسک اسیسمنٹ، PPE کی فراہمی اور اس کا مناسب استعمال، سیفٹی آگاہی اور تربیت، ہنگامی صورتحال سے نمٹنے کی تیاری، حادثات کی رپورٹنگ اور تحقیقات، اور بروقت اصلاحی اقدامات شامل ہیں۔ یہ اقدامات ادارے میں فعال اور مؤثر حفاظتی کلچر کے مسلسل فروغ میں معاون ہیں۔

Gender Pay Gap 2025-2026

1	Mean gender pay gap	(A-B)/A*100	40.30
2	Median gender pay gap	(C-D)/C*100	15.41

Mean		Median	
Male	Female	Male	Female
A	B	C	D
1,218.91	727.69	658.50	557.00

Integral notes:

1 Employee categories included are as follows:

Management

Executive

Production Worker

Staff Worker

2 For simplicity, 365 days with 8 working hours have been used. For joiners and leavers, actual no. of days have been used.

3 Reimbursements of all sorts, including petrol and toll reimbursements, have been excluded.

4 Following other allowances have been taken, in addition to salary:

Leave fare assistance allowance - for all categories

Bonus - for all categories

Fridge allowance - for management only

Special allowance - for production and staff workers only

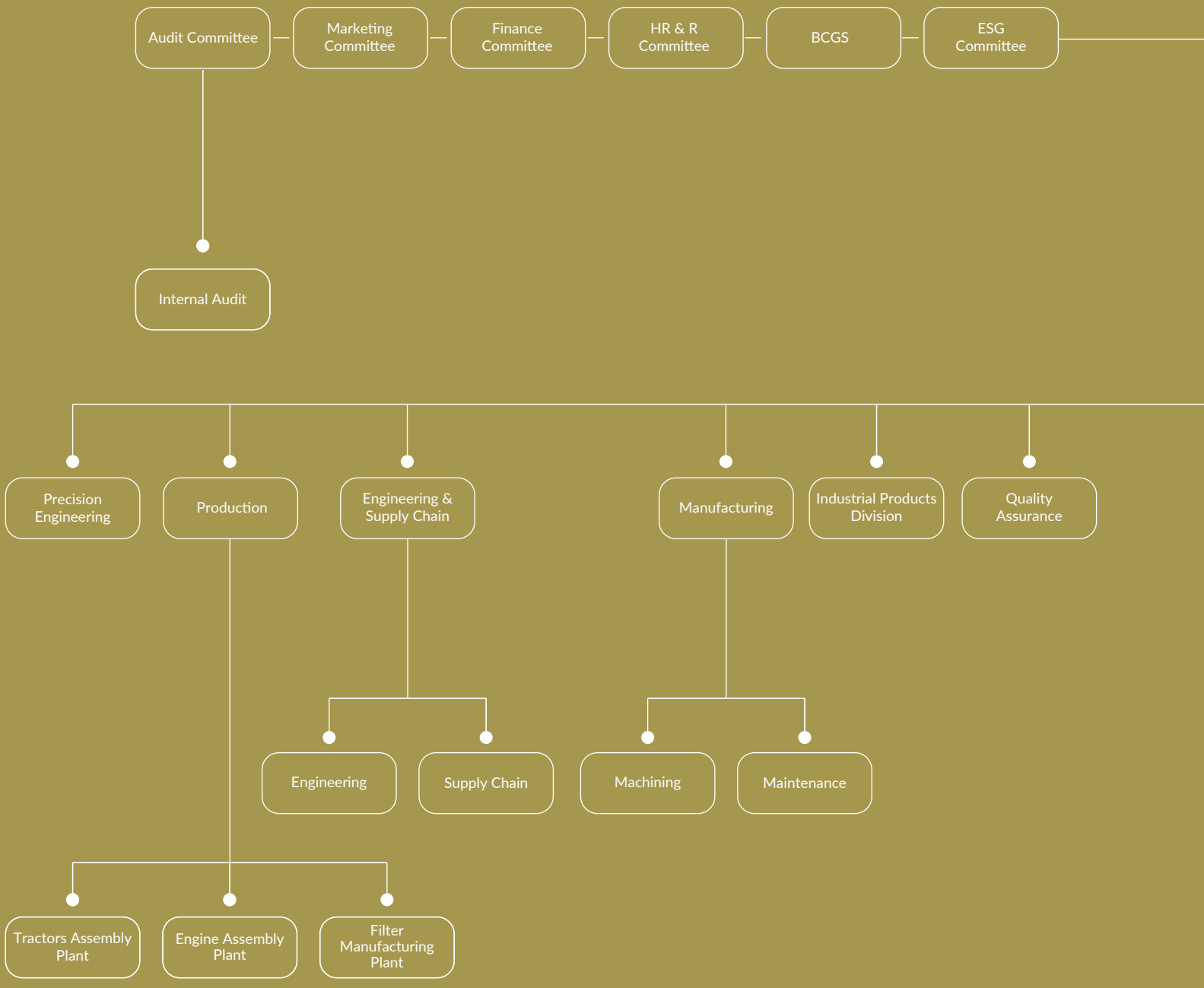
Leave encashment - only in case of production and staff workers since executives and management are paid only on resignation

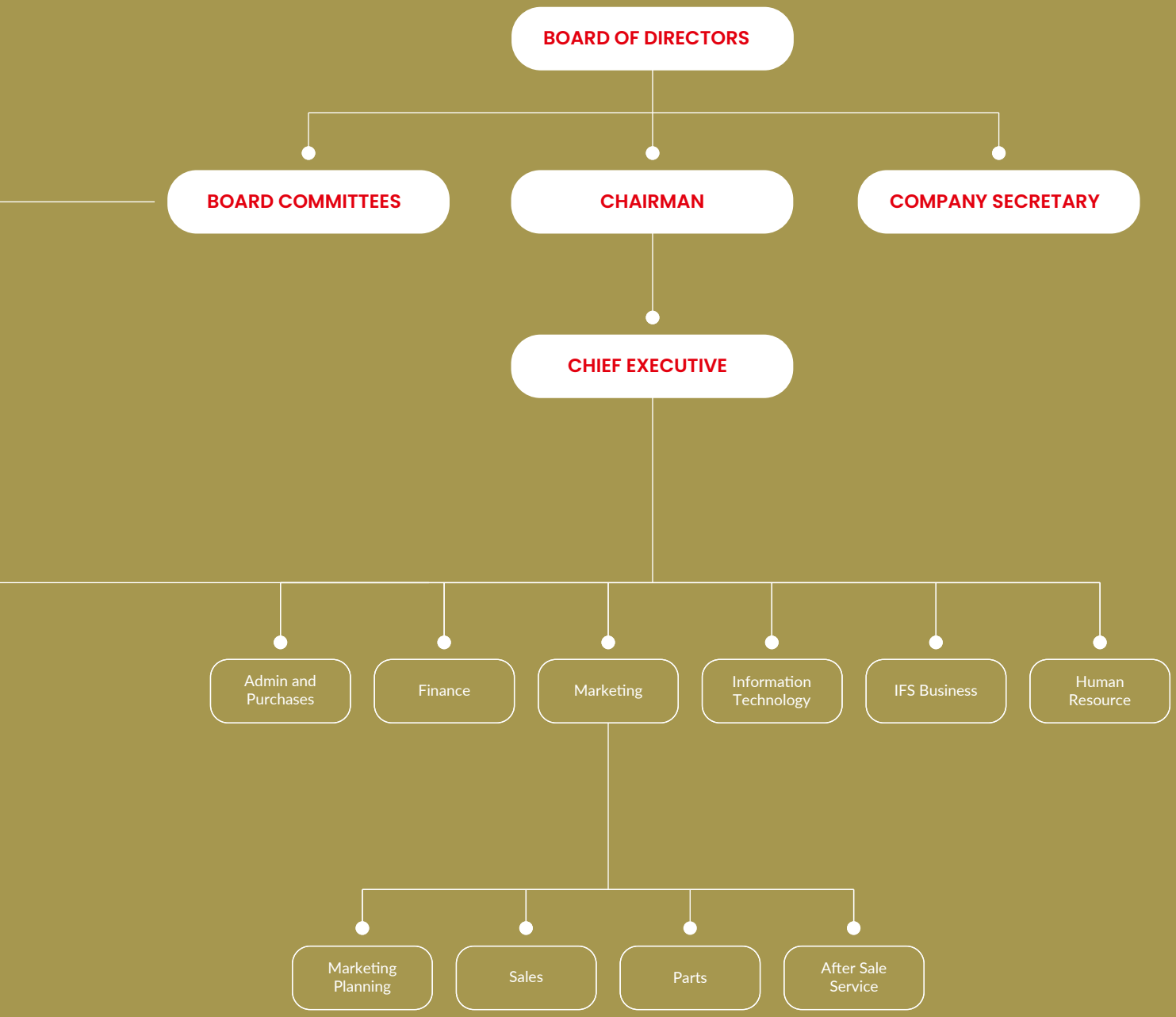
Cloth allowance - for production and staff workers only

5 Leave fare assistance allowance, where negative/overdrawn, and leave encashment have been excluded from other allowances of executive and management leavers for comparability purposes.



Organizational Structure




BOARD OF DIRECTORS
BOARD COMMITTEES
CHAIRMAN
COMPANY SECRETARY
CHIEF EXECUTIVE
Admin and Purchases
Finance
Marketing
Information Technology
IFS Business
Human Resource
Marketing Planning
Sales
Parts
After Sale Service



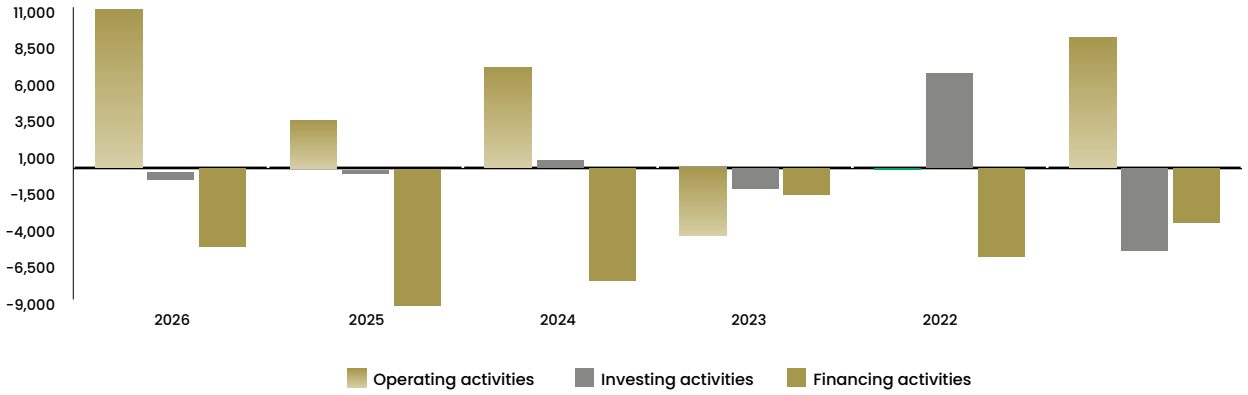


06 Performance and Position

Summary of Cash Flows

	2026	2025	2024 Restated	2023	2022 Restated	2021
						(Rupees in thousand)
Net cash generated from / (used in):						
Operating activities	10,846,067	3,341,999	6,870,709	(4,619,052)	(98,985)	8,903,236
Investing activities	(538,520)	246,449	507,626	(1,390,334)	6,438,272	(5,667,833)
Financing activities	(5,353,779)	(9,364,368)	(7,726,630)	(1,842,838)	(6,033,201)	(3,755,263)
Net increase / (decrease) in cash and cash equivalents	4,953,768	(5,775,920)	(348,295)	(7,852,224)	306,086	(519,860)
Cash and cash equivalents at the beginning of the year	(12,470,751)	(6,694,831)	(6,346,536)	1,505,688	1,199,602	1,719,462
Cash and cash equivalents at the end of the year	(7,516,983)	(12,470,751)	(6,694,831)	(6,346,536)	1,505,688	1,199,602

Cash Flow Analysis (Rs. in Million)




MODEL:
PLMB-1A
PULAN

Six Years at a Glance

		2026	2025	2024 Restated	2023	2022 Restated	2021
Statement of Profit or Loss Summary							
Revenue from contracts with customers	Rs thousand	63,755,236	52,108,997	91,534,501	44,190,843	53,374,415	43,953,778
Gross profit	Rs thousand	20,364,016	13,867,091	21,434,290	8,842,390	10,197,475	9,271,094
Operating profit	Rs thousand	15,892,712	10,236,479	18,017,751	6,707,223	8,892,530	7,888,338
Profit before tax	Rs thousand	14,433,876	8,063,835	16,827,904	5,350,223	8,665,111	7,879,074
Profit after tax	Rs thousand	7,840,789	6,372,928	10,224,875	3,377,636	5,407,006	5,780,927
Earning before interest, tax, depreciation and amortization (EBITDA)	Rs thousand	16,133,523	10,444,538	18,195,844	6,812,049	8,983,418	7,965,475
Statement of Financial Position Summary							
Share capital	Rs thousand	1,995,160	1,995,160	1,917,983	1,917,983	968,679	560,578
General reserves	Rs thousand	2,278,935	2,278,935	2,278,935	2,278,935	2,278,935	2,278,935
Operating fixed assets	Rs thousand	2,530,482	1,672,939	1,537,146	827,326	775,150	777,638
Other non-current assets	Rs thousand	6,811,279	6,341,269	6,876,809	7,099,571	4,642,354	6,547,172
Current assets	Rs thousand	22,872,882	24,974,383	24,459,473	17,766,037	14,604,316	17,481,439
Current liabilities	Rs thousand	19,987,408	23,259,720	19,759,295	15,685,887	12,123,350	14,543,064
Net working capital	Rs thousand	2,885,474	1,641,697	4,700,178	2,080,150	2,480,966	2,938,375
Non-current liabilities	Rs thousand	2,739,906	1,652,571	2,160,981	2,289,395	875,713	1,170,415
Profitability Ratios							
Gross profit	%	31.94	26.61	23.42	20.01	19.11	21.09
Operating profit	%	24.93	19.64	19.68	15.18	16.66	17.95
Profit before tax	%	22.64	15.47	18.38	12.11	16.23	17.93
Net profit after tax	%	12.30	12.23	11.17	7.64	10.13	13.15
EBITDA margin	%	25.31	20.04	19.88	15.42	16.83	18.12
Operating leverage	%	2.47	1.00	1.57	1.43	0.59	1.61
Return on equity	%	82.64	78.91	93.35	43.77	76.99	63.58
Return on capital employed	%	129.98	105.22	195.87	115.35	164.38	139.45
Return on assets	%	44.81	24.44	51.19	20.82	43.28	31.76
Liquidity Ratios							
Current ratio	Times	1.14:1	1.07:1	1.23:1	1.13:1	1.20:1	1.20:1
Quick ratio	Times	0.56:1	0.49:1	0.45:1	0.49:1	0.63:1	0.82:1
Cash to current liabilities	Times	0.10:1	0.06:1	0.07:1	0.06:1	0.12:1	0.05:1
Cash flow from operations to sales	Times	0.170:1	0.0641:1	0.0750:1	-0.104:1	-0.001:1	0.20:1
Activity / Turnover Ratios							
Inventory turnover ratio	Times	3.27	2.49	5.48	3.74	6.41	6.62
No. of days in inventory	Days	112	147	67	98	57	55
Debtor turnover ratio	Times	79.62	118.81	294.03	183.71	283.53	361.35
No. of days in receivables	Days	5	3	1	2	1	1
Creditor turnover ratio	Times	11.12	9.27	19.83	12.16	14.50	14.74
No.of days in creditors	Days	33	39	18	30	25	25
Total assets turnover ratio	Times	1.96	1.58	3.13	1.93	2.38	1.77
Fixed assets turnover ratio	Times	30.33	32.47	77.42	55.15	68.75	60.81
Operating cycle	Days	83	110	49	70	33	31
Investment / Market Ratios							
Earning per share (after tax)	Rs	19.65	15.97	52.26	17.61	55.82	59.68
Price earning	Times	15.52	34.98	12.17	22.16	15.63	18.09
Price to book value	Times	12.83	13.80	11.14	9.70	12.04	11.50
Dividend yield	%	3.94	10.01	4.71	3.94	6.87	9.89
Dividend payout ratio (after tax)	%	106.87	187.84	46.90	119.59	91.82	91.58
Dividend cover	Times	0.94	0.71	2.13	2.91	1.09	1.09
Cash dividend per share (includes final dividend)	Rs	21.00	60.00	25.00	25.00	65.00	100.00
Bonus per share (includes final bonus shares)	%	-	-	-	60.00	60.00	32.50
Market value per share:							
Year end	Rs	304.95	558.66	636.08	390.31	872.59	1,079.61
During the year:							
Highest	Rs	627.91	731.29	661.99	904.79	1,120.94	1,298.75
Average	Rs	533.19	599.47	530.97	634.96	945.58	1,011.30
Lowest	Rs	304.53	510.73	380.36	382.83	746.46	698.74
Break-up value per share (With surplus on revaluation of investments)	Rs	23.78	40.48	57.11	40.24	72.50	93.87
Capital Structure Ratios							
Debt to equity ratio (Long term debt / Long term debt + Equity)	Times	14 : 86	10 : 90	11 : 89	15 : 85	0.02 : 99.98	0.03 : 99.97
Financial charges coverage	Times	10.89	4.71	15.14	4.94	38.10	1943.05

Statement of Value Addition and its Distribution



Employees
2026: **20.07%**
2025: 26.32%



Financial Charges
2026: **7.10%**
2025: 15.08%



Government
2026: **33.50%**
2025: 12.88%



Society
2026: **0.01%**
2025: 0.02%



Shareholders
2026: **40.76%**
2025: 62.33%



Retained in Business
2026: **(1.45)%**
2025: (16.64)%

VALUE ADDITION	2026 Rs. in ('000)	2025 Rs. in ('000)
Revenue from contract with customers	63,755,236	52,108,997
Material and services	(43,796,986)	(38,344,044)
Other income	599,429	639,394
	20,557,679	**14,404,347**

Value Distribution

	2026 Rs. ('000)	%	2025 Rs. ('000)	%
Employees				
Salaries wages and amenities	3,351,556	16.30	3,358,789	23.32
Worker's profit participation fund	775,181	3.77	433,074	3.01
	4,126,737	20.07	3,791,863	26.32
Government				
Tax	6,593,087	32.07	1,690,907	11.74
Workers welfare fund	294,569	1.43	164,568	1.14
	6,887,656	33.50	1,855,475	12.88
Shareholders				
Cash dividend (includes final dividend)	8,379,671	40.76	8,978,220	62.33
Bonus shares (includes final bonus shares)	-	-	-	-
	8,379,671	40.76	8,978,220	62.33
Financial charges				
Finance cost	1,458,836	7.10	2,172,644	15.08
	1,458,836	7.10	2,172,644	15.08
Society				
Donation	2,850	0.01	3,378	0.02
	2,850	0.01	3,378	0.02
Retained in business				
Depreciation and amortisation	240,811	1.17	208,059	1.44
Retained profit / (Over-drawn)	(538,882)	(2.62)	(2,605,292)	(18.09)
	(298,071)	(1.45)	(2,397,233)	(16.64)
	20,557,679	100.00	14,404,347	100.00

Horizontal Analysis

	2026		2025	
	Increase/(Decrease) from last year		Increase/(Decrease) from last year	
	Rs. ('000)	%	Rs. ('000)	%
Statement of Financial Position				
Operating fixed assets	2,530,482	51.26	1,672,939	8.83
Capital work in progress	116,559	3.03	113,136	29.71
Right-of-use assets	15,243	955.61	1,444	(78.54)
Intangible assets	7,860	(50.00)	15,720	(33.33)
Investment property	38,861	-	38,861	(86.81)
Long term investments	6,489,069	8.02	6,007,386	(2.57)
Long term loans	4,196	(57.14)	9,789	(11.59)
Deferred tax asset - net	-	-	-	-
Employee benefits	139,491	(9.97)	154,933	(46.22)
Stores, spares parts and loose tools	669,224	(3.89)	696,330	2.13
Stock in trade	10,993,310	(14.36)	12,836,160	(13.75)
Trade debts	1,101,024	120.03	500,407	32.81
Loans and advances	211,737	57.76	134,216	(67.82)
Trade deposits and prepayments	183,220	14.54	159,968	28.86
Balance with statutory authorities	7,410,946	(2.33)	7,587,586	20.54
Other receivables	215,109	(24.79)	285,999	0.81
Tax refunds due from Government	-	100.00	1,207,969	-
Short term investments	-	-	-	-
Cash and bank balances	2,088,312	33.37	1,565,748	11.96
Total Assets	32,214,643	(2.35)	32,988,591	0.35
Shareholder's equity	9,487,329	17.47	8,076,300	(26.27)
Non-current liabilities	2,739,906	65.80	1,652,571	(26.90)
Current liabilities	19,987,408	(14.07)	23,259,720	18.08
Total Liabilities and Equity	32,214,643	(2.35)	32,988,591	0.35
Statement of Profit or Loss				
Revenue from contracts with customers	63,755,236	22.36	52,108,997	(43.07)
Cost of sales	43,391,220	13.47	38,241,906	(45.45)
Gross profit	20,364,016	46.85	13,867,091	(35.30)
Distribution and marketing expenses	2,036,324	24.82	1,631,382	(14.25)
Administrative expenses	1,799,950	8.16	1,664,087	19.16
Other operating income	599,429	(6.25)	639,394	(44.03)
Other operating expenses	1,234,459	26.67	974,537	(22.65)
Operating profit	15,892,712	55.26	10,236,479	(43.19)
Finance costs	1,458,836	(32.85)	2,172,644	82.60
Profit before tax	14,433,876	79.00	8,063,835	(52.08)
Levies and taxes	6,593,087	289.91	1,690,907	(74.39)
Profit after tax	7,840,789	23.03	6,372,928	(37.67)

2024 Restated		2023		2022 Restated		2021	
Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year	
Rs. ('000)	%	Rs. ('000)	%	Rs. ('000)	%	Rs. ('000)	%
1,537,146	85.80	827,326	6.73	775,150	(0.32)	777,638	16.42
87,220	285.71	22,613	117.04	10,419	(76.93)	45,166	1,433.65
6,730	(47.65)	12,857	1,044.88	1,123	(77)	4,896	100
23,580	(25.00)	31,440	(20.00)	39,300	(0.41)	39,462	(4.69)
294,569	15.20	255,708	-	255,708	-	255,708	-
6,165,557	(4.85)	6,479,728	55.25	4,173,730	(32.68)	6,199,458	203.94
11,072	50.66	7,349	(61.37)	19,023	666.44	2,482	10.21
-	-	-	-	-	-	-	-
288,081	(0.62)	289,876	102.64	143,051	100.00	-	-
681,778	203.89	224,348	22.85	182,625	13.20	161,329	2.50
14,882,738	51.80	9,803,885	45.05	6,758,898	25.80	5,372,584	39.29
376,792	53.28	245,821	4.49	235,269	66.58	141,234	38.41
417,086	309.40	101,878	157.50	39,565	(29.80)	56,359	8.66
124,140	(56.27)	283,875	385.75	58,440	(10.47)	65,273	50.46
6,294,755	5.22	5,982,200	4.81	5,707,842	24.30	4,592,169	344.69
283,705	141.85	117,305	1.13	115,989	7.15	108,253	179.65
-	-	-	-	-	-	-	(100.00)
-	-	-	-	-	(100.00)	6,134,636	100.00
1,398,479	38.91	1,006,725	(33.14)	1,505,688	77.22	849,602	(50.59)
32,873,428	27.95	25,692,934	28.32	20,021,820	(19.29)	24,806,249	129.59
10,953,152	41.92	7,717,652	9.89	7,022,757	(22.77)	9,092,770	123.30
2,160,981	(5.61)	2,289,395	161.43	875,713	(25.18)	1,170,415	252.78
19,759,295	25.97	15,685,887	29.39	12,123,350	(16.64)	14,543,064	127.21
32,873,428	27.95	25,692,934	28.32	20,021,820	(19.29)	24,806,249	129.59
91,534,501	107.13	44,190,843	(17.21)	53,374,415	21.43	43,953,778	91.58
70,100,211	98.31	35,348,453	(18.13)	43,176,940	24.49	34,682,684	85.50
21,434,290	142.40	8,842,390	(13.29)	10,197,475	9.99	9,271,094	118.37
1,902,420	77.68	1,070,694	15.36	928,162	8.60	854,630	50.51
1,396,462	87.33	745,465	14.96	648,456	11.92	579,369	29.27
1,142,311	142.39	471,274	(27.42)	649,283	5.39	616,066	108.27
1,259,968	59.43	790,282	(14.19)	920,956	38.01	667,309	163.04
18,017,751	168.63	6,707,223	(24.57)	8,892,530	12.73	7,888,338	147.48
1,189,847	(12.32)	1,357,000	496.70	227,419	2,354.87	9,264	(95.75)
16,827,904	214.53	5,350,223	(38.26)	8,665,111	9.98	7,879,074	165.32
6,603,029	234.74	1,972,587	(39.46)	3,258,105	55.28	2,098,147	156.16
10,224,875	202.72	3,377,636	(37.53)	5,407,006	(6.47)	5,780,927	168.81

Vertical Analysis

	2026		2025	
	Rs. ('000)	%	Rs. ('000)	%
Statement of Financial Position				
Operating fixed assets	2,530,482	7.9	1,672,939	5.1
Capital work in progress	116,559	0.4	113,136	0.3
Right-of-use assets	15,243	0.0	1,444	0.0
Intangible assets	7,860	0.0	15,720	0.0
Investment property	38,861	0.1	38,861	0.1
Long term investments	6,489,069	20.1	6,007,386	18.2
Long term loans and advances	4,196	0.0	9,789	0.0
Deferred tax asset - net	-	-	-	-
Employee benefits	139,491	0.4	154,933	0.5
Stores, spares parts and loose tools	669,224	2.1	696,330	2.1
Stock in trade	10,993,310	34.1	12,836,160	38.9
Trade debts	1,101,024	3.4	500,407	1.5
Loans and advances	211,737	0.7	134,216	0.4
Trade deposits and prepayments	183,220	0.6	159,968	0.5
Balance with statutory authorities	7,410,946	23.0	7,587,586	23.0
Other receivables	215,109	0.7	285,999	0.9
Tax refunds due from Government	-	-	1,207,969	3.7
Short term investments	-	-	-	-
Cash and bank balances	2,088,312	6.5	1,565,748	4.7
Total Assets	32,214,643	100.0	32,988,591	100.0
Shareholder's equity	9,487,329	29.5	8,076,300	24.5
Non-current liabilities	2,739,906	8.5	1,652,571	4.8
Current liabilities	19,987,408	62.0	23,259,720	70.7
Total Liabilities and Equity	32,214,643	100.0	32,988,591	100.0
Statement of Profit or Loss				
Revenue from contracts with customers	63,755,236	100.0	52,108,997	100.0
Cost of sales	43,391,220	68.1	38,241,906	73.4
Gross profit	20,364,016	31.9	13,867,091	26.6
Distribution and marketing expenses	2,036,324	3.2	1,631,382	3.1
Administrative expenses	1,799,950	2.8	1,664,087	3.2
Other operating expenses	1,234,459	1.9	974,537	1.9
Other operating income	599,429	0.9	639,394	1.2
Operating profit	15,892,712	24.9	10,236,479	19.6
Finance costs	1,458,836	2.3	2,172,644	4.2
Profit before tax	14,433,876	22.6	8,063,835	15.5
Levies and taxes	6,593,087	10.3	1,690,907	3.2
Profit after tax	7,840,789	12.3	6,372,928	12.2

2024 Restated		2023		2022 Restated		2021	
Rs. ('000)	%	Rs. ('000)	%	Rs. ('000)	%	Rs. ('000)	%
1,537,146	4.7	827,326	3.2	775,150	3.9	777,638	3.1
87,220	0.3	22,613	0.1	10,419	0.1	45,166	0.2
6,730	0.0	12,857	0.1	1,123	0.0	4,896	0.0
23,580	0.1	31,440	0.1	39,300	0.2	39,462	0.2
294,569	0.9	255,708	1.0	255,708	1.3	255,708	1.0
6,165,557	18.8	6,479,728	25.2	4,173,730	20.8	6,199,458	25.0
11,072	0.0	7,349	0.0	19,023	0.1	2,482	0.0
-	-	-	-	-	-	-	-
288,081	0.9	289,876	1.1	143,051	0.7	-	-
681,778	2.1	224,348	0.9	182,625	0.9	161,329	0.7
14,882,738	45.3	9,803,885	38.2	6,758,898	33.8	5,372,584	21.7
376,792	1.1	245,821	1.0	235,269	1.2	141,234	0.6
417,086	1.3	101,878	0.4	39,565	0.2	56,359	0.2
124,140	0.4	283,875	1.1	58,440	0.3	65,273	0.3
6,294,755	19.1	5,982,200	23.3	5,707,842	28.5	4,592,169	18.5
283,705	0.9	117,305	0.5	115,989	0.6	108,253	0.4
-	-	-	-	-	-	-	-
-	-	-	-	-	-	6,134,636	24.7
1,398,479	4.3	1,006,725	3.9	1,505,688	7.5	849,602	3.4
32,873,428	100.0	25,692,934	100.0	20,021,820	100.0	24,806,249	100.0
10,953,152	33.3	7,717,652	30.0	7,022,757	35.1	9,092,770	36.7
2,160,981	6.6	2,289,395	8.9	875,713	4.4	1,170,415	4.7
19,759,295	60.1	15,685,887	61.1	12,123,350	60.6	14,543,064	58.6
32,873,428	100.0	25,692,934	100.0	20,021,820	100.0	24,806,249	100.0
91,534,501	100.0	44,190,843	100.0	53,374,415	100.0	43,953,778	100.0
70,100,211	76.6	35,348,453	80.0	43,176,940	80.9	34,682,684	78.9
21,434,290	23.4	8,842,390	20.0	10,197,475	19.1	9,271,094	21.1
1,902,420	2.1	1,070,694	2.4	928,162	1.7	854,630	1.9
1,396,462	1.5	745,465	1.7	648,456	1.2	579,369	1.3
1,259,968	1.4	790,282	1.8	649,283	1.2	616,066	1.4
1,142,311	1.2	471,274	1.1	920,956	1.7	667,309	1.5
18,017,751	19.7	6,707,223	15.2	8,892,530	16.7	7,888,338	17.9
1,189,847	1.3	1,357,000	3.1	227,419	0.4	9,264	0.0
16,827,904	18.4	5,350,223	12.1	8,665,111	16.2	7,879,074	17.9
6,603,029	7.2	1,972,587	4.5	3,258,105	6.1	2,098,147	4.8
10,224,875	11.2	3,377,636	7.6	5,407,006	10.1	5,780,927	13.2

Commentary on Financial Results

Profitability

Gross profit margin has increased by 533 basis points owing to cost control measures adopted by the management.
Profit before tax margin was higher as compared to the last year by 717 basis points due to substantial decrease in finance cost, increase in sales revenue and nominal increase in sales volume as compared to last year.

Liquidity

The company's short-term liquidity has been hampered due to stuck up sales tax refunds but increased sales volume and revenue resulted in a decrease in short term borrowings.
Furthermore, decrease in inventory directly correspond with the slight increase in sales volume resulting a decrease in net operating cycle to 83 days from 110 days.

Sales tax refunds due from Government have shown a slight decrease during the year and stood at Rs. 7.411 billion at year end, primarily due to increased sales revenue which resultantly affected the output tax.

Overall, the financial position remains stable and no short or long term issues are envisaged.

Solvency

Due to delays in recovery of sales tax refunds, in order to make long term investment and purchase fixed assets, the company uses a mixture of long term debt and equity in the ratio of 14:86 in its capital structure.
Nevertheless, the interest coverage ratio is 10.89, which shows that it will be able to discharge its obligations in respect thereof, with ease.

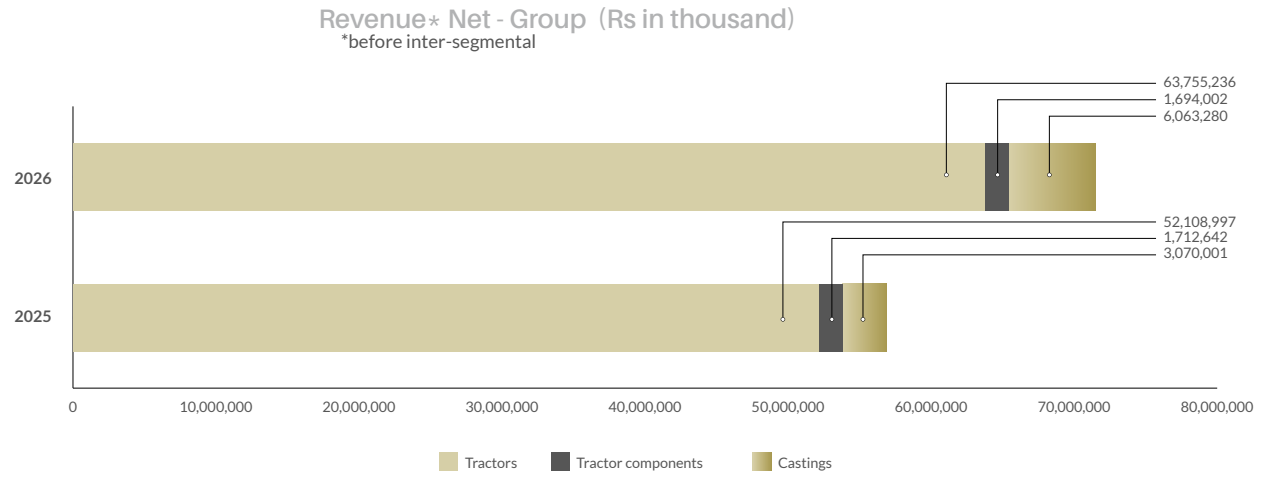
Investor

Earnings per share have increased because of increase in sales revenue and volume. Furthermore, the company has also split it's par value due to which the number of shares have increased. The company has disbursed interim cash dividend of Rs. 10 per share (restated) and final dividend of Rs. 11 per share. The market price of the shares shows confidence of investors in the company's fundamentals.



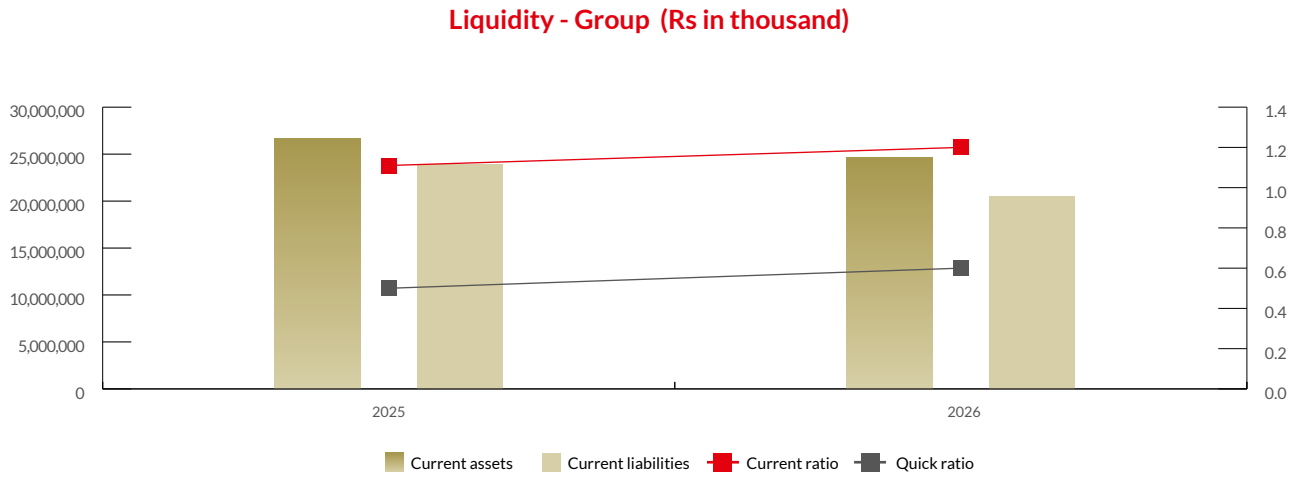
Segmental Review of Business Performance

Millat group of companies is closely integrated with one another, where the subsidiary companies supply input materials to the parent entity. The operating segment information is given in Note 52 to the consolidated financial statements. A brief analysis of the same is presented below:



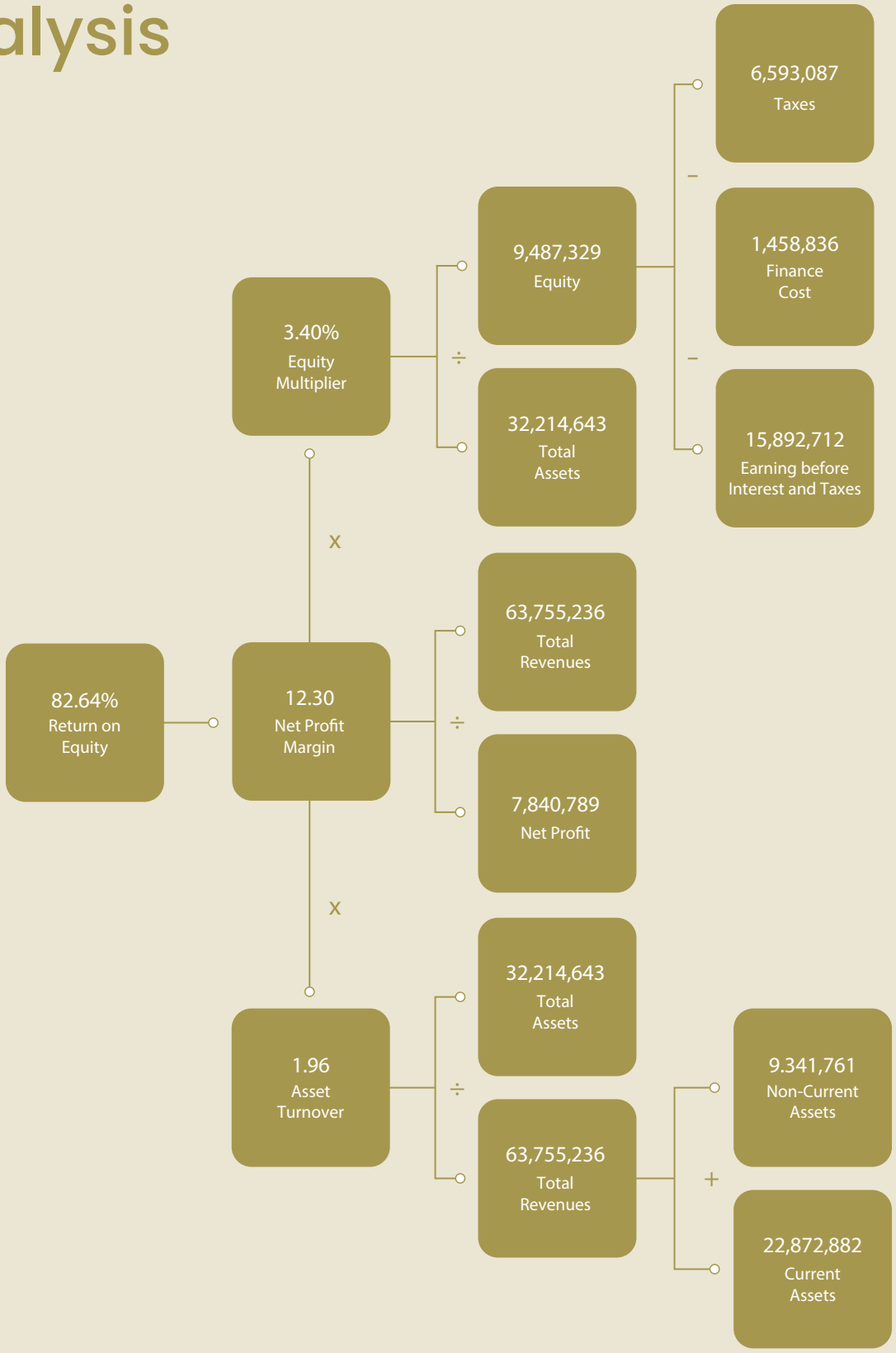
Due to increase in tractor sales and other miscellaneous items / services have also exhibited same while tractors castings have shown a nominal decrease.

Since the Group is vertically integrated, performance of tractor segment directly impacts other operating segments, as evident above. Resultantly, profitability moved in the same direction as revenue.



Current ratio and quick ratio of the Group has improved and both are at an acceptable level due to effective management of resources. Overall, liquidity position of the Group is satisfactory.

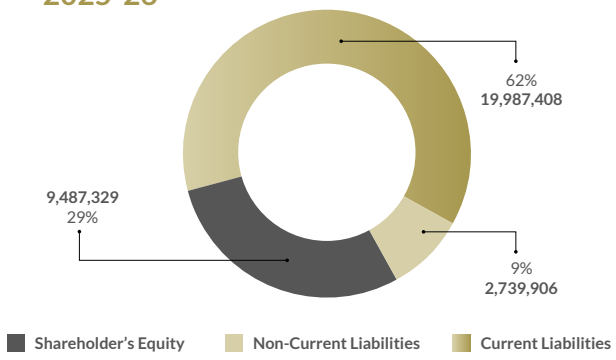
DUPONT Analysis



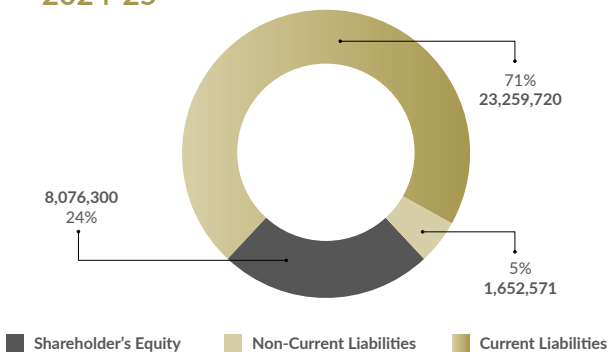
Graphical Analysis of Statement of Financial Position

Equity and Liabilities

2025-26

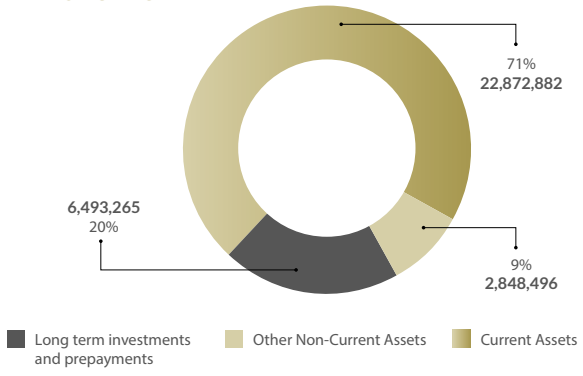


2024-25

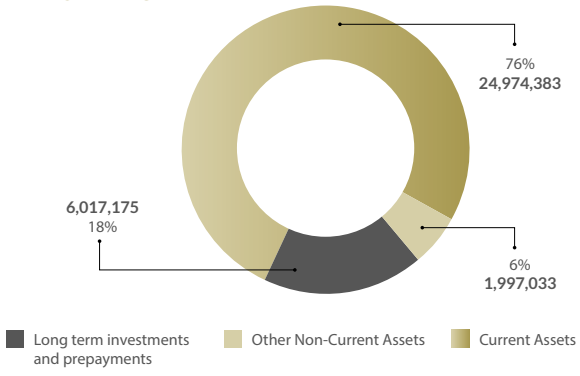


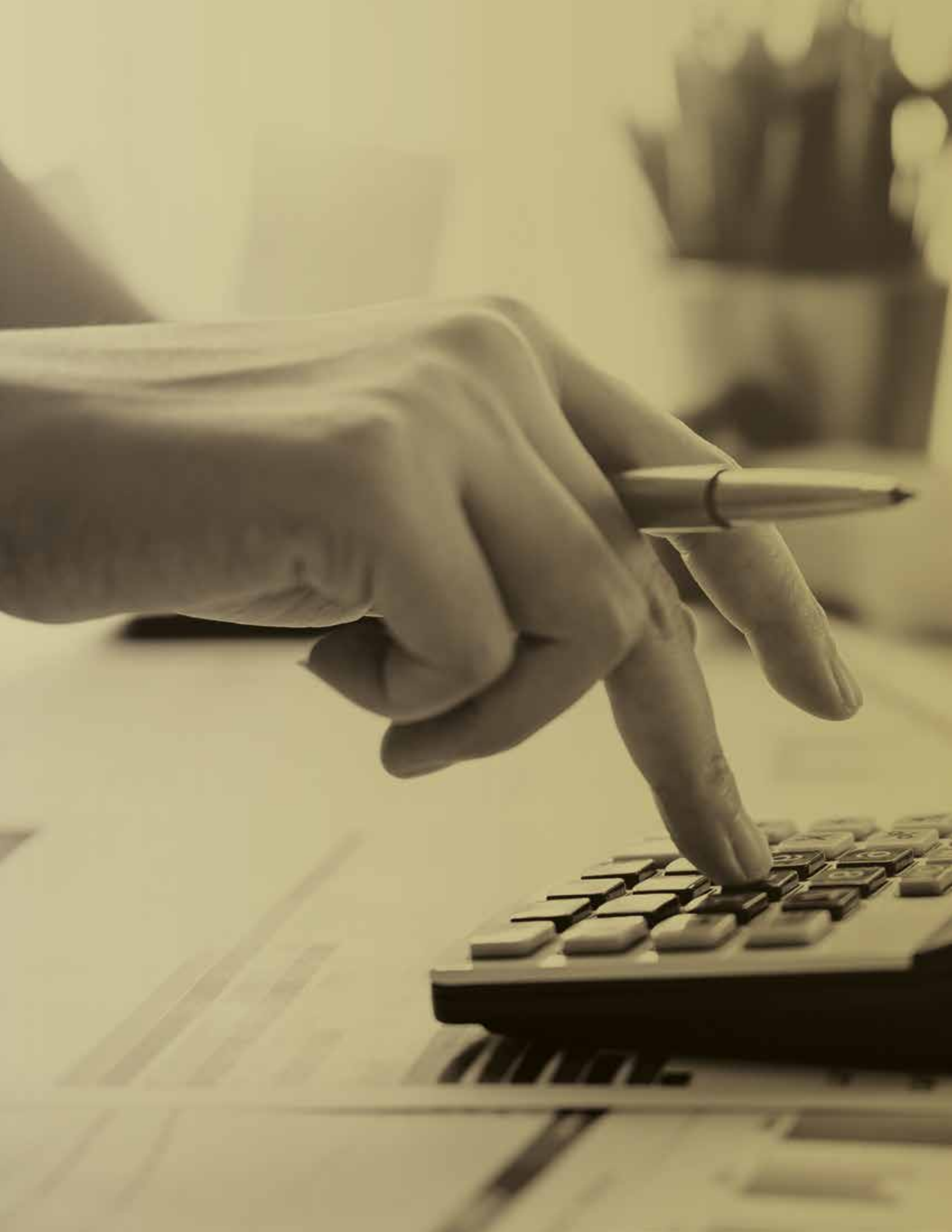
Assets

2025-26



2024-25







07

Corporate Compliance and Financial Statements

Independent Auditor's Review Report

TO THE MEMBERS OF MILLAT TRACTORS LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Millat Tractors Limited (the Company) for the year ended June 30, 2026 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

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

A. F. Ferguson & Co.
Chartered Accountants
Lahore

Date: October 5, 2026

UDIN: CR202610889Qq7ENT4W6

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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 thirteen as per the following:

   a. Male: Twelve

   b. Female: one

2. The composition of board is as follows:

Category	Names
i) Independent Directors	Mr. Nasar Us Samad Qureshi
	Mr. Muhammad Javed Rashid
	Mr. Manzoor Ahmed
	Mrs. Zara Salman Bandial (Female Director)
ii) Non-executive Directors	Mr. Sikandar Mustafa Khan
	Mr. Qaiser Saleem
	Mr. Saad Iqbal
	Mr. Muhammad Mustafa Khan
	Mr. Muhammad Mustafa Sohail
	Mr. Murad Naseer Uddin Ansari
iii) Executive Directors	Mr. Sohail Bashir Rana
	Mr. Laeeq Uddin Ansari
	Mr. Raheel Asghar, CEO

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company; (excluding the listed subsidiaries of listed holding companies)
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 significant policies along with the date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ shareholders as empowered by the relevant provisions of the 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 Regulations with respect to frequency, recording and circulating minutes of meeting of Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;
9. During the year one head of department completed the Directors' Training Program arranged by the Company. All directors have either acquired the prescribed certification or meet exemption criteria as contained in these regulations;
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 and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

a) Audit Committee

1.	Mr. Nasar Us Samad Qureshi Independent Director,	Chairman
2.	Mr. Qaiser Saleem Non-Executive Director,	Member
3.	Mr. Muhammad Mustafa Khan Non-Executive Director,	Member
4.	Mr. Muhammad Mustafa Sohail Non-Executive Director,	Member
5.	Mr. Murad Naseer Uddin Ansari Non-Executive Director,	Member

b) HR and Remuneration Committee

1.	Mr. Javed Rashid Independent Director,	Chairman
2.	Mr. Qaiser Saleem Non-Executive Director,	Member
3.	Ms. Zara Salman Bandial Independent Director,	Member
4.	Mr. Raheel Asghar	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;-

    a) Audit Committee 04 meetings

    b) HR and Remuneration Committee 01 meeting

15. The Board has set up and effective internal audit function, the staff is suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative(spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

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

18. We confirm that all other requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with, However, for the purpose of Clause 6 (1) of the Regulations, the Company believes that it has sufficient impartiality & is able to exercise independence in decision making within the Board and hence, does not require to roundup the fraction to 5 independent directors.

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below;

Sr. No.	Requirement	Explanation for Non–Compliance	Reg. No.
1.	**Responsibilities of the Board and its members** Adoption of the corporate governance practices	Non-mandatory provisions of the CCG Regulations are partially complied.	10(1)
2.	**Nomination Committee** The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The Board and the HR and Remuneration Committee, collectively perform all the functions of the Nomination Committee.	29(1)
3.	**Risk Management Committee** The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	The Board reviews the overall business risks to ensure that the management maintains a sound system of risk identification, risk management and related systemic and internal controls to safeguard assets, resources, reputation and interest of the Company and shareholders. Consequently, the Board itself performs all the functions of the Risk Management Committee.	30(1)
4.	**Directors' Training** Companies are encouraged to arrange training for at least one female executive every year under the Directors' Training Program from July 2020.	The Company has planned to arrange Directors' Training Program certification for female executives over the next few years.	19(3)

SIKANDAR MUSTAFA KHAN
Chairman

RAHEEL ASGHAR
CEO

Lahore:

Lahore: September 16, 2026

Independent Auditor's Report

To the members of Millat Tractors Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matter(s)

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

Following is the Key Audit matter:

Sr. No.	Key audit matter	How the matter was addressed in our audit
1.	**Investment measured at fair value** (Refer note 4.18, 21.3 and 48.1 to the annexed unconsolidated financial statements) The Company holds investment in the equity instrument of Hyundai Nishat Motor (Private) Limited ('HNMPL'). Due to HNMPL being a non-listed company, their shares do not have a quoted price in an active market. Therefore, fair value of their shares has been determined through valuation methodology based on discounted cash flow method. This involves several estimation techniques and management's judgements to obtain reasonable expected future cash flow of the business and related discount rate. Due to the significant level of judgment and estimation required to determine the fair value of the investment, we consider it to be a key audit matter.	Our audit procedures included the following: – understood and evaluated the process by which the cash flow forecast was prepared and approved, including confirming the mathematical accuracy of the underlying calculations; – evaluated the cash flow forecast by obtaining an understanding of respective businesses of HNMPL; – obtained an understanding of the work performed by the management's expert on the models for the purpose of valuations; – examined the professional qualification of management's expert and assessed the independence, competence and experience of the management's expert in the field; – obtained corroborating evidence relating to the values as determined by the management by challenging key assumptions for the growth rates in the cash flow forecast by comparing them to historical results and economic forecasts and challenging the discount rate by independently estimating a range based on market data; – performed sensitivity analysis around key assumptions to ascertain the extent of change, individually in the value of the investment; and – assessed the adequacy of the disclosures made by the Company in this area with regard to applicable accounting and reporting standards.

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

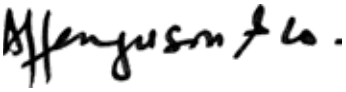
a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Aleem Zubair.



A. F. Ferguson & Co.
Chartered Accountants
Lahore

Date: October 5, 2026

UDIN: AR202610889UWTfy2vs0

Unconsolidated Statement of Financial Position

As at June 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
1,060,000,000 ordinary shares of Rs. 5 each			
(2025: 530,000,000 ordinary shares of Rs. 10 each)		5,300,000	5,300,000
Issued, subscribed and paid up capital	5	1,995,160	1,995,160
Reserves	6	7,492,169	6,081,140
		9,487,329	8,076,300
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term finances - secured	7	1,332,916	460,690
Deferred grant	8	3,677	6,585
Lease liabilities	9	10,917	–
Long-term deposits	10	121,764	88,664
Deferred tax liabilities - net	11	1,270,632	1,096,632
		2,739,906	1,652,571
CURRENT LIABILITIES			
Trade and other payables	12	6,857,784	6,228,674
Contract liabilities	13	1,409,982	1,808,426
Taxation - net		131,312	–
Short-term borrowings	14	10,605,295	14,036,499
Current portion of non-current liabilities	15	202,006	433,191
Unclaimed dividend		413,890	362,053
Unpaid dividend		31,979	79,163
Accumulating compensated absences		335,160	311,714
		19,987,408	23,259,720
CONTINGENCIES AND COMMITMENTS	16		
		32,214,643	32,988,591

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

Chief Financial Officer

Chief Executive Officer

	Note	2026	2025
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	17	2,647,041	1,786,075
Right-of-use assets	18	15,243	1,444
Investment property	19	38,861	38,861
Intangible assets	20	7,860	15,720
Long-term investments	21	6,489,069	6,007,386
Employees' defined benefit plan	22	139,491	154,933
Long-term loans and advances	23	4,196	9,789
		9,341,761	8,014,208
CURRENT ASSETS			
Stores, spare parts and loose tools	24	669,224	696,330
Stock-in-trade	25	10,993,310	12,836,160
Trade debts	26	1,101,024	500,407
Loans and advances	27	211,737	134,216
Trade deposits and short-term prepayments	28	183,220	159,968
Other receivables	29	215,109	285,999
Taxation - net		–	1,207,969
Balances with statutory authorities	30	7,410,946	7,587,586
Cash and bank balances	31	2,088,312	1,565,748
		22,872,882	24,974,383
		32,214,643	32,988,591

Chairman

Unconsolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended June 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
Revenue from contracts with customers	32	63,755,236	52,108,997
Cost of sales	33	(43,391,220)	(38,241,906)
Gross profit		20,364,016	13,867,091
Distribution and marketing expenses	34	(2,036,324)	(1,631,382)
Administrative expenses	35	(1,799,950)	(1,664,087)
Other operating expenses	36	(1,234,459)	(974,537)
		(5,070,733)	(4,270,006)
Other income	37	599,429	639,394
Operating profit		15,892,712	10,236,479
Finance cost	38	(1,458,836)	(2,172,644)
Profit before income taxes and levies		14,433,876	8,063,835
Levy - final taxes	39	(39,656)	(24,175)
Profit before income tax		14,394,220	8,039,660
Taxation - income tax	39	(6,553,431)	(1,666,732)
Profit after tax for the year		7,840,789	6,372,928
Other comprehensive income:			
Items not to be reclassified to profit or loss in			
subsequent periods - (Net of tax):			
Unrealized gain / (loss) on revaluation of investments at fair			
value through other comprehensive income	21	716,113	(158,171)
Tax effect of change in fair value of investments at fair value		(128,361)	61,686
through OCI		587,752	(96,485)
Remeasurement loss on employees' defined benefit plan		(34,454)	(175,075)
Total other comprehensive income / (loss)		553,298	(271,560)
Total comprehensive income for the year		8,394,087	6,101,368
			Restated
Earnings per share - basic and diluted (Rupees)	42	19.65	15.97

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



Chief Financial Officer



Chief Executive Officer



Chairman

Unconsolidated Statement of Changes in Equity

For the year ended June 30, 2026

	Issued, subscribed and paid up capital	Capital reserves			Revenue reserves		Total
		Fair value reserve	Share issuance reserve	Amalgamation reserve	General reserves	Unappropr-iated profit	
	(Rupees in thousand)						
Balance as on July 01, 2024 (audited)	1,917,983	1,754,348	77,177	104,823	2,278,935	4,819,886	10,953,152
Transaction with owners in their capacity as owners recognised directly in equity:							
Interim dividend for the year ended June 30, 2025 @ Rs. 45 per share	-	-	-	-	-	(8,978,220)	(8,978,220)
Shares issued against the share issuance reserve due to amalgamation	77,177	-	(77,177)	-	-	-	-
Net profit for the year	-	-	-	-	-	6,372,928	6,372,928
Other comprehensive loss for the year	-	(96,485)	-	-	-	(175,075)	(271,560)
Total comprehensive income for the year ended June 30, 2025	-	(96,485)	-	-	-	6,197,853	6,101,368
Balance as on June 30, 2025	1,995,160	1,657,863	-	104,823	2,278,935	2,039,519	8,076,300
Transaction with owners in their capacity as owners recognised directly in equity:							
Final dividend for the year ended June 30, 2025 @ Rs. 15 per share	-	-	-	-	-	(2,992,739)	(2,992,739)
Interim dividend for the year ended June 30, 2026 @ Rs. 20 per share	-	-	-	-	-	(3,990,319)	(3,990,319)
	-	-	-	-	-	(6,983,058)	(6,983,058)
Net profit for the year	-	-	-	-	-	7,840,789	7,840,789
Other comprehensive income / (loss) for the year	-	587,752	-	-	-	(34,454)	553,298
Total comprehensive income for the year ended June 30, 2026	-	587,752	-	-	-	7,806,335	8,394,087
Transfer of fair value reserve on sale of long term investment to unappropriated profits	-	(135,699)	-	-	-	135,699	-
Balance as on June 30, 2026	1,995,160	2,109,916	-	104,823	2,278,935	2,998,495	9,487,329

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

Chief Financial Officer | Chief Executive Officer | Chairman

Unconsolidated Statement of Cash Flow

For the year ended June 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	43	18,739,602	10,253,249
Interest paid		(1,749,267)	(2,178,386)
Receipt against long-term loans to employees		5,593	1,283
Workers' Profit Participation Fund paid	29	(778,072)	(371,087)
Workers' Welfare Fund paid		(164,568)	(353,959)
Income taxes paid		(5,168,511)	(3,973,948)
Levy - final taxes paid		(39,656)	(24,175)
Employee benefits paid		(32,154)	(11,243)
Long-term security deposits received		33,100	265
		(7,893,535)	(6,911,250)
Net cash flows generated from operating activities		10,846,067	3,341,999
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment made for property, plant and equipment		(1,139,516)	(439,884)
Proceeds from disposal of property, plant and equipment	17.1.6	47,092	75,333
Short-term investments made		-	(3,000,000)
Short-term investments redeemed		-	3,051,157
Proceeds from disposal of investment property		-	400,000
Proceeds from disposal of long term investment		234,602	-
Interest received on bank deposits		44,885	102,111
Dividend income received from short term investments		-	-
Dividend income received from long-term investments		274,417	57,732
Net cash flows (used in) / generated from investing activities		(538,520)	246,449
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(6,978,405)	(8,925,259)
Payments made against lease liabilities		(7,465)	(5,926)
Long-term financing repaid		(867,909)	(433,183)
Money market loan received		1,000,000	-
Long-term financing received		1,500,000	-
Net cash flows used in financing activities		(5,353,779)	(9,364,368)
Net increase / (decrease) in cash and cash equivalents		4,953,768	(5,775,920)
Cash and cash equivalents at the beginning of the year		(12,470,751)	(6,694,831)
Cash and cash equivalents at the end of the year	44	(7,516,983)	(12,470,751)

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



Chief Financial Officer



Chief Executive Officer



Chairman

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2026

1 The Company and its activities

Millat Tractors Limited (the Company) is a public limited company and was incorporated in Pakistan in 1964 under the repealed Companies Act, 1913 (now the Companies Act, 2017), and is listed on the Pakistan Stock Exchange Limited. The registered office and factories of the Company are situated at 9 KM, Sheikhupura Road, District Sheikhupura and 10 Km Raiwind Road, Lahore. The Company also has regional offices located in Karachi, Multan, Sukkur and Islamabad.

The Company is principally engaged in assembling and manufacturing of agricultural tractors, implements and multi-application products. The Company is also involved in the sale, implementation and support of IFS applications in Pakistan and abroad.

The Company has regional offices located across Pakistan, the geographical locations of which are listed below:

Regional office	Geographical location
Islamabad region	House No. 22. Street 41. Sector F-6/1, Islamabad
Karachi region	3-A. Fayyaz Centre. Sindhi Muslim Co-operative housing society. Karachi
Multan region	Garden Town Shershah Road. Multan Cantt
Sukkur region	House No. 8/106. Akhuwat Society Near Gol Masjid. Airport road, Sukkur.

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 applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017.

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

2.2 These financial statements represent the separate financial statements of Millat Tractors Limited, in which investments in the subsidiary companies, namely Bolan Castings Limited (BCL), Millat Industrial Products Limited (MIPL) and TIPEG Intertrade DMCC have been accounted for at cost less accumulated impairment losses, if any. The consolidated financial statements of the Group are being issued separately.

2.3 New and amended standards and interpretations

a) Standards, amendments and interpretations to approved accounting standards that are effective in current year or have been early adopted by the Company

Certain standards, amendments and interpretations to IFRS are effective for accounting periods beginning on or after July 01, 2025 but are considered not to be relevant to the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these financial statements.

Amendment to International Accounting Standard (IAS) 1, "Non-current liabilities with covenants" (effective for annual period beginning on January 1, 2024)

The amendment clarifies how conditions that an entity must comply with within twelve months after the reporting period affect the classification of a liability. The amendment also aims to improve the information an entity provides related to liabilities subject to these amendments. The amendment clarifies that a liability should be classified as a

current liability if a breach of covenant that gives the lender the right to demand immediate repayment occurs at or prior to the end of the reporting period, unless sufficient relief is granted by the lender before or at the end of the reporting period.

The above amendment did not result in any significant changes to these unconsolidated financial statements.

b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 1, 2026, but are considered not to be relevant to the Company's operations and are, therefore, not detailed in these financial statements, except for the following:

a) Amendment to IAS 21 – Lack of Exchangeability

These amendments were in response to concerns raised when an entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

Assessing exchangeability between two currencies requires an analysis of different factors; such as the time frame for the exchange, the ability to obtain the other currency, markets or exchange mechanisms, the purpose of obtaining the other currency, and the ability to obtain only limited amounts of the other currency.

When a currency is not exchangeable into another currency, the spot exchange rate needs to be estimated. The objective in estimating the spot exchange rate at a measurement date is to determine the rate at which an orderly exchange transaction would take place at that date between market participants under prevailing economic conditions.

These amendments are not expected to have a material impact on the Company's financial statements when they become effective.

The new amendments are effective for annual reporting year beginning on or after January 1, 2025 with earlier application permitted.

b) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

The amendments clarify the timing for recognizing and derecognizing certain financial assets and liabilities, introduce an exception for some financial liabilities settled via electronic cash transfers, provide additional guidance for assessing if a financial asset meets the Solely Payment of Principal and Interest ('SPPI') criterion, require new disclosures for instruments with cash flow changes linked to Environmental, Social and Governance ('ESG') targets, and update disclosures for equity instruments designated at FVOCI.

The Company is in the process of assessing the impact of this amendment on the Company's financial statements.

The above mentioned amendments are effective for accounting periods beginning on or after January 1, 2026.

c) IFRS 18 Presentation and Disclosure in Financial Statements

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

performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

The Company is in the process of assessing the impact of this amendment on the Company's financial statements.

The above mentioned standard is effective for accounting periods beginning on or after January 01, 2027.

d) Annual improvements to International Financial Reporting Standards – Volume 11 (effective for annual period beginning on July 1, 2026)

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IAS 7 Statement of Cash Flows; and
- IFRS 10 Consolidated Financial Statements

3 Basis of measurement

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

3.2 Critical accounting estimates and judgments

The Company's material accounting policies are stated in note 4. Not all of these material accounting policies require management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies that management considers significant because of the complexity, judgment of estimation involved in their application and their impact on these financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

3.2.1 Employees' retirement benefits and other obligations

The Company uses the valuation performed by an independent actuary as the present value of its retirement benefit obligations i.e. employees' defined benefit plan and other obligations. The valuation is based on assumptions as mentioned in note 4.13 to these financial statements.

3.2.2 Provision for taxation

The Company takes into account the current income tax law and the decisions taken by appellate authorities. Pending instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its views on items of material nature are in accordance with law and the outcome is expected in favor of the Company, are shown as contingent liabilities.

3.2.3 Estimated useful lives, residual values and method of depreciation of property, plant and equipment

The Company reviews the useful lives, residual value and method of depreciation of property, plant and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

3.2.4 Impairment of trade receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets.

The expected loss rates are based on the payment profiles of sales over a period of time before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

3.2.5 Fair value of unquoted investments

Fair value of unquoted investments is determined by using valuation techniques. The Company uses the valuation performed by an independent valuation expert to determine the fair value of its unquoted investments. The Company has used discounted cash flow analysis for this purpose as fully explained in note 21 to these financial statements.

4 Material accounting policy information

The material accounting policies adopted in the preparation of these unconsolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

4.1 Share capital

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

4.2 Reserves

Reserve are classified into two categories as follows:

4.2.1 Revenue reserve

Revenue reserve is the reserve which is regarded as available for distribution through the profit or loss including general reserves and other specific reserves created out of profit and un-appropriated or accumulated profits of previous years.

4.2.2 Capital reserve

Capital reserve includes all the reserves other than the ones classified as revenue reserves.

4.3 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

4.4 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

4.5 Leases

The Company is the lessee:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments include fixed payments, variable lease payment that are based on an index or a rate and amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in the statement of profit and loss account if the carrying amount of right-to-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease, it is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increases the scope of lease by adding the right to use one or more underlying assets and the

consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

4.6 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss. The Company's financial liabilities include long-term finances, lease liabilities, short-term finances utilized under mark-up arrangements, trade and other payables and are measured at amortized cost.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognized in the profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

A financial liability is derecognized when the obligation under the liability is discharged or 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 or 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 recognized in the statement of profit or loss.

4.7 Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

4.8 Taxation

Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements, except for taxes on normal business income and dividend earned from investment in subsidiaries, associates and joint arrangements which is specifically within the scope of IAS 12 and hence it continues to be categorised as current income tax.

Income tax

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

Current

The charge for current tax is calculated using prevailing tax rates at the end of the reporting period in accordance with the prevailing law for taxation of income, after taking into account tax credits, rebates and exemptions, if any. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that the tax authorities will accept an uncertain tax treatment. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

4.9 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

4.10 Contract asset and contract liability

A contract asset is recognised for the Company's right to consideration in exchange for goods or services that it has transferred to a customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Company presents the amount as a contract asset, excluding any amounts presented as a receivable.

A contract liability is recognised for the Company's obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional (i.e. a receivable), before the Company transfers a good or service to the customer, the entity shall present the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

4.11 Dividend and appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the period in which the these are approved. Appropriations of profit are reflected in the statement of changes in equity in the period in which such appropriations are approved.

4.12 Employee benefits

4.12.1 Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leaves that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

4.12.2 Post employment benefits

The main features of the schemes operated by the Company for its employees are as follows:

4.12.2.1 Defined benefit plan - Pension

The Company operates a funded defined benefit pension scheme for all its eligible employees. Defined benefit plan is a post-employment benefit plan other than the defined contribution plan. Contributions under the scheme are made to this fund on the basis of actuarial recommendation and are charged to profit or loss. The latest actuarial valuation for the scheme was carried out as at June 30, 2026.

The amount recognized in the statement of financial position represents the present value of the plan assets reduced by value of defined benefit obligation. Any charge or credit arising as a result of remeasurements are recognized in the other comprehensive income of the Company in the period in which they occur. Past service costs are recognized immediately in the statement of profit or loss.

The future contribution rate of the plan includes allowances for deficit and surplus. Projected Unit Credit Method, based on the following significant assumptions, is used for valuation of this scheme:

	2026	2025
Expected rate of increase per annum in salary level	11.75%	11.75%
Discount rate per annum used for interest cost in profit or loss	11.75%	14.75%
Discount rate per annum used for year end obligation	11.75%	11.75%
Retirement Assumption	Age 60	Age 60
Expected mortality rates	SLIC 2001	SLIC 2001
	- 2005	- 2005
	Set back	Set back
	one year	one year

The Board Members of the Millat Tractors Limited Employees' Pension Fund Trust are managing the Pension Fund as per the applicable Pension Fund Deed, Rules and Regulations of the fund.

The amount recognized in the statement of financial position represents the fair value of the plan assets reduced by the present value of defined benefit obligation.

4.12.2.2 Defined contribution plans

a) Gratuity

The Company operates an approved defined contribution funded gratuity scheme for permanent employees who joined the Company before July 01, 2004. Under the scheme, based on the graduated scale, the contributions are calculated with reference to last drawn salary of the employees and are paid over to the Employees' Gratuity Fund Trust.

The Board Members of the Millat Tractors Limited Employees' Gratuity Fund Trust are managing the Gratuity Fund as per the applicable Gratuity Fund Deed, Rules and Regulations of the fund."

b) Provident fund

The Company operates an approved defined contribution provident fund for all permanent employees. Equal contributions are made by employees and the Company at the rate of 10 percent of basic salary per month. The Company has no further payment obligations once the contributions have been paid. Obligation for contributions to defined contribution plan is recognised as an expense in the statement of profit or loss as and when incurred.

The Board Members of the Millat Tractors Limited Employees' Provident Fund Trust ('the Trust') are managing the Provident Fund as per the applicable Provident Fund Deed, Rules and Regulations of the fund.

4.12.2.3 Accumulating compensated absences

The Company provides for accumulating compensated absences, when the employees render services that increase their entitlement to future compensated absences. Under the service rules, employees are entitled to 2.5 days leave per month. Unutilised leaves can be accumulated up to 150 days in case of executives and management and 180 days in case of workers. Workers, executives and management are entitled to encash the unutilised earned leave accrued on or before retirement date, or due to medical grounds could utilize / encash their outstanding days of leaves before leaving. Any further unutilised leaves lapse. The earned leave encashment is based on basic salaries for executives and management, and in case of workers, basic salaries plus house rent allowance.

Provisions are made annually to cover the obligation for accumulating compensated absences based on actuarial valuation and are charged to statement of profit or loss. The most recent valuation was carried out as at June 30, 2026 using the "Projected Unit Credit Method.

The amount recognised in the statement of financial position represents the present value of the defined benefit obligations. Actuarial gains and losses are charged to the statement of profit or loss immediately in the period when these occur.

Projected unit credit method, using the following significant assumptions, has been used for valuation of accumulating compensated absences:

	2026	2025
Expected rate of increase per annum in salary level	11.75%	11.75%
Discount rate per annum used for interest cost in profit or loss	14.75%	14.75%
Discount rate per annum used for year end obligation	11.75%	11.75%
Expected mortality rates	SLIC 2001	SLIC 2001
	- 2005	- 2005
	Set back	Set back
	one year	one year
Duration of the plan (years)	6	8

4.13 Contingent liabilities and assets

Contingent liability is disclosed when:

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

Contingent liabilities are not recognized. A contingent liability is disclosed unless the possibility of an outflow is remote.

Contingent asset is disclosed when an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements since this may result in recognition of income that may never be realised.

Contingent liabilities and assets are generally estimated using:

- The single most likely outcome; or
- A weighted average of all the possible outcomes (the 'expected value' method). This is likely to be the most appropriate method for a large population of similar claims, but can also be applied to a single obligation with various possible outcomes.

4.14 Property, plant and equipment

4.14.1 Operating fixed assets

Property, plant and equipment except for freehold and leasehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold and leasehold land is stated at cost less any identified impairment loss.

Depreciation on all items of property, plant and equipment is charged to profit or loss applying the diminishing balance method so as to write-off the depreciable amount of an asset over its useful life. Depreciation is being charged at the rates given in note 17. Depreciation on additions to property, plant and equipment is charged from the month in which an asset is acquired or capitalized while no depreciation is charged for the month in which the asset is disposed off.

The assets' residual values and useful lives are reviewed at each financial year end, and adjusted if impact on depreciation is significant. The Company's estimate of the residual value and useful life of its operating fixed assets during the year has not required any adjustment as its impact is considered insignificant.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (as explained in note 4.17 to these financial statements).

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 profit or loss during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference

between the net disposal proceeds and carrying amount of the asset) is included in the profit or loss in the year the asset is derecognized.

4.14.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure including borrowing costs connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

4.15 Intangible assets

Expenditure incurred to acquire and develop computer software are capitalized as intangible assets and stated at cost less accumulated amortization and any identified impairment loss.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite life are amortised using the straight line method over a period of three to five years and Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Amortization on additions to finite intangible assets is charged from the month in which an asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed off.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (as explained in note 4.17 to these financial statements).

4.16 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

4.17 Investment property

Property not held for own use or for sale in the ordinary course of business is classified as investment property. The investment property of the Company comprises land and is valued using the cost method i.e. at cost less any identified impairment loss.

The Company assesses at each reporting date whether there is any indication that investment property may be impaired. If such indication exists, the carrying amount of such assets is reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying value exceeds the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the profit or loss for the year. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

The gain or loss on disposal or retirement of an investment property represented by the difference between the sale proceeds and the carrying amount of the asset is recognized in profit or loss.

4.18 Investments and other financial assets

4.18.1 Investments in equity instruments of subsidiaries

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

Investment in equity instruments of subsidiaries are measured at cost as per the requirements of IAS-27 "Separate Financial Statements". However, at subsequent reporting dates, the Company reviews the carrying amount of the investment and its recoverability to determine whether there is an indication that such investment has suffered an impairment loss. If any such indication exists, the carrying amount of the investment is adjusted to the extent of impairment loss. Impairment losses are recognised as an expense in the statement of profit or loss.

The Company assesses at the end of each reporting period whether there is any indication that a previously recognised impairment loss may no longer exist or may have decreased. It assesses whether there have been favourable events or changes in circumstances, since impairment loss was recognised. If any such indication exists, the Company estimates the recoverable amount of that investment and reverses the impairment loss. The amount of any reversal recognised is restricted to increasing the carrying value of investment to the carrying value that would have been recognised if the original impairment had not occurred.

All purchases and sales of investments are recognised on the trade date, which is the date on which the Company commits to purchase or sell the investment.

The Company is required to issue consolidated financial statements along with its separate financial statements in accordance with the requirements of IFRS 10, 'Consolidated financial statements' and IAS 27, 'Separate financial statements'.

4.18.2 Financial assets other than investments in equity instruments of subsidiaries

4.18.2.1 Classification

The Company classifies its financial assets other than investments in subsidiaries in the following measurement categories:

- those to be measured subsequently at fair value [either through other comprehensive income ('OCI') or through profit or loss]; and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

4.18.2.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

4.18.2.3 Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

i) Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the statement of profit or loss.

ii) FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method. Impairment expenses are presented as a separate line item in the statement of profit or loss.

iii) FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments except for investments in subsidiaries at fair value through other comprehensive income. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

4.18.2.4 Impairment of financial assets other than investment in equity instruments

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade debts, the Company applies IFRS 9 simplified approach to measure the expected credit losses (loss allowance) which uses a life time expected loss allowance to be recognised from initial recognition of the receivables, while general 3-stage approach for deposits, loans, bank balances and other receivables i.e. to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Following are the financial assets that are subject to the ECL model:

- Trade debts;
- Loans and advances;
- Loans to employees;
- Trade deposits and other receivables; and
- Bank balances.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

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

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

Irrespective of the above analysis, in case of trade debts, the Company considers that default has occurred when a debt is more than 360 days past due, unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

significant financial difficulty of the issuer or the borrower;

- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for that financial asset because of financial difficulties

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Receivables are grouped and assessed collectively based on shared credit risk characteristics and the days past due. The expected credit losses on these financial assets are estimated using a provision matrix approach based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics

The Company recognizes an impairment gain or loss in the statement of profit or loss for financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

4.19 Off-setting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.20 Stores, spare parts and loose tools

Stores, spare parts and loose tools are valued at moving weighted average cost except for items in transit which are stated at invoice value plus other charges paid thereon till the reporting date. For items which are slow moving and/or identified as obsolete, adequate provision is made for any excess book value over estimated realizable value. The Company reviews the carrying amount of stores and spares on a regular basis and provision is made for obsolescence.

4.21 Stock-in-trade

Stock of raw materials (except for those in transit), work-in-process and finished goods are valued principally at the lower of weighted average cost and net realisable value ('NRV'). Cost of work-in-process and finished goods comprises cost of direct materials, labour and related production overheads (based on normal operating capacity).

Materials in transit are stated at cost comprising invoice value plus other charges paid thereon.

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

If the expected net realisable value is lower than the carrying amount, a write-down is recognised for the amount by which the carrying amount exceeds its net realisable value. Provision is made in the financial statements for obsolete and slow moving stock-in-trade based on management estimate.

4.22 Trade debts and other receivables

Trade debts are amounts due from customer for goods sold or services performed in ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Company. Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest rate method less loss allowance.

4.23 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the unconsolidated statement of financial position.

4.24 Revenue recognition

Revenue is recognised when or as performance obligations are satisfied by transferring control of a promised good or service to a customer, and control either transfers over time or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, commissions and government levies.

a) Sale of goods

Revenue from contracts for sale of tractors, implements, multi-application products and trading goods is recognized upon delivery and acknowledgement of the good by the customer i.e. at a point-in-time when the performance obligation of the Company is satisfied. Since there is only one performance obligation the revenue is recognized at full amount. Payments for sale of tractors are received in advance from customers, while in the case of implements and multi-application products credit periods are provided as per Company policy on a case to case basis. The credit term does not include any financing component. Any rebate / markup on account of delayed delivery of tractor is deducted from the transaction price upon satisfaction of the performance obligation.

b) Sale of service

- Warranties

The Company provides various types of warranties. When determining the nature of warranty-related promises, the Company considers:

- whether the customer has the option to separately purchase the warranty; and
- whether all or part of the warranty provides the customer with an additional service beyond the basic assurance that it will perform in accordance with published specifications.

Standard-type warranties of free repair, parts replacement, assurance and major rectification to the customer along with free service after specific intervals are not offered separately for any consideration by the Company and rather are embedded in the sale price of the good. Accordingly, the same are not considered to be separate performance obligations and are accounted for under IAS 37.

For extended-type warranties or separate after sale services offered by the Company the same are treated as separate performance obligations. Revenue from such warranties or after sale services contracts is recognized over time i.e. duration of the contract.

- IFS services

Revenue from IFS services includes contracts for software implementation / customization services along with post implementation consultancy / maintenance services. Revenue from implementation / customization services is recognized at a point-in-time i.e. when the performance obligation of the Company for implementation/ customization is satisfied whereas revenue from post implementation consultancy / maintenance services is recognized on straight-line method over-time i.e. duration of the Service Level Agreement. Invoice is usually charged with 45 days credit period or as per contract terms.

- Others

- Dividend is recognized as income when the right to receive dividend is established.
- Profit on bank deposits is recognized on effective rate of interest method.
- Investment income is recognized when right to receive the income is established.

4.25 Research cost

These costs are charged to profit or loss when incurred.

4.26 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

4.27 Earnings per share

The company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.28 Foreign currency transactions and translation

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

4.29 Transactions with related parties

Transactions with related parties are conducted in normal course of business in accordance with the agreed terms and conditions. All the related party transactions are presented for approval of shareholders in General Meeting in accordance with the requirements of Section 208 of Companies Act, 2017.

5 Issued, subscribed and paid up capital

2026 (Number of shares in thousand)	2025 (Number of shares in thousand)		Note	2026 (Rupees in thousand)	2025 (Rupees in thousand)
2,543	2,543	Ordinary shares of Rs.5 (2025: Rs. 10) each fully paid in cash		25,429	25,429
		Ordinary shares of Rs.5 (2025: Rs. 10) each issued as fully paid bonus shares			
196,973	189,255	- Opening balance		1,969,731	1,892,554
–	7,718	- Issued during the year	5.1	–	77,177
196,973	196,973			1,969,731	1,969,731
199,516	–	- Share Split	5.2	–	–
399,032	199,516			1,995,160	1,995,160

5.1 These shares had been issued as the consideration against purchase of Millat Equipment Limited (now Precision Engineering Department) at the rate of Rs. 10 per share. The number of shares currently outstanding reflect the impact of share split effected during the current year.

5.2 During the year, the Company split its shares by decreasing the face value from Rs. 10 per share to Rs. 5 per share pursuant to special resolution passed by members at Extra Ordinary General Meeting held on June 05, 2026. The share split resulted in a proportionate increase in the number of issued shares with no impact on the paid-up share capital.

		Note	2026	2025
			(Rupees in thousand)	
6	**Reserves**			
	Capital reserve			
	Fair value reserve - Investments measured at FVOCI		2,109,916	1,657,863
	Share issuance reserve		–	–
	Amalgamation reserve		104,823	104,823
			2,214,739	1,762,686
	Revenue reserve			
	General reserve		2,278,935	2,278,935
	Unappropriated profits		2,998,495	2,039,519
			5,277,430	4,318,454
			7,492,169	6,081,140
7	**Long-term finances - secured**			
	Long-term loan	7.1	1,527,349	886,736
	Less: Current portion shown under current liabilities	7.1	(194,433)	(426,046)
			1,332,916	460,690
7.1	The reconciliation of carrying amount is as follows:			
	Opening balance	7.2 to 7.4	886,736	1,313,763
	Loan received during the year	7.5	1,500,000	–
	Repayments during the year		(867,909)	(433,183)
	Unwinding of discount on liability		8,522	6,156
			1,527,349	886,736
	Less: Current portion shown under current liabilities		(194,433)	(426,046)
			1,332,916	460,690

7.2 This represents amount against two loan facilities of Rs.60,000 thousand and 100,000 thousand (June 30, 2025: Rs.160,000 thousand) obtained under renewable energy finance scheme announced by the State Bank of Pakistan (SBP) to promote renewable energy use in Pakistan. It carries standard markup of 2.5% per annum, which is payable on quarterly basis. The loan was previously repayable in 40 equal quarterly instalments starting from September 30, 2021, however in the year ended June 30, 2022, the loan facility was modified by the Bank with equal 36 payments payable starting from April 28, 2022. The modification was considered to be non-substantial, with the resulting impact recognized in these financial statements accordingly. The discount rate used is 11.47% per annum (June 30, 2025: 11.47% per annum). The difference between cash received and present value of cash outflows upon initial recognition and subsequent modification has been recognized as deferred grant. The carrying amount of loan as of year end is Rs. 27,349 thousand (June 30, 2025: Rs. 46,502 thousand). This facility is secured by specific and exclusive charge on the purchased machinery and ranking charge over current assets of the Company. The facility amounting to Rs. 60,000 thousand was prematurely settled during the year.

7.3 This included amount of loan against facility of Rs. 1,500,000 thousand (June 30, 2025: Rs. 1,500,000 thousand) to maintain the Company's ownership stake of 15.86% in Hyundai Nishat Motors (Private) Limited. The loan was repayable in 16 equal quarterly instalments commencing from April 1, 2023 and carried markup at the rate of base rate plus 0.40% per annum, which was payable quarterly. Base rate was defined as the 'average of 3-month offer rate of KIBOR'. The base rate was set for the first time at the date of initial disbursement and subsequently reset on the first working day of each calendar quarter, using the rate prevailing on last working day of preceding calendar quarter. This facility was secured by first exclusive mortgage charge over land of the factory situated at 9 KM, Sheikhupura Road, Lahore, amounting to Rs. 2,000,000 thousand (including 25% margin). At year end, all outstanding principal, mark-up and associated costs were settled in full.

7.4 This included Term Finance (TF) loan facility amounting to Rs. 269,570 thousand (June 30, 2025: 269,570 thousand) availed from The Bank of Punjab in April 2024 to finance capital expenditure. The facility had a sanctioned limit of Rs. 500,000 thousand. The loan was repayable in 20 equal quarterly instalments and carried markup at the rate of 1 month KIBOR plus 0.95%. The loan was secured against 1st Pari Passu charge over present and future fixed assets of the company amounting to Rs. 666,667 thousand with 25% margin. During the year, all outstanding principal, mark-up and associated costs were settled in full.

7.5 This includes amount of loan against new facility of Rs. 1,500,000 thousand obtained from Meezan Bank Limited to meet the Company's long-term requirements including re-profiling of balance sheet. The loan carries a grace period of one year, and is repayable in 16 equal quarterly instalments commencing from February 19, 2027. The loan carries markup at the rate of 3-month KIBOR plus 0.30% per annum, which is payable quarterly, commencing from the date of initial disbursement. The markup rate will be set for the first time at the date of initial disbursement and subsequently reset on the first working day of each calendar quarter, using the rate prevailing on last working day of preceding calendar quarter. This facility is secured against joint Pari Passu charge over all present and future fixed assets of the company with 25% margin.

		Note	2026	2025
			(Rupees in thousand)	
8	**Deferred grant**			
	At start of the year		10,182	14,177
	Transferred to profit or loss during the year		(4,456)	(3,995)
	At end of year	8.1	5,726	10,182
	Represented by:			
	Non-current portion		3,677	6,585
	Current portion		2,049	3,597
			5,726	10,182

8.1 Government grant has been recognized against loan obtained under SBP refinance scheme for renewable energy in lieu of below market-interest rate payable on this loan. There are no unfulfilled conditions or contingencies attached to this grant effecting its recognition at the reporting date.

		Note	2026	2025
			(Rupees in thousand)	
9	**Lease liabilities**			
	Lease liabilities at start of year		3,548	8,184
	Additions during the year		18,922	–
	Unwinding of finance cost		1,436	1,290
	Payments made during the year		(7,465)	(5,926)
	Lease liabilities at year end	9.1	16,441	3,548
	Less: current portion of lease liabilities		(5,524)	(3,548)
	Non current lease liabilities		10,917	–

		Note	2026	2025
			(Rupees in thousand)	
9.1	Commitments in relations to leases recognised under IFRS 16, are payable as follows:			
	Payable not later than one year		7,071	3,685
	Payable later than one year but not later than five years		11,699	–
			18,770	3,685
	Future finance charges		(2,329)	(137)
	Total lease liabilities		16,441	3,548
10	**Long-term deposits**			
	Long-term deposits	10.1	16,898	15,698
	Employee deposits under vehicle scheme	10.2	104,866	72,966
			121,764	88,664

10.1 These represent security deposits received from dealers which, by virtue of agreement, are interest free. These are repayable on cancellation of dealership contract with dealers and cannot be utilized for the purpose of the business. These have been kept in separate bank account in accordance with the requirements of the section 217 of the Companies Act, 2017. These deposits have not been discounted as the impact is considered to be immaterial.

10.2 These represent deposits by employees under car and motorcycle scheme of the Company amounting to Rs. 104,866 thousand (2025: Rs. 72,966 thousand) and carry no markup.

		Note	2026	2025
			(Rupees in thousand)	
11	**Deferred tax liabilities - net**			
	The liability for deferred tax comprises temporary differences relating to:			
	Taxable temporary differences:			
	Accelerated tax depreciation		203,680	207,410
	Changes in fair value of investments	21	1,188,305	1,059,944
	Worker's profit participation fund (WPPF)		8,739	8,552
			1,400,724	1,275,906
	Deductible temporary differences:			
	Lease liability against right of use asset		(6,083)	–
	Worker's welfare funds (WWF)		–	(57,706)
	Provisions		(124,009)	(121,568)
			(130,092)	(179,274)
	Net deferred tax liability at the year end		1,270,632	1,096,632

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2026

11.1 Reconciliation of deferred tax liabilities - net

	Deferred tax liability			Deferred tax asset				
	Accelerated tax depreciation	Worker's profit participation fund (WPPF)	Change in fair value of investments	Lease liability against right-of-use asset	Unrealized gain on closing stock of MEL in MTL	Worker's welfare funs (WWF)	Provision for impaired / doubtful receivables	Net liability / (asset)
	(Rupees in thousand)							
Balance as at June 30, 2024	163,682	-	1,121,631	(859)	(26,535)	-	(19,881)	1,238,038
Tax expense / (income) during the year recognised in								
- Profit or loss	43,728	8,552	-	859	26,535	(57,706)	(101,687)	(79,719)
- Other comprehensive income	-	-	(61,687)	-	-	-	-	(61,687)
Balance as at June 30, 2025	207,410	8,552	1,059,944	-	-	(57,706)	(121,568)	1,096,632
Tax expense / (income) during the year recognised in								
- Profit or loss	(3,730)	187	-	(6,083)	-	57,706	(2,441)	45,639
- Other comprehensive income	-	-	128,361	-	-	-	-	128,361
Balance as at June 30, 2026	203,680	8,739	1,188,305	(6,083)	-	-	(124,009)	1,270,632

11.2 Under the Finance Act, 2026, a corporate tax rate of 29% has been fixed with an additional super tax of 8% (2025: 10%) for the persons having income more than Rs. 500 million (2025: Rs. 500 million). Therefore, deferred tax assets and liabilities have been recognized using the enacted applicable rate i.e. 37% (2025: 39%).

		Note	2026	2025
			(Rupees in thousand)	
12	**Trade and other payables**			
	Trade creditors	12.1	4,022,359	3,778,542
	Accrued liabilities		723,289	378,353
	Bills payable	12.1	148,865	419,949
	Security deposits	12.2	461,034	242,365
	Trademark fee payable		615,210	507,065
	Workers' Welfare Fund		288,465	158,464
	Accrued markup on long-term finances		21,808	26,969
	Accrued markup on running finance		263,500	557,000
	Payable against sale tax withheld		148,518	71,461
	Others		164,736	88,506
			6,857,784	6,228,674

12.1 These includes balances due to related parties amounting Rs. 161,832 Thousand (2025: Rs. 197,972 Thousand).

12.2 These represent security deposits from dealers and contractors against short-term agreements for goods to be delivered or sold to the dealers which, by virtue of the agreements, are interest free, repayable on demand and are used in the Company's business. As at year end the Company has utilized these security deposits for business operations of the Company in accordance with the terms of the contract in writing.

13 Contract liabilities

13.1 These represent amount received in advance from customers against performance obligations / sales made in subsequent periods i.e. sale of tractors, and are unsecured. This includes advances received from related parties of Rs. 156,248 thousand (2025: Rs. 4,107 thousand). Further, as referred in note 31 to these financial statements, these also include Rs. 182,121 Thousand (30 June 2025: 295,004) representing cheques in hand at the reporting date.

Customers who have given these advances, are entitled to discount at the rate of Karachi Inter Bank Offered Rate ('KIBOR') plus 3% per annum, from the date of advance payment to the date of delivery exceeding 60 days of initial booking, subject to certain other conditions.

13.2 Revenue recognised during the period that was included in the contract liability balance at the beginning of the year amounted to Rs. 1,615,773 thousand (2025: Rs. 2,969,189 thousand).

		Note	2026	2025
			(Rupees in thousand)	
14	**Short-term borrowing facilities**			
	Short-term running finance	14.1	9,605,295	14,036,499
	Money Market Loan	14.3	1,000,000	–
			10,605,295	14,036,499

14.1 The Company has obtained short-term borrowing facilities from various banks to meet its working capital requirements against aggregate sanctioned limit of Rs. 23,900,000 thousand (2025: Rs. 20,800,000 thousand) out of which Rs. 14,294,705 thousand (2025: Rs. 8,966,232 thousand) remained unutilized as at the reporting date. The rates of mark up range from KIBOR 0.03% to KIBOR + 0.40% (2025: KIBOR - 3.5% to KIBOR + 0.40%) per annum.

14.2 Out of the above mentioned authorized limit, an amount of Rs. 9,500,000 thousand (2025:Rs. 6,500,000 thousand) has been obtained under Islamic mode of financing.

14.3 The Company has obtained money market loan to meet its working capital requirements against sanctioned limit of Rs. 1,700,000 thousand (2025: Rs. 1,700,000 thousand) out of which Rs. 700,000 thousand (2025: Rs. 1,700,000 thousand) remained unutilized as at the reporting date. The rate of mark up on money market loan is 1 Month KIBOR.

14.4 The Company has facilities for opening of letters of credit and guarantees aggregating to Rs. 9,997,000 thousand (2025: Rs. 8,195,990 thousand) out of which Rs. 2,100,000 thousand (2025: Rs. 1,600,000 thousand) has been obtained under Islamic mode of financing.

14.5 Out of the authorized limit of letter of credit and guarantees Rs. 6,405,633 thousand (2025: Rs. 5,493,223 thousand) remained unutilized at the end of the year.

14.6 These facilities are secured by pari passu hypothecation charge over current and future assets and book debts of the Company, lien over import documents and counter guarantees of the Company.

		Note	2026	2025
			(Rupees in thousand)	
15	**Current portion of non-current liabilities**			
	Current portion of long term finances - secured	7	194,433	426,046
	Current portion of deferred grant	8	2,049	3,597
	Current portion of lease liabilities against right-of-use assets	9	5,524	3,548
			202,006	433,191

16 Contingencies and commitments

16.1 Contingencies

16.1.1 The Income tax department has disputed the Company's treatment on certain tax matters relating to certain tax years from 2012 till 2021, entailing a possible additional tax liability of Rs. 4,967,704 thousand (2025: 2,967,540 thousand). These primarily include disallowances made by tax authorities in respect of apportionment of expenses to export sales, super tax liability effect, tax refunds / adjustments claimed by the Company, consumption of stock and consequently value of closing stock claimed by the Company, salaries and wages, import and domestic purchases etc. Both the Company and the Income tax department are currently in appeal at different forums regarding the tax matters, while certain tax matters have been remanded back to the Commissioner Inland Revenue level for reassessment. Decisions regarding these tax matters are still pending. The management in consultation with their tax advisor is confident that all the tax matters will eventually be decided in the favor of the Company; therefore no provision has been deemed necessary and / or made in these financial statements.

16.1.2 The Income tax department has disputed the Company's payment against Workers' Welfare Fund for years 2014 to 2024 and thereby created a demand of Rs. 2,421,926 thousand (2025: Rs. 268,452 thousand) under section 4(9) of Workers Welfare Fund Ordinance, 1971. The Company has submitted its response on the aforementioned order to the Income tax department which is currently pending a response. No further proceedings has been initiated to date by the department. The management in consultation with their tax advisor is confident that the matter will eventually be decided in the favor of the Company; therefore no provision has been made in these financial statements.

16.1.3 The Company is involved in various sales tax proceedings relating to the alleged non-payment of sales tax on warranty parts supplied under tractor warranty arrangements. For the tax years 2008 to 2010, an amount of Rs. 78,548 thousand is pending before the Lahore High Court following an appeal filed by the tax authorities against the decision of the Appellate Tribunal Inland Revenue. For the tax years 2012 to 2014, an amount of Rs. 29,413 thousand is pending before the Lahore High Court pursuant to a Sales Tax Reference filed by the Company against the decision of the Appellate Tribunal Inland Revenue. During the year, the Company received a Show Cause Notice in respect of the tax years 2021 to 2025 involving an amount of Rs. 51,498 thousand relating to input tax claimed on warranty parts, which is currently pending adjudication before the Deputy Commissioner Inland Revenue. The aggregate amount involved in these matters is Rs. 159,459 thousand. The cases are currently being pursued before the relevant judicial and tax authorities. The management and the legal advisor are confident of a favorable outcome in the case; therefore no provision has been made in these financial statements.

16.1.4 The Company has received a show cause notice alleging non-payment of Federal Excise Duty of Rs. 276,056 thousand on franchise fees/royalties paid to a Massey Ferguson for tax years 2021 to 2025. A penalty of Rs. 13,803 thousand has also been proposed in this regard. The Company has submitted its response, and the matter is currently pending adjudication before the Deputy Commissioner Inland Revenue. The management and the legal advisor are confident of a favorable outcome in the case; therefore no provision has been made in these financial statements.

16.1.5 The show cause proceedings were initiated against the Company by the Competition Commission of Pakistan ('CCP') on September 08, 2021 under the Competition Act, 2010. The Company has filed a writ petition before the Islamabad High Court against the CCP. The matter is pending adjudication. The management and the legal advisor are confident of favorable outcome of the case, hence no provision in this regard has been made in these financial statements.

16.2 Commitments

16.2.1 The Company has provided guarantee amounting to Rs. 5,000 thousand (2025: Rs.5,000 thousand) to banks for repayment of loan by employees. At June 30, 2026 an amount of Rs. 460 thousand (2025: Rs. 485 thousand) was utilized by employees.

16.2.2 Guarantees issued by the banks on behalf of the Company in the normal course of business at June 30, 2026 amount to Rs. 1,757,444 thousand (2025: Rs. 777,876 thousand).

16.2.3 Commitments in respect of outstanding letters of credit for import of raw material amounting to Rs. 1,833,923 thousand (2025: Rs. 1,924,890 thousand) at the reporting date.

16.2.4 The Company has a commitment to deliver tractors against booking orders amounting to Rs. 131,486 thousand (2025: Rs. 36,165 thousand) other than those reflected in note 13.

		Note	2025	2024
			(Rupees in thousand)	
17	**Property, plant and equipment**			
	Operating fixed assets	17.1	2,530,482	1,672,939
	Capital work in progress	17.2	116,559	113,136
			2,647,041	1,786,075

17.1 Operating fixed assets

	Note	Land		Buildings		Owned					
		Freehold	Lease-hold	On freehold land	On leasehold land	Plant and machinery	Furniture and office equipment	Vehicles	Tools and equipment	Computers	Total
		(Rupees in thousand)									
Net book value basis											
Year ended June 30, 2026											
Opening net book value	17.1.3 and 17.1.4	106,557	8	250,278	-	764,936	69,918	369,667	93,516	18,059	1,672,939
Additions (at cost)		624,862	-	7,019	-	157,083	18,179	309,505	7,456	11,989	1,136,093
Disposals (at NBV)	17.1.6	-	-	-	-	(28)	(26)	(46,047)	-	(1,067)	(47,167)
Adjustments		-	-	-	-	-	-	1,768	-	(199)	1,569
Write offs		-	-	-	-	-	-	-	-	-	-
Depreciation charge	17.1.2	-	-	(16,488)	-	(85,928)	(10,492)	(98,786)	(14,045)	(7,212)	(232,951)
Closing net book value	17.1.5	731,419	8	240,809	-	836,063	77,579	536,107	86,927	21,570	2,530,482
Gross book value basis											
As at June 30, 2026											
Cost		731,419	8	529,582	2,900	1,442,185	160,052	830,957	204,845	86,831	3,988,779
Accumulated depreciation		-	-	(288,773)	(2,900)	(606,122)	(82,473)	(294,850)	(117,918)	(65,261)	(1,458,297)
Net book value		731,419	8	240,809	-	836,063	77,579	536,107	86,927	21,570	2,530,482
Depreciation rate % per annum		-	-	5-10	5	10	10-15	20	10-15	33	
Net book value basis											
Year ended June 30, 2025											
Opening net book value	17.1.3 and 17.1.4	106,557	8	261,138	-	576,604	55,074	420,798	98,779	18,188	1,537,146
Additions (at cost)	17.1.6	-	-	4,446	-	258,114	23,668	109,056	10,311	8,373	413,968
Disposals (at NBV)		-	-	-	-	(125)	(98)	(74,050)	(69)	(1,386)	(75,728)
Adjustments		-	-	-	-	-	-	(2,175)	-	(73)	(2,248)
Write offs	17.1.2	-	-	-	-	-	-	-	-	-	-
Depreciation charge		-	-	(15,306)	-	(69,657)	(8,726)	(83,962)	(15,505)	(7,043)	(200,199)
Closing net book value		106,557	8	250,278	-	764,936	69,918	369,667	93,516	18,059	1,672,939
Gross book value basis											
As at June 30, 2025											
Cost		106,557	8	522,563	2,900	1,285,356	143,116	606,429	197,388	78,203	2,942,520
Accumulated depreciation		-	-	(272,285)	(2,900)	(520,420)	(73,198)	(236,762)	(103,872)	(60,144)	(1,269,581)
Net book value		106,557	8	250,278	-	764,936	69,918	369,667	93,516	18,059	1,672,939
Depreciation rate % per annum		-	-	5-10	5	10	10-15	20	10-15	20-33	

17.1.1 Particulars of Immovable property in the name of company are as follows:

Location	Usage of Immoveable property	2026 Total Area (in Square Meters)	2025 Total Area (in Square Meters)
8.8 Km, Sheikhupura Road, Lahore	Head office and Tractor Assembly Plant	202,343	202,343
10-KM Raiwind Road, District Lahore	Manufacturing Plant	23,366	23,366
Khera Gali, District Abbottabad	Guest House of Company	759	759
Sector F-6/1 Islamabad	Regional Office	697	697
Tricon Tower, 73-Jail Road Lahore	Corporate Office	929	929

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

	Note	2026 (Rupees in thousand)	2025 (Rupees in thousand)
Cost of sales	33	116,622	102,558
Distribution and marketing expenses	34	6,327	10,142
Administrative expenses	35	110,002	87,499
		232,951	200,199

17.1.3 Freehold land and building on owned land represents 202,343 square meters of factory land situated at Sheikhupura Road; Sheikhupura, 23,366 square meters of factory land situated at Raiwind Road, Lahore; 759 square meters at Khera Gali District Abbottabad; 697 square meters in sector F-6/1 Islamabad; and Corporate office floors in Tricon Corporate Centre Lahore.

17.1.4 Leasehold property represents Igloo hanger / godown measuring total area of 6,662 square meters situated near Brooke Bond factory SITE area, Karachi.

17.1.5 This includes assets amounting to Rs. 3,709 Thousand (2025: Rs. 4,733 Thousand) that are being utilized by the related party(s). In accordance with the underlying arrangement, the depreciation expense on these assets is charged to related party.

17.1.6 Disposal of operating fixed assets

Particulars of asset	Sold to	Mode of disposal	Cost	Book value	Sale proceeds	Gain on disposal
			(Rupees in thousand)			
Fixed assets sold having book value greater than Rs. 500,000						
	Director:					
Vehicle	Mr. Laeeq Ud Din Ansari - a related party	As approved by the Board	22,400	13,415	13,415	-
	Employees:					
Vehicle	Mr. Muhammad Irfan Daha	Company car scheme	6,621	4,127	4,127	-
Vehicle	Mr. Waqas Khurram Quraeshi	Company car scheme	3,166	2,903	2,903	-
Vehicle	Ms. Sumera Nazir	Company car scheme	2,612	1,690	1,690	-
Vehicle	Mr. Ansa Batool	Company car scheme	2,754	1,507	1,507	-
Vehicle	Mr. Rana Ijaz Hussain	Company car scheme	2,020	1,481	1,481	-
Vehicle	Mr. Aftab Khurshid Warraich	Company car scheme	2,612	1,480	1,480	-
Vehicle	Mr. Muhammad Sikander Khan Afridi	Company car scheme	2,487	1,436	1,436	-

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2026

Particulars of asset	Sold to	Mode of disposal	Cost	Book value	Sale proceeds	Gain on disposal
			(Rupees in thousand)			
Vehicle	Mr. Shahzad Mehmood	Company car scheme	2,487	1,263	1,263	-
Vehicle	Mr. Muhammad Kashif	Company car scheme	2,487	1,238	1,238	-
Vehicle	Mr. Rashid Ahmad	Company car scheme	2,543	843	843	-
Vehicle	Mr. Rashid Javed	Company car scheme	2,543	843	843	-
Vehicle	Mr. Muhammad Imran	Company car scheme	2,543	843	843	-
Vehicle	Mr. Rizwan Ali Sultan	Company car scheme	1,780	681	681	-
Vehicle	Mr. Tauqeer Ahmad	Company car scheme	820	602	602	-
Vehicle	Mr. Najib Arif	Company car scheme	820	602	602	-
Vehicle	Mr. Zishan Arif	Company car scheme	1,780	590	590	-
Vehicle	Mr. Farooq Usmani	Company car scheme	1,780	589	589	-
Vehicle	Mr. Muhammad Shamroz Khan	Company car scheme	1,780	587	587	-
Vehicle	Mr. Muhammad Akmal	Company car scheme	1,780	587	587	-
Vehicle	Mr. Rana Shehzad Ahmed	Company car scheme	1,745	574	574	-
Vehicle	Mr. Nasir Jamshed	Company car scheme	1,335	538	538	-
Vehicle	Mr. Sadam Bajwa	Company car scheme	714	533	533	-
	Fixed assets sold having book value less than Rs. 500,000		21,161	8,216	8,140	(76)
	Year ended: June 30, 2026		92,770	47,168	47,092	(76)
	Year ended: June 30, 2025		160,612	75,728	75,333	(395)

		Note	2026	2025
			(Rupees in thousand)	
17.2	**Capital work in progress**			
	Plant and machinery	17.2.1	116,559	113,136
17.2.1	Movement in capital work in progress is as follows:			
	Opening balance		113,136	87,220
	Additions during the year		858,919	284,971
	Capitalized during the year		(855,496)	(259,055)
			116,559	113,136
18	**Right-of-use assets**			
	This represents the right-of-use asset in respect of retail outlet(s), leased by the Company.			
	Opening net book value		1,444	6,730
	Additions during the year		18,922	-
	Depreciation charged during the year	34	(5,123)	(5,286)
			15,243	1,444

		Note	2026	2025
			(Rupees in thousand)	
19	**Investment property**			
	Land	19.1	41,597	41,597
	Provision for impairment	19.5	(2,736)	(2,736)
			38,861	38,861
	Movement in Investment property			
	Opening		38,861	294,569
	Acquired during the year		–	–
	Disposed during the year		–	(255,708)
	Closing		38,861	38,861

19.1 The Company carried out the fair valuation of this property in June 2026 which was Rs. 2,047,500 thousand. These valuations were performed by an independent valuer, who has appropriate professional qualifications and recent experience in the location and category of the properties being valued. The valuation is based on the comparable market transactions that considers sales of similar properties that have been transacted in open market.

19.2 The level of hierarchy for fair value disclosed falls in level 2 i.e. inputs other than quoted prices including within in level 1 that are observable for real estate properties directly or indirectly.

19.3 The Company believes that the above-mentioned amount fairly represents the fair value of the investment property as at June 30, 2026.

19.4 Management of the Company believes that holding on to these properties for appreciation in their market value is the highest and best use of this investment property.

19.5 This represents provision for impairment against land measuring 12 kanals and 14.5 marlas located at Raiwind Road having gross value of Rs. 2,736 thousand (2025: 2,736 thousand) at the reporting date.

20 Intangible assets

	Note	Software with definite life	Licenses	Total
		(Rupees in thousand)		
Net carrying value basis:				
Opening net book value as at July 1, 2025		–	15,720	15,720
Amortization charge	35	–	(7,860)	(7,860)
As at June 30, 2026		–	7,860	7,860
Gross carrying value basis:				
As at June 30, 2026				
Cost		–	39,300	39,300
Accumulated amortization		–	(31,440)	(31,440)
		–	7,860	7,860

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2026

	Note	Software with definite life	Licenses	Total
		(Rupees in thousand)		
Opening net book value as at July 1, 2024		–	23,580	23,580
Amortization charge	35	–	(7,860)	(7,860)
As at June 30, 2025		–	15,720	15,720
Gross carrying value basis:				
As at June 30, 2025				
Cost		–	39,300	39,300
Accumulated amortization		–	(23,580)	(23,580)
		–	15,720	15,720
Rate of amortization		33%	20%	

		Note	2026 Equity % held	2026 Amount	2025 Equity % held	2025 Amount
				(Rupees in thousand)		
21	**Long-term investments**					
	- Investment in related parties					
	In subsidiary undertakings - at cost:					
	Unquoted:					
	Millat Industrial Products Limited					
	6,598,125 (2025: 6,598,125) fully paid ordinary shares of Rs.10/- each		64.09	57,375	64.09	57,375
	TIPEG Intertrade DMCC					
	1,500 (2025: 1,500) fully paid ordinary shares of AED 1,000/- each	21.1	75.00	40,020	75.00	40,020
	Quoted:					
	Bolan Castings Limited					
	5,306,979 (2025: 5,306,979) fully paid ordinary shares of Rs. 10/- each		46.26	76,610	46.26	76,610
	Balance carried forward			174,005		174,005
	Other investments - at FVOCI:					

	Note	2026		2025	
		Equity % held	Amount	Equity % held	Amount
			(Rupees in thousand)		
Unquoted:					
Arabian Sea Country Club Limited					
500,000 (2025: 500,000) fully paid		6.45	5,000	6.45	5,000
ordinary shares of Rs. 10/- each					
Loss on fair valuation of investment			(5,000)		(5,000)
			–		–
Hyundai Nishat Motors (Private) Limited					
310,302,936 (2025: 310,302,936) fully	21.3	15.86	3,103,029	15.86	3,103,029
paid ordinary shares of Rs. 10/- each					
Surplus on fair valuation of investment					
- notes 21.3 and 48.1 (Level - 3)			3,211,635		2,547,586
			6,314,664		5,650,615
- Investments other than related parties - at FVOCI					
Quoted:					
Baluchistan Wheels Limited					
Nil (2025: 1,282,825) fully paid	21.5		–		12,145
ordinary shares of Rs. 10/- each					
Surplus on fair valuation of investment					
- note 48.1 (Level - 1)			–		170,221
			–		182,366
Unquoted:					
TCC Management Services (Private) Limited					
40,000 (2025: 40,000) fully paid					
ordinary shares of Rs. 10/- each	21.4		400		400
- note 48.1 (Level - 3)					
			6,489,069		6,007,386

21.1 Subsidiaries incorporated outside Pakistan

Information about the related party incorporated outside the Pakistan in which the Company has a long-term investment and/ or with whom the Company had entered into transactions during the year is as follows:

Name of Company:	TIPEG Intertrade DMCC
Country of incorporation:	United Arab Emirates
Basis of association:	Subsidiary
Aggregate percentage of shareholding:	75%
Details of litigation status (as on June 30, 2026):	None
Default / breach relating to foreign investment:	None

The unconditional amount of equity investment in the foreign subsidiary is AED 1,500 thousand which is equivalent to Rs. 40,020 thousand as on June 30, 2026 (2025: Rs. 40,020 thousand), as disclosed in note 21 to these financial statements.

The foreign subsidiary has remitted back dividend / return of Rs. 114,114 thousand (2025: Rs. Nil) during the year.

21.2 The Company owns a total of 310,303 thousand fully paid ordinary shares of Rs. 10 each (2025: 310,303 thousand fully paid ordinary shares of Rs. 10 each) in Hyundai Nishat Motors (Private) Limited.

21.3 This represents investment in the ordinary shares of Hyundai Nishat Motor (Private) Limited ('HNMPL') that has setup up a greenfield project for assembly and sales of Hyundai Motor Company passenger and commercial vehicles. Since HNMPL's ordinary shares are not listed, an independent valuer has estimated a fair value of Rs. 20.35 per ordinary share as at June 30, 2026 (2025: Rs. 18.21 per ordinary share) through a valuation technique based on discounted cash flow analysis of HNMPL. Hence, it has been classified under level 3 of fair value hierarchy as further explained in note 48.1 to these financial statements. The fair value gain of Rs. 664,049 thousand (2025: fair value loss of Rs. 173,770 thousand) is included in the fair value loss / gain recognised during the year in other comprehensive income.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Discount rate is determined using a Capital Asset Pricing model to calculate a post-tax rate that reflects current market assessments of the time value of money and the risk specific to HNMPL.
- Long-term growth rate is estimated based on historical performance of HNMPL and current market information for similar type of entities.

The significant assumptions used in this valuation technique are as follows:

- Discount rate of 17.97% per annum.
- Long-term growth rate of 3% per annum for computation of terminal value; and
- Annual growth in costs are linked to inflation and currency devaluation both of 4% per annum respectively, and revenue are also linked to currency devaluation at 4% per annum.

Sensitivity analysis

Sensitivity analysis of the significant assumptions used in the valuation technique is as follows, with all other variables held constant as at June 30, 2026:

	Impact on fair value gain	
	+1%	– 1%
Significant assumptions	(Rupees in thousand)	
– Discount rate	(721,736)	829,637
– Long-term growth rate	467,570	(410,023)
– Inflation rate per annum	(184,912)	178,142
– Interest rate per annum	(1,834)	4,372

21.4 The fair value of this investment approximates its cost.

21.5 During the year, the Company disposed of its entire investment in Baluchistan Wheels Limited for a consideration of Rs. 234,602 thousand. Upon disposal, the cumulative surplus on remeasurement of the investment recognized in equity amounting to Rs. 135,699 thousand (net of deferred tax) was transferred from the fair value reserve to retained earnings in accordance with the IFRS 9 requirements. The Company no longer holds any interest in Baluchistan Wheels Limited as at June 30, 2026.

		Note	2026	2025
			(Rupees in thousand)	
22	**Employees' defined benefit plan**			
22.1	**Present value of defined benefit obligation**	22.4	1,257,428	1,241,582
	Fair value of plan assets	22.5	(1,396,919)	(1,396,515)
	Asset recognized in the statement of financial position		(139,491)	(154,933)
22.2	**Charge for the year**			
	Salaries, wages and amenities include the following in respect of employees' pension scheme:			
	Current service cost		6,583	9,520
	Interest cost		137,141	142,420
	Interest Income on plan assets		(155,755)	(185,527)
			(12,031)	(33,587)
22.3	**Remeasurements chargeable in other comprehensive income**			
	Remeasurement of plan obligation:			
	Actuarial losses / (gains) from changes in financial assumptions		–	184,432
	Experience adjustments		20,978	5,581
			20,978	190,013
	Interest income on plan assets		13,476	(14,938)
			34,454	175,075

		2026	2025
		(Rupees in thousand)	
22.4	**The movement in present value of defined benefit obligation is as follows:**		
	Present value of defined benefit obligation at beginning of the year	1,241,582	1,031,486
	Current service cost	6,583	9,520
	Interest cost	137,141	142,420
	Benefits paid	(148,856)	(131,857)
	Benefits due but not paid	–	–
	Actuarial loss / (gain) from changes in financial assumptions	–	184,432
	Experience adjustments	20,978	5,581
	Present value of defined benefit obligation at end of the year	1,257,428	1,241,582
22.5	**The movement in fair value of plan assets is as follows:**		
	Fair value of plan assets at beginning of the year	1,396,515	1,319,567
	Interest Income on plan assets	155,755	185,527
	Contributions	6,981	8,340
	Benefits paid	(148,856)	(131,857)
	Benefits due but not paid	–	–
	Return on plan assets, excluding interest income	(13,476)	14,938
	Fair value of plan assets at end of the year	1,396,919	1,396,515
	Actual return on plan assets	142,279	200,465
22.6	**Plan assets comprise of :**		
	Term Deposit Receipts:		
	Zarai Taraqiati Bank Limited	–	–
	United Bank Limited	850,000	920,000
	Mutual funds:		
	NAFA Capital Protected Fund	480,268	440,206
	Accrued interest and bank balance:		
	Bank balances	49,675	14,947
	Other receivables	15,199	19,585
	Advance income tax	1,777	1,777
	Less: Payables	–	–
		1,396,919	1,396,515

Investments out of fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

22.7 Comparison of present value of defined benefit obligation, the fair value of plan assets and the resulting surplus or deficit of pension fund is as follows:

As at June 30	2026	2025	2024	2023	2022
	(Rupees in thousand)				
Present value of defined benefit obligation	1,257,428	1,241,582	1,031,486	880,488	960,430
Less: Fair value of plan assets	1,396,919	1,396,515	1,319,567	1,170,364	1,103,481
Surplus/ (deficit)	139,491	154,933	288,081	289,876	143,051
Experience adjustment on obligation	–	184,432	77,702	(143,808)	(218,848)
Return on plan assets, excluding interest income	(13,476)	14,938	74,741	29,747	(17,990)

The Company does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. A large portion of assets in June 30, 2026 and June 30, 2025 consists of term deposits and mutual funds.

Sensitivity analysis

Significant assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase as disclosed in note 4.12.

The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation / asset to significant actuarial assumptions the same method (present value of the defined benefit obligation / asset calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation / asset recognised in the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

	2026	2025
	(Rupees in thousand)	
Discount rate + 100 bps	1,182	1,166
Discount rate - 100 bps	1,343	1,327
Salary increase + 100 bps	1,266	1,250
Salary increase - 100 bps	1,249	1,234
Indexation rate + 100 bps	1,351	1,334

22.8 **Risks on account of defined benefit plan**

The Company faces the following risks on account of defined benefit plan:

Final salary risk (linked to inflation risk) - the risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

Demographic risks:

- Mortality risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.
- Withdrawal risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

Investment risk:

The risk of the investment underperforming and being not sufficient to meet the liabilities

22.9 The Company's net refund from the pension fund for the year ending June 30, 2027 is expected to be Rs. 10,014 thousand.

		Note	2026	2025
			(Rupees in thousand)	
23	**Long-term loans and advances**			
	Loan to employees - considered good:			
	Company loan	23.1	11,300	8,606
	Motor cycle loan	23.2	1,174	1,183
			12,474	9,789
	Less: Current portion of loan to employees included			
	in current assets	27	(8,278)	–
			4,196	9,789

23.1 These represent interest free loans to employees secured against their gratuity and provident fund balances. These loans are repayable in monthly installments over a period of twenty four months for executives and thirty six months for workers. They have not been carried at amortized cost since the impact of discounting is not material.

23.2 These represent interest free loans to employees for purchase of motor cycles secured by joint registration of motor cycles in the name of the Company and employees. These loans are repayable in monthly installments over a period of sixty months. They have not been carried at amortized cost since the impact of discounting is not material.

23.3 None of the above loans are shariah compliant or based on Islamic mode of financing.

		Note	2026	2025
			(Rupees in thousand)	
24	**Stores, spare parts and loose tools**			
	Stores, spare parts and loose tools	24.1	669,224	696,330
	Less: provision for obsolescence		–	–
			669,224	696,330

24.1 Most of the items of stores, spare parts and loose tools are of inter-changeable nature and can be consumed as stores or used as machine spares against capital expenditure. Accordingly, it is not practical to distinguish stores from spares until their actual usage.

		Note	2026	2025
			(Rupees in thousand)	
25	**Stock-in-trade**			
	Raw material	25.1 and 25.2	8,497,739	10,720,318
	Work-in-process		703,620	507,767
	Finished goods:			
	Manufacturing	25.3	1,295,798	1,082,563
	Trading		496,153	525,512
			1,791,951	1,608,075
			10,993,310	12,836,160

25.1 This includes stock in transit amounting to 235,507 thousand (2025: Rs. 575,657 thousand).

25.2 This includes stock held with third parties amounting to Rs. 97,460 thousand (2025: 114,299 thousand), and with related party, Bolan Castings Limited, amounting to Rs. 98,258 thousand (2025: Rs. 154,572 thousand).

25.3 This includes 126 units of tractors held with third parties amounting to Rs. 219,680 thousand (2025: Nil).

		Note	2026	2025
			(Rupees in thousand)	
26	**Trade debts**			
	Others		460,390	326,565
	Related parties	26.2	640,634	173,842
			1,101,024	500,407
	Amounts written off	26.4	(12,650)	–

26.1 The maximum aggregate amount of trade debts / receivable from related parties at the end of any month during the year was Rs. 640,633 thousand (2025: Rs. 159,722 thousand).

		2026	2025
		(Rupees in thousand)	
26.2	This includes amounts due from following related parties:		
	- TIPEG Intertrade DMCC UAE	632,975	159,722
	- Hyundai Nishat Motors (Private) Limited	7,533	14,120
	- Bolan Castings Limited	126	–
		640,634	173,842

26.3 Aging analysis of the amounts due from related parties is as follows:

	Not yet Due	Past Due less than 60 Days	Past Due less than 90 Days	Past Due less than 365 Days	Past Due Over 365 Days	Total
	(Rupees in thousand)					
2026	–	341,193	296,050	2,866	525	640,634
2025	173,317	–	–	–	525	173,842

26.4 These represent the write-off of long-outstanding receivables that had remained overdue for more than three years and were considered irrecoverable.

		Note	2026	2025
			(Rupees in thousand)	
27	**Loans and advances**			
	Advances to employees - considered good	27.1	20,758	19,319
	Advances to suppliers - considered good	27.2	182,617	114,866
	Current portion on loan to employees - considered good	23	8,278	–
			211,653	134,185
	Advances to suppliers - considered doubtful		8,231	–
	Less: provision for doubtful advances		–	–
	Written off during the year		(8,231)	–
			–	–
	Letter of credit opening charges		84	31
			211,737	134,216

27.1 These represent interest free advances to employees for the purpose of the expenses, tour and salary as per Company's approved Human Resource policy. These advances have not been discounted at present value as the resultant impact is immaterial. This includes advances amounting to: Nil (2025: Rs. Nil) given to key management personnel against their salaries.

27.2 These represent interest free advances given to suppliers as per mutually agreed terms.

		Note	2026	2025
			(Rupees in thousand)	
28	**Trade deposits and short-term prepayments**			
	Security deposits	28.1	49,439	26,670
	Prepayments		133,781	133,298
			183,220	159,968
	Written-off	28.2	(7,402)	–

28.1 These represent interest free security deposits made for tender placement.

28.2 These represent the write-off of long-outstanding security deposits relating to closed tenders, which had remained overdue for more than three years and were considered irrecoverable.

		Note	2026	2025
			(Rupees in thousand)	
29	**Other receivables**			
	Claims receivable from suppliers		189,333	263,458
	Interest accrued		958	614
	Workers' Profit Participation Fund	29.1	24,818	21,927
			215,109	285,999
29.1	Balance at start of the year		21,927	83,914
	Receipts during the year		(21,928)	–
	Payments made during the year		800,000	371,087
			799,999	455,001
	Charge for the year	36	(775,181)	(433,074)
	Balance at end of the year	29	24,818	21,927
30	**Balances with statutory authorities**			
	Excise duties receivable		57,656	15,566
	Sales tax recoverable	30.2	7,398,246	7,572,020
	Less: allowance for doubtful claims		(44,956)	-
			7,353,290	7,572,020
			7,410,946	7,587,586
30.1	The reconciliation of allowance for doubtful claims during the year is as follows:			
	Opening Balance		–	–
	Impairment charged for the period / year		–	–
	Amounts written off	30.1.1	(44,956)	–
	Closing Balance		(44,956)	–

30.1.1 The refund claim of PRA sales tax amounting to Rs. 44,956 thousand, related to trademark fee, was rejected by the Federal Board of Revenue on the grounds that the sales tax was claimed on the Company's own National Tax Number, whereas the underlying payment was made to a Massey Ferguson. Considering the prolonged outstanding nature of the claim and the remote likelihood of recovery, the Company has recognized a full provision against the balance during the year.

30.2 Included in this is a sales tax refund of Rs. 289,430 thousand, withheld by the Deputy Commissioner Inland Revenue, Lahore, regarding the reduced payment of sales tax on the sale of tractors by the Company to its customers in the period June to November 2016. The case is pending in the Lahore High Court against the decision of the ATIR for re-examination. The management and the legal advisor are confident that the outcome of the case will be in the Company's favor.

30.3 The Company had lodged sales tax refund claims for the tax periods July, 2021, September, 2021, November, 2021, December, 2021, and February, 2022, amounting to Rs. 3,806,856 thousand under SRO 363(I)/2012, which did not contain any provision relating to pre-refund audit and did not lay down any condition for availing benefit of the reduced rate of 5% on sale of tractors. The Deputy Commissioner Inland Revenue issued refund processing orders (RPOs) amounting to Rs. 77,945 thousand for the above tax periods and deferred the remaining amount of Rs. 3,728,911 thousand on the basis that the reduced rate of 5% was only available to supplies made to persons involved in agricultural activities. The Company preferred an appeal before the Commissioner Inland Revenue (Appeals) against the RPOs and is also contesting the legality of these RPOs in the Lahore High Court. The Commissioner Appeals directed the department to re-examine the complete refund claims and sanction them accordingly. The Company has filed an appeal to the Appellate Tribunal Inland Revenue (ATIR) against this direction, since the claims have already been deferred by the department.

Alternative Dispute Resolution Committee (ADRC) was constituted on Company's application but was dissolved without deciding the case. Subsequently, new ADRC application was filed by the Company and ADRC has been constituted. The management, in consultation with the tax advisor, is confident that the matter will eventually be decided in favor of the Company.

		Note	2026	2025
			(Rupees in thousand)	
31	**Cash and bank balances**			
	Cash in hand		1,097	1,485
	Cheques in hand	13.1	182,121	685,004
			183,218	686,489
	At banks:			
	Current accounts-Conventional		1,271,182	346,893
	Deposit accounts-Conventional	31.1	633,912	388,556
	Deposit accounts-Islamic		–	143,810
			1,905,094	879,259
			2,088,312	1,565,748

31.1 These deposits are made under conventional arrangements and carry mark-up at the rates ranging from 9% to 10% (2025: 8.50 to 20.55%) per annum.

			Note	2026	2025
				(Rupees in thousand)	
32	**Revenue from contracts with customers**				
	Disaggregation of revenue	**Timing of revenue recognition**			
	Local:				
	Tractors	Point-in-time		65,517,226	50,942,864
	Implements	Point-in-time		308,117	111,856
	Multi-application products	Point-in-time		491,344	434,199
	Trading goods	Point-in-time		2,911,805	2,732,819
	IFS services	Point-in-time / Over time		7,658	15,377
				69,236,150	54,237,115
	Less:				
	- Trade discount			(279,023)	(290,800)
	- Delayed delivery charges		13.1	(16,361)	(85)
	- Sales tax			(8,612,101)	(6,453,037)
	- Provincial sales tax on services			(1,056)	(3,111)
				(8,908,541)	(6,747,033)
				60,327,609	47,490,082
	Export:				
	Tractors	Point-in-time		4,270,253	5,176,609
	Implements	Point-in-time		295,399	79,483
	Trading goods	Point-in-time		206,448	97,049
	IFS services	Point-in-time / Over time		4,500	9,861
				4,776,600	5,363,002
				65,104,209	52,853,084
	Less: Commission			(1,348,973)	(744,087)
			32.1	63,755,236	52,108,997

32.1 Revenues earned are from shariah compliant business segments.

32.2 Payments for sale of tractors are received in advance, whereas credit terms for other products extend between 45 to 60 days.

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2026

		Note	2026	2025
			(Rupees in thousand)	
33	**Cost of sales**			
	Components consumed	33.1	39,087,444	33,398,584
	Salaries, wages and amenities	33.2	832,855	956,385
	Contract services		1,068,460	1,011,587
	Fuel and power		363,973	299,457
	Communication		80	57
	Travelling and vehicle running		76,621	87,822
	Printing and stationery		13,084	13,264
	Insurance		77,439	77,820
	Repairs and maintenance		438,572	330,549
	Stores and spares consumed		223,700	291,347
	Depreciation	17.1.2	116,622	102,558
	Other expenses		81,934	98,060
			42,380,784	36,667,490
	Add: Opening work-in-process		507,767	505,853
	Less: Closing work-in-process		(703,620)	(507,767)
			(195,853)	(1,914)
	Cost of goods manufactured		42,184,931	36,665,576
	Add: Opening finished goods		1,082,563	1,110,211
	Less: Closing finished goods		(1,295,798)	(1,082,563)
			(213,235)	27,648
	Cost of sales - manufactured		41,971,696	36,693,224
	Cost of sales - trading	33.3	1,419,524	1,548,682
			43,391,220	38,241,906
33.1	Components consumed			
	Opening stock		10,720,318	12,939,911
	Add: Purchased during the year		36,864,865	31,178,991
			47,585,183	44,118,902
	Less: Closing stock		(8,497,739)	(10,720,318)
			39,087,444	33,398,584

		Note	2026	2025
			(Rupees in thousand)	
33.2	This includes the following staff retirement benefit (income) / expense:			
	Defined benefit plan - pension		(4,331)	(13,964)
	Defined contribution plan - gratuity		2,046	2,723
	Defined contribution plan - provident fund		23,720	22,558
	Provision for compensated absences		16,554	31,468
			37,989	42,785
33.3	Cost of sales - trading			
	Opening stock		525,512	542,101
	Purchases		1,390,165	1,532,093
			1,915,677	2,074,194
	Closing stock		(496,153)	(525,512)
			1,419,524	1,548,682
34	**Distribution and marketing expenses**			
	Salaries and amenities	34.1	255,059	281,209
	Contract services		128,274	120,313
	Fuel and power		11,731	10,074
	Communication		1,151	1,821
	Travelling and vehicle running		69,445	68,443
	Printing and stationery		17,119	13,836
	Insurance		227,944	165,327
	Repairs and maintenance		14,639	7,975
	Trademark fee	34.2	713,643	587,891
	Advertisement and sales promotion		73,032	63,386
	Depreciation	17.1.2	6,327	10,142
	Depreciation charge for the right-of-use assets	18	5,123	5,286
	Meeting/convention fee		–	75,520
	After sales support		77,096	86,117
	Carriage, sea freight and wharfage		303,304	22,386
	Other expenses		132,437	111,656
			2,036,324	1,631,382

		2026	2025
		(Rupees in thousand)	
34.1	This includes the following staff retirement benefit (income) / expense:		
	Defined benefit plan - pension	(1,555)	(3,063)
	Defined contribution plan - gratuity	735	3,253
	Defined contribution plan - provident fund	8,515	7,920
	Provision for compensated absences	5,942	12,157
		13,637	20,267

34.2 Trademark fee is incurred under a trademark agreement between the Company and M/s Massey Ferguson Corp., having its registered office situated at 4205 River Green Parkway, Duluth, Georgia 30096, United States of America.

Under the trademark agreement M/s Massey Ferguson grants exclusive rights to the Company for use of its brand name with certain terms and conditions.

		Note	2026	2025
			(Rupees in thousand)	
35	**Administrative expenses**			
	Salaries and amenities	35.1	896,500	831,930
	Contract services		170,408	157,365
	Fuel and power		24,779	36,361
	Communication		7,178	12,804
	Travelling and vehicle running		157,950	146,488
	Printing and stationery		20,317	19,902
	Insurance		30,408	28,819
	Repairs and maintenance		102,023	50,218
	Security		47,654	41,211
	Legal and professional	35.2	33,007	60,296
	Depreciation	17.1.2	110,002	87,499
	Amortization of intangible assets	20	7,860	7,860
	Rent, rates and taxes		11,033	2,677
	Fee and subscription		2,684	7,735
	Entertainment		29,098	23,273
	Other expenses		149,049	149,649
			1,799,950	1,664,087

35.1	This includes the following staff retirement benefit (income) / expense:		
	Defined benefit plan - pension	(5,219)	(17,079)
	Defined contribution plan - gratuity	2,466	2,351
	Defined contribution plan - provident fund	28,585	20,249
	Provision for compensated absences	19,950	35,926
		45,782	41,447

		Note	2026	2025
			(Rupees in thousand)	
35.2	Legal and professional expenses include following in respect of:			
	Audit Services			
	Statutory audit		5,280	4,800
	Special purpose audit		–	1,250
	Half year review		1,210	1,100
	Special reports and sundry certifications		660	600
	Out of pocket expenses		649	715
	Sales tax		536	388
			8,335	8,853
36	**Other operating expenses**			
	Workers' Profit Participation Fund	29.1	775,181	433,074
	Workers' Welfare Fund		294,569	164,568
	Donations	36.1 and 36.2	2,850	3,378
	Exchange loss - net		33,324	8,517
	Other expenses		128,535	365,000
			1,234,459	974,537

36.1 The particulars of the donation exceeding 10 per cent of company's total amount of donation or Rs. 1,000 thousand, whichever is higher are as follows:

	Note	2026	2025
		(Rupees in thousand)	
Name of donee			
Ghazi University	36.2	–	2,977

36.2 The Company's Directors and / or their spouse(s) have no interest in the donee at the reporting dates.

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2026

		Note	2026	2025
			(Rupees in thousand)	
37	**Other income**			
	Income from financial assets			
	Dividend income from Baluchistan Wheels Limited	37.1	1,680	11,545
	Dividend income from Hyundai Nishat Motor (Private) Limited		158,623	62,061
	Return on bank deposits		45,229	100,040
	Gain on sale of short-term investments net - at FVPL	37.2	–	51,157
	Interest received on early payments and advances		42,916	14,283
			248,448	239,086
	Income from investment in subsidiary			
	Dividend income from Millat Industrial Products Limited		–	46,187
	Dividend income from TIPEG Intertrade DMCC		114,114	–
		37.1	114,114	46,187
	Income from assets other than financial assets			
	Rental income		51,551	43,569
	Gain on sale of investment property - at cost		–	144,292
	Scrap sales		159,901	118,666
	Sundry income	37.3	15,131	46,221
	Multiapplication products service income		2,872	792
	Gain on sale of fixed assets		–	6
	Farm income		6,785	–
	Lab income		627	575
			236,867	354,121
			599,429	639,394

37.1 Dividend income is earned from investments in non-shariah compliant companies.

37.2 Gain on sale of short-term investments - at FVPL:

	2026	2025
	(Rupees in thousand)	
ABL Cash Fund	–	25,148
Atlas Money Market Fund	–	–
Lakson Money Market Fund	–	17,426
Alfalah Investments	–	8,583
	–	51,157

37.3 This includes income received as tender money in case of auctions and late delivery charges from suppliers.

		Note	2026	2025
			(Rupees in thousand)	
38	**Finance cost**			
	Interest expense on short-term borrowings	38.1 and 38.2	1,308,480	2,007,839
	Interest expense on long-term finances - secured	38.3	142,126	158,078
	Interest expense against lease liabilities		1,436	1,290
	Mark-up on Workers Profit Participation Fund		–	–
	Bank charges		6,794	5,437
			1,458,836	2,172,644

38.1 This represents markup and profit paid under conventional and Islamic mode of financing arrangements respectively having mark up and profit rates ranging from KIBOR plus 0.03% to KIBOR plus 0.40% (2025: KIBOR minus 3.45% to KIBOR plus 0.40%) per annum.

38.2 This includes an amount of Rs. 554,981 thousand (2025: Rs. 545,232 thousand) paid as profit under Islamic mode of financing.

38.3 This represents interest expense against long-term financing net of unwinding of Government grant income for the year recognised as per IAS-20, amounting to Rs. 1,233 thousand (2025: 1,655 thousand).

		Note	2026	2025
			(Rupees in thousand)	
39	**Taxation**			
	For the year final taxes - levies			
	- Tax on exports		–	–
	- Tax on dividend		39,656	24,175
		39.3	39,656	24,175
	For the year income tax charge			
	- Current		5,573,661	3,127,866
	- Deferred		45,639	(86,226)
			5,619,300	3,041,640
	Prior years income tax charge			
	- Current	39.4	934,131	(1,374,908)
			6,593,087	1,690,907

		2026 %	2025 %
39.1	Numerical reconciliation between average effective tax rate and the applicable tax rate:		
	Applicable tax rate	29.00	29.00
	- Effect of change in prior year	6.47	(17.05)
	- Income chargeable to tax at different rates	(0.15)	(2.24)
	- Tax effect of super tax	10.01	10.08
	- Permanent differences	(0.02)	(0.01)
	- Effect of long outstanding contract liabilities for more than three years	0.08	–
	- Others	0.29	1.19
		16.68	(8.03)
	Average effective tax rate	45.68	20.97

39.2 The current tax expense has been computed using the tax rate enacted for the tax year 2026, which includes an additional 10% Super Tax.

39.3 This represents final taxes paid under section 5, section 8 and section 154 of Income Tax Ordinance, 2001 (ITO 2001), representing levy in terms of requirements of IAS 37/ IFRIC 21. Taxes on dividends received from subsidiaries are excluded and accounted for within income tax.

39.4 The Company challenged the vires of section 4C of Income Tax Ordinance, 2001 (ITO, 2001) inserted vide Finance Act, 2022 vide writ petition in Lahore High Court (LHC) for tax year 2022. LHC vide its interim order dated December 29, 2022 directed the Federal Board of Revenue (FBR) to allow the Company to file its return excluding the tax under section 4C of ITO, 2001 subject to deposit of postdated cheques of the differential amount liable to be deposited under section 4C. Accordingly, Company assessed its liability under section 4C and deposited the postdated cheque for the balance amount. On February 16, 2023 LHC modified its interim order asking the petitioners to deposit, under protest, 50% of their due liability i.e. Rs. 934,131 thousand. On February 17, 2023 the DCIR issued the notice for deposit of 50% amount in the light of above directions. Accordingly, required amount was deposited and due compliance was made of the notice. LHC in its judgement dated June 4, 2024 removed retrospective application of super tax for the tax year 2022. Consequently, the Company reversed the provision for super tax u/s 4C of ITO in the prior period. However, the Honorable Federal Constitutional Court, vide its judgment dated January 27, 2026, upheld the constitutional validity of the levy of 10% super tax under section 4C of the ITO, 2001 for Tax Year 2022 on high-earning entities. Accordingly, during the current year, the Company paid the outstanding amount of super tax and reinstated the provision previously reversed in light of the LHC judgment. As at the reporting date, the matter stands settled in accordance with the judgment of the Federal Constitutional Court and no related contingency exists.

39.5 Reconciliation between current tax and levy

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

	2026	2025
	(Rupees in thousand)	
Current tax liability for the period as per applicable laws	6,547,448	1,777,133
Less:		
Portion of current tax liability as per tax laws, representing income tax under IAS 12	6,507,792	1,752,958
Portion of current tax computed as per current tax Laws representing levy in terms of requirements of Requirements of IAS 37/ IFRIC 21	39,656	24,175
	–	–

40 Transactions with related parties

Related parties include subsidiaries, associates, entities under common control, entities with common directors, group companies, major shareholders, post employment benefit plans and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables. Significant related party transactions have been disclosed in respective notes to these financial statements other than the following:

Relation with undertaking	Nature of transaction	2026	2025
		(Rupees in thousand)	
Subsidiaries	Sale of goods	4,071,001	1,056,491
	Purchase of components	3,203,165	2,487,746
	Payment of compensation to staff	15,302	5,146
	Dividend income	114,114	46,187
Associates	Sale of services	6,602	13,256
	Purchase of components	39,220	6,094
	Purchase of fixed assets	20,879	9,126
	Dividend income	158,623	62,061
Key Management Personnel	Remuneration paid	72,708	60,709
	Disposal of fixed assets	13,415	11,625
	Dividend paid - net	1,862,413	1,616,281
Employees' defined benefit plan	Contribution to employees' defined benefit plan	6,981	8,340
Defined contribution plans	Contribution to defined contribution plan	5,247	8,327
Provident Fund	Amount contributed	60,820	50,727

40.1 Transactions with related parties are carried out on mutually agreed terms and conditions.

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For the year ended June 30, 2026

40.2 The names of related parties with whom the Company has entered into transactions or had agreements / arrangements in place during the year, are as follows:

Name of the related party	Basis of relationship	Country of Incorporation	Percentage of shareholding (%)
Millat Industrial Products Limited	Subsidiary	Pakistan	64.09
Bolan Castings Limited	Subsidiary	Pakistan	46.26
TIPEG Intertrade DMCC	Subsidiary	United Arab Emirates	75.00
Arabian Sea Country Club Limited	Common Directorship	Pakistan	6.45
Hyundai Nishat Motors (Private) Limited	Common Directorship	Pakistan	15.86
Arrowhead Engineering	Common Directorship	Pakistan	0.00

41 Remuneration of Chief Executive Officer, Directors and Executives

The aggregate remuneration recognized in these financial statements including certain benefits to the Chief Executive Officer, Directors and Executives of the Company is as follows:

	Chief Executive Officer		Directors				Executives	
	2026	2025	2026		2025		2026	2025
			Non Executive Director	Executive Director	Non Executive Director	Executive Director		
Number of persons	1	1	10	2	10	2	180	144
	(Rupees in thousand)							
Managerial remuneration	39,076	29,043	15,429	18,506	9,890	23,031	460,582	360,834
Cost of living allowance	–	–	15,429	18,506	9,890	23,031	30,896	54,879
Bonus	5,836	12,814	12,078	17,318	21,501	38,628	123,749	196,473
House rent	17,584	13,069	6,943	8,328	4,451	10,364	115,995	157,258
Contribution to provident fund and gratuity funds	3,910	2,906	–	–	–	–	43,130	41,075
Pension contribution	–	–	–	–	–	–	6,435	5,979
Medical expenses	1,217	559	1,451	4,077	1,930	2,993	44,190	31,978
Utilities	1,061	782	2,004	3,495	1,484	2,622	18,723	19,992
Other allowances and reimbursable expenses	4,024	1,536	3,542	4,818	1,186	2,284	56,727	9,630
Meeting fees	–	–	8,250	–	16,300	–	–	–
Travelling expenses	–	–	347	–	347	–	–	–
	72,708	60,709	65,473	75,048	66,979	102,953	900,427	878,098

41.1 The Company has also provided the Chief Executive Officer, Directors and certain employees with free use of Company maintained cars and residential utilities.

42 Earnings per share - Basic and diluted

42.1 Basic earnings per share

Earnings per share are calculated by dividing the profit after tax for the year by weighted average number of shares outstanding during the year as follows:

	2026	2025
	(Rupees in thousand)	
Profit after tax for the year	7,840,788	6,372,928

	Note	(Number of shares in thousand) 2026	Restated 2025
Weighted average number of ordinary shares outstanding during the year	5	399,032	399,032

	(Rupees) 2026	2025
Earnings per share	19.65	15.97

42.2 The weighted average number of ordinary shares for the current and comparative periods have been adjusted to reflect the share split effected during the year, as explained in note 5.

42.3 Diluted earnings per share

No figure for diluted earnings per share has been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2026

		Note	2026	2025
			(Rupees in thousand)	
43	**Cash generated from operations**			
	Profit before income taxes		14,394,220	8,039,660
	Adjustments to reconcile profit before tax to net cash flows:			
	Depreciation of property, plant and equipment	17.1	232,951	200,199
	Depreciation charged to related parties	17.1	(1,569)	2,249
	Depreciation of right-of-use assets	18	5,123	5,286
	Amortization of intangible assets	20	7,860	7,860
	Provision for accumulating compensated absences		42,446	79,551
	Profit on bank deposits	37	(45,229)	(100,040)
	Dividend income from long-term investments	37	(274,417)	(57,732)
	Credited to employees' defined benefit plan		(11,105)	(34,106)
	Provision for gratuity		5,247	8,327
	Loss on disposal of property, plant and equipment	17.1.6	76	395
	Gain on sale of short-term investments - at FVPL	37.2	–	(51,157)
	Gain on sale of long-term investments - at Cost		–	(144,292)
	Finance cost	38	1,450,606	2,165,917
	Finance cost on lease liability	38	1,436	1,290
	Amortization of deferred grant	8	(4,456)	(3,995)
	Unwinding of long-term loan	7.1	8,522	6,156
	Unrealised exchange loss	37	–	–
	Final tax - levy	39	39,656	24,175
	Provision for Workers' Profit Participation Fund	36	775,181	433,074
	Provision for Workers' Welfare Fund	36	294,569	164,568
			16,921,117	10,747,385
43.1	**Working capital changes**			
	(Increase) / decrease in current assets			
	Stores and spares		27,106	(14,552)
	Stock-in-trade		1,842,850	2,046,578
	Trade debts		(600,617)	(123,615)
	Loans and advances		(77,521)	282,870
	Trade deposits and short-term prepayments		(23,252)	(35,828)
	Balances with statutory authorities		176,640	(1,292,831)
	Other receivables		74,125	(66,352)
			1,419,331	796,270
	Increase / (decrease) in current liabilities:			
	Trade and other payables		797,598	(2,138,027)
	Contract liabilities		(398,444)	847,621
			399,154	(1,290,406)
	Net cash flows generated from operating activities		18,739,602	10,253,249

		Note	2026	2025
			(Rupees in thousand)	
44	**Cash and cash equivalents**			
	Cash and bank balances	31	2,088,312	1,565,748
	Short-term borrowings - secured	14	(9,605,295)	(14,036,499)
			(7,516,983)	(12,470,751)

45 Operating segments

45.1 These financial statements have been prepared on the basis of a single reportable segment.

45.2 Revenue from contracts with customers relating to sale of tractors represents 94% (2025: 95%) of the gross revenue from contracts with customers of the Company.

45.3 93.5% (2025: 91%) of the revenue from contracts with customers of the Company relates to customers in Pakistan.

45.4 All non-current assets of the Company at the respective reporting dates are located in Pakistan.

46 Financial risk management

46.1 Financial risk factors

Financial instruments comprise loans and advances, trade deposits, trade debts, other receivables, short-term investments, cash and bank balances, short-term borrowings, long-term deposits, interest / mark-up accrued, borrowings, lease liabilities and trade and other payables.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the Board of Directors ('the Board'). The Company's finance department evaluates and hedges financial risks. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies.

The Company's overall risk management procedures to minimize the potential adverse effects of financial market on the Company's performance are as follows:

(i) Market risk

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

Monetary items, including financial assets and financial liabilities, denominated in currency other than functional currency of the Company are periodically restated to Pak rupee equivalent and the associated gain or loss is taken to the profit or loss. Currently, the Company's foreign exchange risk exposure is restricted to the amounts receivable from / payable to the foreign entities. The Company's exposure to currency risk is as follows:

	Currency	2026	2025
		(FCY in thousand)	
Cash and Bank Balances	GBP	–	–
	USD	553	786
	CNY	–	–
Receivables	GBP	–	–
	USD	2,305	622
	CNY	–	-
Trade and other payables	GBP	62	788
	USD	689	357
	CNY	1,495	–
	JPY	1,919	–

The following analysis demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant, of the Company's profit before tax:

	Changes in rate	Effects on profit before tax	Effects on profit before tax
		2026	2025
		(Rupees in thousand)	
Cash and Bank /Receivables / (Trade and other payables) - GBP	+15	(930)	(11,820)
	-15	930	11,820
Cash and Bank /Receivables / (Trade and other payables) - USD	+15	32,535	15,765
	-15	(32,535)	(15,765)
Cash and Bank /Receivables / (Trade and other payables) - CNY	+15	(22,425)	–
	-15	22,425	–
Trade and other payables - JPY	+15	(28,785)	–
	-15	28,785	–

	2026	2025
	(Rupees in thousand)	
Reporting date rate per:		
GBP to PKR	368.64	389.65
USD to PKR	278.55	284.10
CNY to PKR	40.99	39.66
JPY to PKR	1.72	1.97

(b) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a 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 traded in the market.

The Company is not exposed to commodity price risk since it has a diverse portfolio of commodity suppliers.

The Company is exposed to equity securities price risk because of investments held by the Company and classified as fair value through other comprehensive income. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board. The primary goal of the Company's investment strategy is to maximise investment returns.

The Company's certain investments in equity instruments are publicly traded on the Pakistan Stock Exchange Limited.

The table below summarises the impact of increases/decreases of the KSE-100 index on the Company's equity. The analysis is based on the assumption that the KSE-100 index had increased/decreased by 10% with all other variables held constant and all the Company's equity investments moved according to the historical correlation with the index:

	Impact on other components of equity	
	2026	2025
	(Rupees in thousand)	
Pakistan Stock Exchange Limited	–	18,237

As at June 30, 2026, the Company had no investments classified as at fair value through profit or loss, hence there is no impact on the profit for the year.

(c) Cash flow and fair value interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no significant long-term interest-bearing assets. The Company's interest rate risk arises from short-term and long-term borrowings, lease liabilities and bank balances. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

The Company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Company calculates the impact on profit or loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

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

	Note	2026	2025
		(Rupees in thousand)	
Fixed rate instruments:			
Financial liabilities			
Lease liabilities	9	(16,441)	(3,548)
Long-term finances - secured	7	–	(886,736)
Net exposure		(16,441)	(890,284)
Floating rate instruments			
Financial liabilities			
Short-term borrowings	14	(10,605,295)	(14,036,499)
Long-term finances - secured		(1,527,349)	(215,656)
Financial assets			
Bank balances - deposit accounts	31	633,912	388,556
Net exposure		(11,498,732)	(13,863,599)

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 interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

The following analysis demonstrates the sensitivity to a change in interest rates, with all other variables held constant, of the Company's profit before tax. This analysis is prepared assuming the amounts of floating rate instruments outstanding at reporting dates were outstanding for the whole year.

			Changes in interest rate	Effects on profit before tax
			(Rupees in thousand)	
	Bank balances - deposit accounts	2026	+5%	31,696
			-5%	(31,696)
		2025	+5%	19,428
			-5%	(19,428)
	Short-term borrowings	2026	+5%	(530,265)
			-5%	530,265
		2025	+5%	(701,825)
			-5%	701,825
	Long-term finances - secured	2026	+5%	(76,367)
			-5%	76,367
		2025	+5%	(10,783)
			-5%	10,783

(ii) Credit risk

Credit risk represents the risk of financial loss being caused if counter party fails to discharge an obligation.

Credit risk of the Company arises from deposits with banks and other financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

(a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2026	2025
	(Rupees in thousand)	
Trade debts	1,101,024	500,407
Long term investments	6,489,069	6,007,386
Long term loans	4,196	9,789
Security deposits	49,439	26,670
Other receivables	190,291	264,072
Bank balances and cheques in hand	2,087,215	1,564,263
	9,921,234	8,372,587

(b) Impairment of financial assets

The Company's financial assets, other than investments in equity instruments, are subject to the expected credit losses model.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debts. For trade receivables, internal risk assessment process determines the credit quality of the customers, taking into account their financial positions, past experiences and other factors. Individual risk limits are set based on internal or external credit worthiness ratings in accordance with limits set by the management.

	2026	2025
	(Rupees in thousand)	
The aging of trade receivables at the reporting date is:		
Past due 1 - 3 months	1,026,964	250,204
Past due 4 - 6 months	5,231	100,081
Past due 7 - 12 months	33,089	25,020
Past due one year	35,740	125,102
	1,101,024	500,407

Based on management's assessment of the expected credit loss, no material impairment is necessary in respect of trade receivables past due, as some receivables have been recovered subsequent to the year end and for other receivables and security deposits, there are reasonable grounds to believe that the amounts will be recovered in short course of time.

While bank balances, loans to employees, deposits and other receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial and are therefore not exposed to any material credit risk.

(c) Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate.

The table below shows the bank balances held with some major counterparties at the reporting date:

Balances with banks	Rating			2026	2025
	Short term	Long term	Agency	(Rupees in thousand)	
Allied Bank Limited	A1+	AAA	PACRA	664	114,466
Bank Alfalah Limited	A1+	AAA	PACRA	81,789	15,447
Habib Bank Limited	A1+	AAA	VIS	146,567	150,779
MCB Bank Limited	A1+	AAA	PACRA	647,098	402,987
MCB Islamic Bank Limited	A1	A+	PACRA	2,092	2,092
Meezan Bank Limited	A1+	AAA	VIS	40,615	141,718
National Bank of Pakistan	A1+	AAA	VIS	-	1,203
Sindh Bank Limited	A1+	AA	VIS	2,587	2,431
Standard Chartered Bank Limited	A1+	AAA	VIS	953	7,446
Dubai Islamic Bank	A1+	AA	VIS	256	-
Askari Bank Limited	A1+	AAA	PACRA	2,223	18,817
The Bank of Punjab Limited	A1+	AAA	PACRA	358,272	1,647
United Bank Limited	A1+	AAA	VIS	617,309	19,063
Zarai Taraqiati Bank Limited	A1+	AAA	VIS	4,597	1,091
Industrial and Commercial Bank of China Limited	P1	A-2	Moody's	68	68
JS Bank	A1+	AA	PACRA	4	4
				1,905,094	879,259

(iii) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the Company's businesses, the Company's finance department maintains flexibility in funding by maintaining availability under committed credit lines.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At June 30, 2026, the Company had Rs. 25,600,000 thousand (2025: Rs. 22,500,000 thousand) available borrowing limits from financial institutions and Rs. 2,088,312 thousand (2025: Rs. 1,565,748 thousand) cash and bank balances.

Management monitors the forecasts of the Company's cash and cash equivalents on the basis of expected cash flow. This is generally carried out in accordance with practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in each quarter and considering the level of liquid assets necessary to meet its liabilities, monitoring statement of financial position liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Total	On demand	Less than one year	More than one year
	(Rupees in thousand)			
June 30, 2026				
Trade and other payables	6,569,319	–	6,569,319	–
Unclaimed dividend	413,890	–	413,890	–
Unpaid dividend	31,979	–	31,979	–
Long-term finances - secured	1,533,075	–	196,482	1,336,593
Short-term borrowings	10,605,295	9,605,295	1,000,000	–
Lease liabilities against right-of-use assets	18,770	–	7,071	11,699
Long-term deposits	121,764	–	–	121,764
	19,294,092	9,605,295	8,218,741	1,470,056

	Total	On demand	Less than one year	More than one year
	(Rupees in thousand)			
June 30, 2025				
Trade and other payables	6,143,176	–	6,143,176	–
Unclaimed dividend	362,053	–	362,053	–
Unpaid dividend	79,163	–	79,163	–
Long-term finances - secured	896,918	–	429,643	467,275
Short-term borrowings	14,036,499	14,036,499	–	–
Lease liabilities against right-of-use assets	3,685	–	3,685	–
Long-term deposits	15,698	–	–	15,698
	21,537,192	14,036,499	7,017,720	482,973

46.2 Reconciliation of movements in liabilities to cash flows arising from financing activities

	Long-term finances - secured	Money market loan	Dividends	Lease liabilities against right-of- use assets	Total
	(Rupees in thousand)				
Balance at July 01, 2025	886,736	–	441,216	3,548	1,331,500
Changes in liabilities					
Dividend announced during the year	–	–	6,983,058	–	6,983,058
Addition in lease	–	–	–	18,922	18,922
Money market loan	–	–			
Finance cost	8,522	–	–	1,436	9,958
Total liability related changes	8,522	–	6,983,058	20,358	7,011,938
Changes from financing cash flows					
Principal payment against lease liabilities	–	–	–	(7,465)	(7,465)
Long-term financing received	1,500,000	–	–	–	1,500,000
Long-term financing repaid	(867,909)	–	–	–	(867,909)
Money market loan received	–	1,000,000	–	–	1,000,000
Dividend paid during the year including unclaimed / unpaid balances	–	–	(6,978,405)	–	(6,978,405)
Total changes from financing cash flows	632,091	1,000,000	(6,978,405)	(7,465)	(5,353,779)
Balance at June 30, 2026	1,527,349	1,000,000	445,869	16,441	2,989,659

	Long-term finances - secured	Money market loan	Dividends	Lease liabilities against right-of- use assets	Total
	(Rupees in thousand)				
Balance at July 01, 2024	1,313,763	–	388,255	8,184	1,710,202
Changes in liabilities					
Dividend announced during the year	–	–	8,978,220	–	8,978,220
Finance cost	6,156	–	–	1,290	7,446
Total liability related changes	6,156	–	8,978,220	1,290	8,985,666
Changes from financing cash flows					
Principal payment against lease liabilities	–	–	–	(5,926)	(5,926)
Long-term financing received	–	–	–	–	–
Long-term financing repaid	(433,183)	–	–	–	(433,183)
Dividend paid during the year including unclaimed / unpaid balances	–	–	(8,925,259)	–	(8,925,259)
Total changes from financing cash flows	(433,183)	–	(8,925,259)	(5,926)	(9,364,368)
Balance at June 30, 2025	886,736	–	441,216	3,548	1,331,500

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46.3 Financial instruments by categories

	FVOCI		At amortised cost		TOTAL	
	2026	2025	2026	2025	2026	2025
	(Rupees in thousand)					
Financial assets						
Long-term investments	6,315,064	5,833,381	–	–	6,315,064	5,833,381
Loans and advances	–	–	33,232	29,108	33,232	29,108
Trade debts	–	–	1,101,024	500,407	1,101,024	500,407
Trade deposits	–	–	49,439	26,670	49,439	26,670
Other receivables	–	–	190,291	264,072	190,291	264,072
Bank balances	–	–	1,905,094	879,259	1,905,094	879,259
	6,315,064	5,833,381	3,279,080	1,699,516	9,594,144	7,532,897

	2026	2025
	(Rupees in thousand)	
Comprised of:		
Total current	3,266,606	1,689,727
Total non-current	6,327,538	5,843,170
	9,594,144	7,532,897

	At amortised cost	
	2026	2025
	(Rupees in thousand)	
Financial liabilities		
Trade and other payables	6,569,319	6,143,176
Short-term borrowings	10,605,295	14,036,499
Unclaimed dividend	413,890	362,053
Unpaid dividend	31,979	79,163
Long-term finances - secured	1,527,349	886,736
Lease liabilities	16,441	3,548
Long-term deposits	121,764	15,698
	19,286,037	21,526,873
Comprised of:		
Total current	17,816,763	20,970,934
Total non-current	1,469,274	555,939
	19,286,037	21,526,873

The Company has no financial asset or liabilities valued at fair value through profit and loss.

47 Capital management

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

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

The Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as total borrowing (including related markup / interest) divided by total equity / capital employed:

The gearing ratios as at June 30, 2026 and June 30, 2025 were as follows:

	2026	2025
	(Rupees in thousand)	
Total Borrowings	11,938,211	14,923,235
less: Liquid investments and cash and bank balances	(2,088,312)	(1,565,748)
Net Debt	9,849,899	13,357,487
Total Equity	9,487,329	8,076,300
Gearing Ratio	1.04	1.65

In accordance with the terms of agreements with the lenders of long term financing (as referred to in note 7 to these financial statements), the Company is required to comply with certain financial covenants.

At the minimum, the Company is required to comply with the following financial covenants:

Interest cover ratio shall be at least 2.25 times
Debt service coverage shall be at least 1.5 times

The Company is complied with these covenants as of the reporting period.

There are no indications that the Company would have difficulties complying with the covenants when they will be next tested.

48 Fair values of financial assets and liabilities

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

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on arm's length basis.

The carrying values of other financial assets and financial liabilities reflected in financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

48.1 Fair value hierarchy

IFRS 13 "Fair Value Measurement requires the Company to classify fair value measurement and fair value hierarchy that reflects the significance of the inputs used in making the measurement of fair value hierarchy, which has the following levels:

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price.

Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable.

Level 3: If one or more of the significant inputs is not based on observable market data. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest Rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The carrying values of all financial and liabilities reflected in the financial statements approximate their fair values.

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred, if any. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. Changes between various levels of fair value hierarchy are analyzed at the end of each reporting period during the annual valuation discussion between the Chief Financial Officer and the management of investee company. As part of this discussion, the investee company presents a report that explains the reason for the fair value movement, if any. There have been no transfers between various levels of the fair value hierarchy during the respective reporting periods.

As at June 30, 2026, the Company held the following financial instruments carried at fair value:

	Note	Total 2026	Level 1	Level 2	Level 3
Recurring fair value measurements			(Rupees in thousand)		
Financial assets measured - FVOCI					
Long-term investments	21	6,315,064	–	–	6,315,064

Date of valuation : June 30, 2026

There were no financial liabilities measured at fair value as at June 30, 2026.

As at June 30, 2026, the Company held the following financial instruments carried at fair value:

	Note	Total 2025	Level 1	Level 2	Level 3
Recurring fair value measurements			(Rupees in thousand)		
Financial assets measured - FVOCI					
Long-term investments	21	5,833,381	182,366	–	5,651,015

Date of valuation : June 30, 2025

There were no financial liabilities measured at fair value as at June 30, 2025.

Movement / reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy

	Note	2026	2025
		(Rupees in thousand)	
Opening balance		5,651,015	5,824,785
Investment made during the year		–	--
(Deficit) / surplus on fair valuation of investment		664,049	(173,770)
	21	6,315,064	5,651,015

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2026

49 Disclosure requirements for Companies not engaged in Shariah non-permissible business activities

Following information has been disclosed as required under Part 1 Clause VII of the Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278(I)/2024 dated August 15, 2024:

	Note	2026	2025
		(Rupees in thousand)	
Disclosures required in relation to the Statement of Financial Position – Liability Side:			
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	7 and 14	6,930,862	6,500,000
Interest or mark-up accrued on any conventional loan or advance		–	378,000
Disclosures required in relation to the Statement of Financial Position – Asset Side:			
Long-term and short-term Shariah compliant investments	21	6,412,459	5,748,410
Shariah-compliant bank deposits, bank balances, and TDRs	31	256	143,810
Disclosures required in relation to the Statement of Profit or Loss:			
Revenue earned from a shariah-compliant business segment	32	63,755,236	52,108,997
Break-up of late payment or liquidated damages	32	16,361	85
Gain or loss or dividend earned on Shariah-compliant investments or share of profit from Shariah-compliant associates	37	272,737	46,187
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs		–	–
Exchange gain earned from actual currency		–	–
Exchange gains earned using conventional derivative financial instruments		–	–
Profit paid on Islamic mode of financing		659,763	545,232
Total interest earned on any conventional loan or advance		–	–
Breakup of other income into Shariah-compliant and non-compliant			
Shariah compliant income			
Rental Income	37	51,551	43,569
Gain on disposal of operating fixed assets	37	–	6
Sale of scrap	37	159,901	118,666
Miscellaneous	37	25,415	46,221
Gain on disposal of investment property	37	–	144,292

	Note	2026	2025
		(Rupees in thousand)	
Non–Shariah compliant income			
Income on bank deposits	37	45,229	100,040
Interest received on early payments and advances	37	42,916	14,283
Gain on disposal of investments	37	–	51,157
Dividend income	37	1,680	11,545

Relationship with shariah compliant banks

Name	Relationship
Meezan Bank Limited	Funded / Non-funded facility & Bank Balances
Dubai Islamic Bank Limited	Funded / Non-funded facility & Bank Balances
MCB Islamic Bank Limited	Bank Balances

50 Provident fund trust

The investments by the provident fund in collective investment schemes, listed equity and debt securities have been made in accordance with the provisions of section 218 of the Act and the conditions specified thereunder.

	2026	2025
	Units per annum	
51 Capacity and production		
Tractors		
Plant capacity (double shift)	30,000	30,000
Actual production	19,007	18,637

The Company has a normal capacity of producing 30,000 tractors per annum on double shift basis. However, the lower production compared to normal capacity in 2026 was due to the lower demand.

	2026	2025
	(Rupees in thousand)	
52 Number of employees		
Total number of employees at the end of the year	454	464
Total number of factory employees at the end of the year	117	125
Average number of employees during the year	460	469
Average number of factory employees during the year	122	130

The number of employees mentioned above does not include third party contractual employees.

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2026

53 Corresponding Figures

Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purposes of comparison and better presentation as per reporting framework. However, no significant rearrangements and reclassifications have been made except for those disclosed elsewhere and the following:

		(Rupees in thousand)
–	Employee deposits under the vehicle scheme', previously reported within 'Others' under 'Trade and other payables', have been reclassified and separately presented under 'Long-term deposits' in the current year for enhanced presentation and comparability.	72,966

54 Subsequent events

Subsequent events not disclosed elsewhere in the financial statements include:

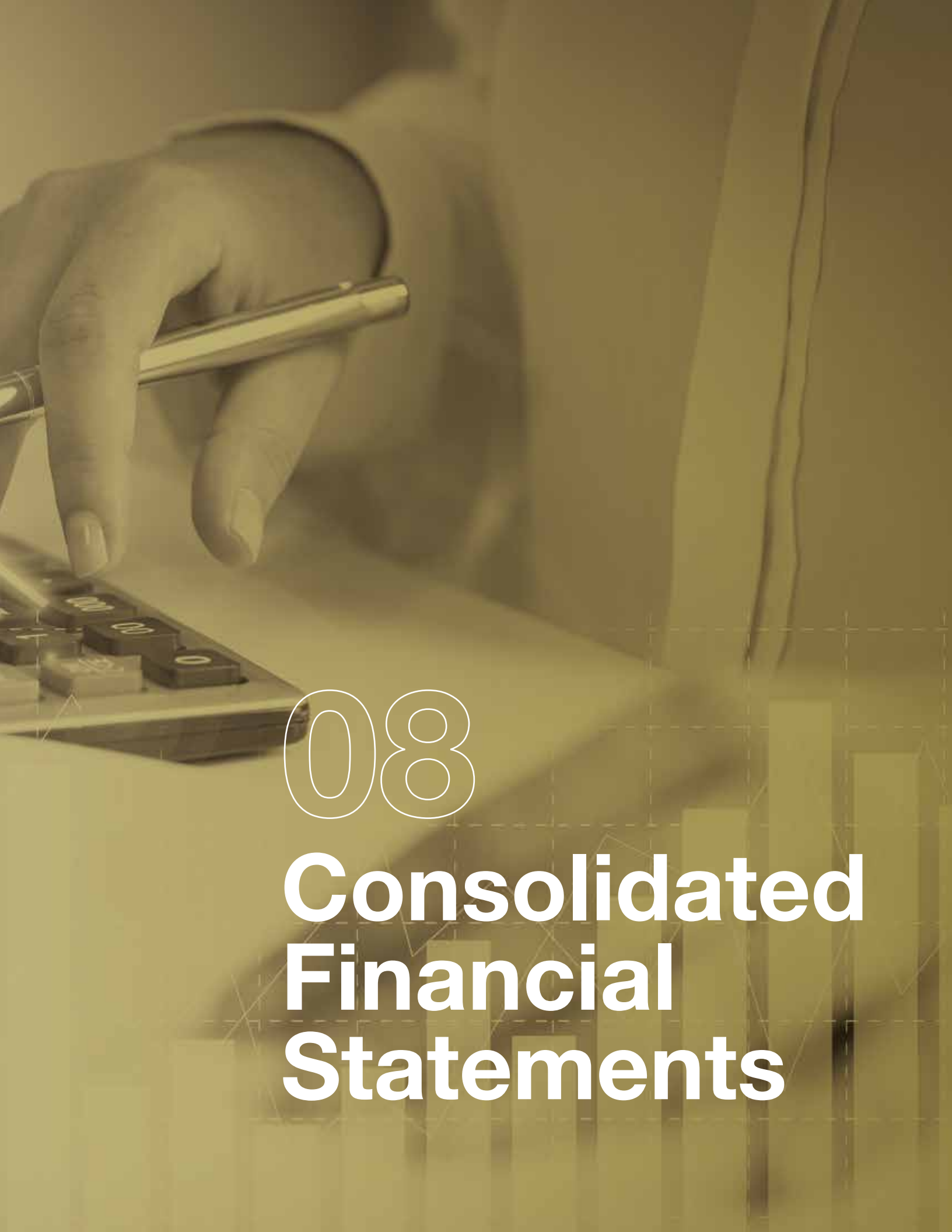
The Board of Directors of the Company in its meeting held on September 16, 2026 has proposed a final cash dividend of Rs. 11 per share (2025: Rs. 15 per share). The appropriation will be approved by the members in the forthcoming Annual General Meeting. These financial statements do not include the effect of these appropriations which will be accounted for subsequent to the year end.

55 Date of authorization for issue

These financial statements were authorized for issue by Board of Directors of the Company in the meeting held on September 16, 2026.

Chief Financial Officer | Chief Executive Officer | Chairman





08

Consolidated Financial Statements

Group Directors' Report

The Directors are pleased to present their report together with the audited Group Consolidated Financial Statements for the year ended June 30, 2026.

THE GROUP

The Group comprises Millat Tractors Limited (MTL) (Holding Company) and its subsidiaries i.e., Millat Industrial Products Limited (MIPL), TIPEG INTERTRADE FZE, Dubai, U.A.E and Bolan Castings Limited (BCL).

MILLAT INDUSTRIAL PRODUCTS LIMITED

a. BOARD OF DIRECTORS

The present Board consists of eight directors. The present directors of the company are: M/s. Sikandar Mustafa Khan, Sohail Bashir Rana, Laeeq Uddin Ansari, Muhammad Mustafa Khan, Muhammad Mustafa Sohail, Shehryar Ansari, Qaiser Saleem and Mr. Ghulam Mustafa, CEO.

b. PRINCIPAL ACTIVITIES, DEVELOPMENT AND PERFORMANCE OF COMPANY'S BUSINESS

The Company is engaged in the business of manufacture and sale of vehicular, industrial and domestic batteries. Sales during the year were Rs. 576.635 million and net loss after tax was Rs. 25.790 million. Loss per share for the year was Rs. 2.50.

c. PRINCIPAL RISKS AND UNCERTAINTIES

The major risks and uncertainties being faced by the Company are fluctuation in prices of raw material, increased cost of imported raw material due to unprecedented devaluation of Rupee and entry of new competitors in the market. During the year, increase in prices of both local and imported raw materials has adversely affected the profit margin. No changes have occurred during the financial year concerning the nature of the business of the company.

d. FUTURE PROSPECTS OF PROFIT

Although the Company has incurred a loss last year in highly competitive market, there remain opportunities to achieve profitability in the future. The Company has to focus on innovation, cost reduction and market opportunities to enhance profits.

e. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Adequate internal financial controls are in place and are being meticulously observed by concerned persons and being monitored by internal audit department on regular basis.

TIPEG INTERTRADE FZE

a. BOARD OF DIRECTORS

The Directors of the Company are: M/s. Sikandar Mustafa Khan, Sohail Bashir Rana and Laeeq Uddin Ansari.

b. PRINCIPAL ACTIVITIES, DEVELOPMENT AND PERFORMANCE OF COMPANY'S BUSINESS

TIPEG Intertrade FZE, Dubai, U.A.E is a Limited Liability Company registered with Dubai Multi Commodities Centre Authority. Millat Tractors Limited holds 75% equity of the Company. The principal activity of the Company is trading in machinery and heavy equipment and parts thereof. The Company office is located at Jumeirah Lake Towers, Dubai, UAE. TIPEG earned a net profit of AED 3.954 million and registered sale of AED 71.824 million for the year. Earnings per share were AED 1,977.02.

c. PRINCIPAL RISKS AND UNCERTAINTIES

Currently no apparent risk or uncertainty is likely to affect the performance of the Company. No changes have occurred during the period concerning the nature of the business of the company.

d. FUTURE PROSPECTS OF PROFIT

The Company aims to enhance its revenue by marketing products of MTL and other group companies in African and other international markets.

e. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Adequate internal financial controls are in place and are being observed.

BOLAN CASTINGS LIMITED

a) BOARD OF DIRECTORS

The present Board consists of seven elected directors and a Chief Executive Officer. The Directors of the company are: M/s. Sikandar Mustafa Khan, Sohail Bashir

Rana, Laeeq Uddin Ansari, Syed Muhammad Irfan Aqueel, Aamir Amin, Mrs. Tabassum Rana, Syed Javed Ashraf and Chief Executive Officer Mr. Mujtaba Ahmad.

b) PRINCIPAL ACTIVITIES, DEVELOPMENT AND PERFORMANCE OF COMPANY'S BUSINESS

BCL is a public limited company listed on Pakistan Stock Exchange. BCL manufactures intricate tractor components i.e., major tractor castings for MTL.

MTL holds 46.26% shares of the total paid up capital of the Company. 4,239 tons of casting has been produced during the fiscal year against 3,534 tons of last year resulting in an increase of 19.95%, while 4,071 tons of casting has been sold against 3,946 tons sold last year i.e., an increase of 3.17%.

The sales revenues of the Company for the year under review amounted to Rs. 1,694.002 million against Rs. 1,712.642 million of last year. In the financial year under review, the profit before tax was Rs. 96.525 million against loss before tax Rs. 0.555 million of last year. The profit after tax was Rs. 69.943 million against loss after tax Rs. 19.145 million of last year. The profit per share was Rs. 6.10 against loss per share of Rs. 1.67.

c) PRINCIPAL RISKS AND UNCERTAINTIES

Effective risk management is the key to sustainable business. Risk management framework, coupled with internal control policies have helped the company to maintain focus and mitigate principal risks affecting the company. However, overall risks arising from the Company's financial instruments are limited as there is no significant exposure to market risk in respect of such instruments. Internal Audit department provides independent report to Board of Directors on the effectiveness of risk management and control processes.

d) FUTURE PROSPECTS

Government initiatives aimed at supporting the agriculture sector, particularly the forthcoming Punjab Government's Green Tractor Subsidy Scheme, are expected to revive demand in the tractor industry and allied businesses. Your Company is well-positioned to benefit from these developments by enhancing production capacity utilization and maintaining robust cost-control measures. These efforts will strengthen its ability to navigate challenges and capitalize on future opportunities.

e) ADEQUACY OF INTERNAL FINANCIAL CONTROLS

BCL maintains a system of internal controls, which is designed to identify, evaluate and manage risks that may affect the achievement of business objectives rather than to eliminate these risks and can, therefore, provide only reasonable assurance against material misstatement or loss. Audit Committee is responsible for reviewing the effectiveness of the system of internal controls.

SUBSEQUENT EVENTS

No material changes or commitments affecting the financial position of the Group Companies have occurred between the end of the financial year of the Companies and the date of this report except as disclosed in their respective annual reports.

CHANGE IN NATURE OF BUSINESS

During the year there has been no major change in the nature of business of any group company.

AUDITOR'S OBSERVATIONS

No adverse remark or observation was given by the auditors' of any group company in their reports for the year ended June 30, 2026.

FUTURE PROSPECTS

There is no significant doubt about the group companies' ability to continue as going concerns and therefore future prospects are positive.

PATTERN OF SHAREHOLDING

The pattern of shareholding of MTL is annexed to the Directors' Report and the shareholding pattern of MIPL, TIPEG and BCL is enclosed.

EARNINGS PER SHARE

Earnings per share of the group for the year ended June 30, 2026 was Rs. 20.23 as against Rs. 15.85 (restated) of the preceding year.



Chairman



Chief Executive Officer

Lahore: September 16, 2026

ب۔ کمپنی کا روبار کی کارکردگی، ترقی اور بنیادی سرگرمیاں

بی سی ایل ایک پبلک لمیٹڈ کمپنی ہے جو پاکستان اسٹاک ایکسچینج میں لسٹڈ ہے۔ بی سی ایل، ایم ٹی ایل کے لیے ٹریکٹرز کے اہم اور پیچیدہ پرزہ جات، یعنی اہم ٹریکٹر کاسٹنگز تیار کرتی ہے۔ ایم ٹی ایل کے پاس کمپنی کے کل ادا شدہ سرمایہ کے 46.26 فیصد حصص ہیں۔ مالی سال کے دوران 4,239 ٹن کاسٹنگ تیار کی گئی، جبکہ گزشتہ سال 3,534 ٹن کاسٹنگ تیار کی گئی تھی، جس کے نتیجے میں 19.95 فیصد اضافہ ہوا۔ اسی طرح رواں سال 4,071 ٹن کاسٹنگ فروخت کی گئی، جبکہ گزشتہ سال 3,946 ٹن فروخت ہوئی تھی، جو 3.17 فیصد اضافہ ظاہر کرتا ہے۔

زیرِ جائزہ سال کے دوران کمپنی کی سیلز ریونیو 1,694.002 ملین روپے رہی، جبکہ گزشتہ سال بھی یہ 1,712.642 ملین روپے تھی۔ زیرِ جائزہ مالی سال کے دوران ٹیکس سے قبل منافع 96.525 ملین روپے رہا، جبکہ گزشتہ سال ٹیکس سے قبل 0.555 ملین روپے کا نقصان ہوا تھا۔ اسی طرح ٹیکس کے بعد منافع 69.943 ملین روپے رہا، جبکہ گزشتہ سال ٹیکس کے بعد 19.145 ملین روپے کا نقصان ہوا تھا۔ رواں سال فی حصص منافع (Profit per Share) 6.10 روپے رہا، جبکہ گزشتہ سال فی حصص نقصان 1.67 روپے تھا۔

پ۔ بنیادی خطرات اور غیر یقینی صورتحال

موثر رسک مینجمنٹ پائیدار کاروبار کی کلید ہے۔ رسک مینجمنٹ کا فریم ورک اور اندرونی کنٹرول کی پالیسیوں کے ساتھ کمپنی کو توجہ مرکوز رکھنے اور کمپنی پر اثر انداز ہونے والے بنیادی خطرات کو کم کرنے میں مدد ملی ہے۔ تاہم، کمپنی کے مالیاتی آلات سے متعلق مجموعی خطرات محدود ہیں کیونکہ ایسے آلات کے حوالے سے مارکیٹ کے خطرات کا کوئی خاص سامنا نہیں ہے۔ داخلی آڈٹ محکمہ بورڈ آف ڈائریکٹرز کو رسک مینجمنٹ اور کنٹرول کے عمل کی مؤثریت پر آزاد رپورٹ فراہم کرتا ہے۔

ج۔ مستقبل کے امکانات

حکومتی اقدامات جو زرعی شعبے کی معاونت کے لیے کیے جا رہے ہیں، بالخصوص آنے والی پنجاب حکومت کی گرین ٹریکٹر سبسڈی اسکیم سے توقع ہے کہ ٹریکٹر انڈسٹری اور اس سے منسلک کاروباروں میں طلب کو دوبارہ بحال کیا جائے گا۔ آپ کی کمپنی ان اقدامات سے فائدہ اٹھانے کے لیے اچھی پوزیشن میں ہے کیونکہ یہ پیداوار کی صلاحیت کے استعمال میں اضافہ کرنے اور مضبوط لاگت پر قابو پانے کے اقدامات جاری رکھے ہوئے ہے۔ یہ کوششیں کمپنی کی صلاحیت کو مزید مستحکم کریں گی تاکہ وہ چیلنجز کا سامنا کر سکے اور مستقبل کے مواقع سے فائدہ اٹھا سکے۔

د۔ موزوں داخلی مالیاتی کنٹرولز

بی سی ایل کے پاس داخلی کنٹرولز کا ایک منظم سسٹم ہے جسے ایسے خطرات کی شناخت اور نشاندہی کے لئے تیار کیا گیا ہے جو کمپنی کے کاروباری اہداف میں رکاوٹ بن سکتے ہیں۔ اِس لئے یہ سسٹم کسی بنیادی غلط بیانی یا نقصان کے حوالے سے ایک معقول اور یقینی حل پیش کرتا ہے۔ آڈٹ کمیٹی داخلی کنٹرولز سسٹم کی افادیت کو جانچنے کی ذمہ دار ہے۔

بعد میں پیش آنے والے واقعات

گروپ کمپنیز کے مالیاتی سال مختتمہ اور اِس رپورٹ کی تاریخ کے درمیان نہ ہی کوئی عزائم کئے گئے اور نہ ہی کوئی واضح تبدیلی ہوئی جس سے گروپ کمپنیز کی مالیاتی پوزیشن اثر انداز ہو ماسوائے جن کو متعلقہ سالانہ رپورٹس میں بیان کیا گیا ہے۔

کاروبار کی نوعیت میں تبدیلی

سال کے دوران کسی بھی گروپ کمپنی کے کاروبار کی نوعیت میں کوئی اہم تبدیلی نہیں ہوئی۔

آڈیٹرز کا مشاہدہ

سال مختتمہ 30 جون، 2026 کی سالانہ آڈٹ رپورٹ میں کسی بھی گروپ کمپنی کے بارے میں آڈیٹرز نے اپنی رپورٹ میں کسی قسم کی منفی رائے نہیں دی۔

مستقبل کے امکانات

گروپ کمپنیز کی صلاحیتوں پر کسی کو کوئی بھی شک نہیں اِس لئے مستقبل میں ترقی کے امکانات روشن ہیں۔

شیئر ہولڈنگ (پیٹرن)

ایم ٹی ایل کی شیئر ہولڈنگ (پیٹرن) کو ڈائریکٹرز رپورٹ کے ساتھ منسلک کیا گیا ہے جبکہ ایم آئی پی ایل، ٹائی پیگ اور بی سی ایل کی شیئر ہولڈنگ (پیٹرن) بھی منسلک ہے۔

فی حصص آمدنی

سال مختتمہ 30 جون، 2026 کیلئے گروپ کی فی حصص آمدنی 20.23 روپے رہی جو گزشتہ برس 15.85 روپے تھی۔

چیئرمین

چیف ایگزیکٹو آفیسر

لاہور: 16 ستمبر، 2026

گروپ ڈائریکٹرز رپورٹ

ڈائریکٹرز کی جانب سے گروپ کی 30 جون، 2026 کو ختم ہونے والے سال کی رپورٹ ہمراہ گروپ کی آڈٹ شدہ مجموعی فنانشل سٹیٹمنٹس بخوشی پیش کی جاتی ہیں۔

گروپ

گروپ جو کہ ملت ٹریکٹرز لمیٹڈ (ایم ٹی ایل) (ہولڈنگ کمپنی) اور اِس کی ذیلی کمپنیاں جیسے کہ ملت انڈسٹریل پراڈکٹس لمیٹڈ (ایم آئی پی ایل)، ٹائی پیگ اِنٹرٹریڈ (ایف زیڈ ای)، دبئی، یو اے ای اور بولان کاسٹنگز لمیٹڈ (بی سی ایل) پر مشتمل ہے۔

ملت اِنڈسٹریل پراڈکٹس لمیٹڈ

الف۔ بورڈ آف ڈائریکٹرز

موجودہ بورڈ 8 ڈائریکٹرز پر مشتمل ہے۔ کمپنی کے موجودہ ڈائریکٹرز درجہ ذیل ہیں: میسرز سکندر مصطفیٰ خان، سہیل بشیر رانا، لئیق الدین انصاری، محمد مصطفیٰ خان، محمد مصطفیٰ سہیل، شہریار انصاری، قیصر سلیم اور مسٹر غلام مصطفے چیف ایگزیکٹو آفیسر۔

ب۔ بنیادی سرگرمیاں، کمپنی کا روبار کی کارکردگی اور ترقی

کمپنی گاڑیوں، فیکٹریوں اور گھروں میں استعمال ہونے والی بیٹریاں بنانے کے کام سے وابستہ ہے۔ کمپنی نے رواں سال کے دوران 576.635 ملین روپے کی سیلز کیں اور خالص نقصان بعد از ٹیکس 25.790 ملین روپے رہا۔ سال کیلئے مجموعی نقصان فی شیئر کے حساب سے 2.50 روپے رہا۔

پ۔ بنیادی خطرات اور غیر یقینی صورتحال

کمپنی کو درپیش اہم مسائل اور خطرات میں خام مال کی قیمتوں میں تبدیلی، روپے کی غیر معمولی گراوٹ کی وجہ سے درآمد شدہ خام مال کی لاگت میں اضافہ اور مارکیٹ میں نئے مقابلہ وروں کی آمد شامل ہیں۔ رواں سال کے دوران مقامی اور بین الاقوامی سطح پر خام مال کی قیمتوں میں اضافے نے منافع کی شرح کو بے حد متاثر کیا۔ کمپنی کے کاروبار کی نوعیت کی بابت اس مالی سال میں کوئی تبدیلی وقوع پذیر نہیں ہوئی۔

ج۔ مستقبل میں منافع کے امکانات

اگرچہ کمپنی نے گزشتہ سال انتہائی مسابقتی مارکیٹ میں نقصان برداشت کیا ہے، تاہم مستقبل میں منافع حاصل کرنے کے مواقع موجود ہیں۔ کمپنی کو منافع میں اضافے کے لیے جدت، لاگت میں کمی اور مارکیٹ کے مواقع پر توجہ مرکوز کرنی ہوگی۔

د۔ موزوں داخلی مالیاتی کنٹرولز

داخلی مالیاتی کنٹرولز اپنی جگہ پر ہیں اور انٹرنل آڈٹ ڈیپارٹمنٹ کے متعلقہ افراد کی جانب سے اِن کا مستقل بنیادوں پر باریک بینی سے مشاہدہ کیا جا رہا ہے۔

ٹائی پیگ انٹرٹریڈ (ایف زیڈ ای)

ا۔ بورڈ آف ڈائریکٹرز

کمپنی کے ڈائریکٹرز میسرز سکندر مصطفیٰ خان، سہیل بشیر رانا اور لئیق الدین انصاری ہیں۔

ب۔ کمپنی کے کاروبار کی کارکردگی، ترقی اور بنیادی سرگرمیاں

ٹائی پیگ انٹرٹریڈ ایف زیڈ ای، دبئی، یو اے ای میں ایک لمیٹڈ لائیبلٹی کمپنی ہے جو کہ دبئی ملٹی کموڈوٹیز سینٹر اتھارٹی کے ساتھ رجسٹرڈ ہے۔ ملت ٹریکٹرز لمیٹڈ کمپنی کی ایکوئیٹی میں 75% کا ملکیتی حصہ رکھتی ہے۔ کمپنی کی بنیادی سرگرمیوں میں مشینری اور بھاری ایکوپمنٹ اور پارٹس کی ٹریڈنگ شامل ہے۔ کمپنی کے کاروبار کی جگہ جومیرہ لیک ٹاورز (Jumeirah Lake Towers) دبئی، یو اے ای ہے۔ ٹائی پیگ کی اِس سال کے دوران خالص منافع 3.954 ملین (اے ای ڈی) رہا اور رجسٹرڈ سیلز 71.824 ملین (اے ای ڈی) رہی۔ فی حصص آمدنی 1,977.02 (اے ای ڈی) رہی۔

پ۔ بنیادی خطرات اور غیر یقینی کی صورتحال

فی الوقت کمپنی کو ایسے کسی بھی خطرے یا غیر یقینی صورتحال کا سامنا نہیں ہے جو کمپنی کی کارکردگی کو متاثر کرے۔ کمپنی کے کاروبار کی نوعیت کے حوالے سے مالیاتی سال میں کوئی تبدیلی نہیں آئی۔

ج۔ مستقبل کے امکانات

کمپنی کا یہ عزم ہے کہ ایم ٹی ایل اور دیگر گروپ کمپنیز کی مارکیٹنگ پراڈکٹس کو افریقہ اور دیگر بین الاقوامی مارکیٹس تک رسائی دے کر سیلز میں اضافہ کیا جائے۔

د۔ موزوں داخلی مالیاتی کنٹرولز

موزوں داخلی مالیاتی کنٹرولز اپنی جگہ پر ہیں اور ان کا مشاہدہ کیا جا رہا ہے۔

بولان کاسٹنگز لمیٹڈ

ا۔ بورڈ آف ڈائریکٹرز

موجودہ بورڈ 7 ڈائریکٹرز اور ایک چیف ایگزیکٹو آفیسر پر منتخب ہے۔ کمپنی کے ڈائریکٹرز ہیں: میسرز سکندر مصطفیٰ خان، سہیل بشیر رانا، لئیق الدین انصاری، سید محمد عرفان عقیل، عامر امین، مسز تبسم رانا، سید جاوید اشرف اور مسٹر مجتبیٰ چیف ایگزیکٹو آفیسر ہیں۔

pwc

A·F·FERGUSON&Co.

Independent Auditor's Report

To the members of Millat Tractors Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the annexed consolidated financial statements of Millat Tractors Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at June 30, 2026, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matter(s)

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

Following is the Key Audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1.	**Investment measured at fair value** (Refer note 4.12, 22.1 and 49.1 to the annexed consolidated financial statements) The Group holds investment in the equity instrument of Hyundai Nishat Motor (Private) Limited ('HNMPL'). Due to HNMPL being a non-listed company, their shares do not have a quoted price in an active market.	Our audit procedures included the following: – understood and evaluated the process by which the cash flow forecast was prepared and approved, including confirming the mathematical accuracy of the underlying calculations;

S. No.	Key audit matter	How the matter was addressed in our audit
	Investment measured at fair value Therefore, fair value of their shares has been determined through valuation methodology based on discounted cash flow method. This involves several estimation techniques and management's judgements to obtain reasonable expected future cash flow of the business and related discount rate. Due to the significant level of judgment and estimation required to determine the fair value of the investment, we consider it to be a key audit matter.	Our audit procedures included the following: – evaluated the cash flow forecast by obtaining an understanding of respective businesses of HNMPL; – obtained an understanding of the work performed by the management's expert on the models for the purpose of valuations; – examined the professional qualification of management's expert and assessed the independence, competence and experience of the management's expert in the field; – obtained corroborating evidence relating to the values as determined by the management by challenging key assumptions for the growth rates in the cash flow forecast by comparing them to historical results and economic forecasts and challenging the discount rate by independently estimating a range based on market data; – performed sensitivity analysis around key assumptions to ascertain the extent of change individually in the value of the investment; and – assessed the adequacy of the disclosures made by the Group in this area with regard to applicable accounting and reporting standards.

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

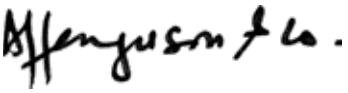
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Aleem Zubair.



A. F. Ferguson & Co.
Chartered Accountants
Lahore

Date: October 5, 2026

UDIN: AR202610889ljApBDtEP

Consolidated Statement of Financial Position

As at June 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
1,060,000,000 ordinary shares of Rs. 5 each			
(2025: 530,000,000 ordinary shares of Rs. 10 each)		5,300,000	5,300,000
Issued, subscribed and paid up capital	5	1,995,160	1,995,160
Reserves	6	8,261,361	6,748,685
Capital and reserves attributable to owners		10,256,521	8,743,845
Non-controlling interest		624,529	534,643
Total equity		10,881,050	9,278,488
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances - secured	7	1,332,916	465,690
Deferred grant	8	3,677	6,585
Lease liabilities against right-of-use assets	9	10,917	–
Employees' defined benefit plan	10	21,762	22,659
Long term deposits	11	130,424	97,078
Deferred tax liabilities - net	12	1,249,992	1,107,346
		2,749,688	1,699,358
CURRENT LIABILITIES			
Trade and other payables	13	6,582,195	6,456,853
Contract liabilities	14	2,223,589	2,062,405
Taxation - net		31,311	–
Short term borrowings	15	10,665,295	14,116,369
Current portion of non-current liabilities	16	202,312	493,411
Unclaimed dividend		418,670	368,183
Unpaid dividend		31,979	79,163
Accumulating compensated absences		349,558	327,050
		20,504,909	23,903,434
CONTINGENCIES AND COMMITMENTS	17		
		34,135,647	34,881,280

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.

Chief Financial Officer

Chief Executive Officer

	Note	2026	2025
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	18	2,910,509	2,088,503
Right-of-use assets	19	15,243	1,444
Intangible assets	20	7,860	15,720
Goodwill		18,572	18,572
Investment property	21	38,861	38,861
Long term investments	22	6,315,064	5,874,252
Long term loans and advances	23	4,196	9,878
Long term deposits	24	11,333	9,409
Employees' defined benefit plan	10	139,491	174,991
		9,461,129	8,231,630
CURRENT ASSETS			
Stores, spare parts and loose tools	25	824,985	858,692
Stock in trade	26	11,596,802	13,516,527
Trade debts	27	1,319,754	883,507
Loans and advances	28	231,757	152,553
Trade deposits and short term prepayments	29	195,708	175,140
Balances with statutory authorities	30	7,415,295	7,604,411
Other receivables	31	218,375	294,570
Tax refunds due from the Government		–	1,274,269
Short term investments	32	58,856	63,856
Cash and bank balances	33	2,812,986	1,826,125
		24,674,518	26,649,650
		34,135,647	34,881,280

Chairman

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended June 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
Revenue from contracts with customers	34	64,238,354	53,347,603
Cost of sales	35	(43,102,702)	(38,940,489)
Gross profit		21,135,652	14,407,114
Distribution and marketing expenses	36	(2,134,172)	(1,743,400)
Administrative expenses	37	(2,104,239)	(1,985,289)
Other operating expenses	38	(1,241,980)	(974,537)
		(5,480,391)	(4,703,226)
Other income	39	501,277	612,595
Operating profit		16,156,538	10,316,483
Finance cost	40	(1,478,103)	(2,211,516)
Profit before income taxes and final taxes		14,678,435	8,104,967
Levy - Final taxes	41	(39,656)	(24,175)
Profit before income tax		14,638,779	8,080,792
Taxation - Income tax	41	(6,567,401)	(1,756,619)
Profit after tax for the year		8,071,378	6,324,173
Other comprehensive income:			
Items that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(7,481)	5,818
Items not to be reclassified to profit or loss in subsequent periods:			
Remeasurement loss on employees' defined benefit plan		(36,323)	(172,891)
Deferred tax		(5,134)	(721)
Unrealized loss on revaluation of investments at fair value through other comprehensive income		729,579	(154,675)
Deferred tax		(128,361)	61,686
		559,761	(266,601)
Total other comprehensive income / (loss)		552,280	(260,783)
Total comprehensive income for the year		8,623,658	6,063,390
Attributable to:			
- Owners of the holding company			
Profit after tax		7,945,058	6,357,985
Other comprehensive income / (loss) for the year		550,676	(264,903)
		8,495,734	6,093,082
- Non-controlling interests			
Profit / (Loss) after tax		126,320	(33,812)
Other comprehensive income for the year		1,604	4,120
		127,924	(29,692)
		8,623,658	6,063,390
			Restated
Earnings per share - basic and diluted (Rupees)	44	20.23	15.85

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman

Consolidated Statement of Changes in Equity

For the year ended June 30, 2026

	Issued, subscribed and paid up capital	Capital reserves					Revenue reserves		Total	Non controlling interest	Total equity
		Exchange translation reserve	Share issuance reserve	Amalgamation Reserve	Other reserves	Fair value reserve	General reserves	Unappropriated profit			
	(Rupees in thousand)										
Balance as on June 30, 2024 (Audited)	1,917,983	142,652	77,177	104,823	208,929	1,769,093	2,475,309	4,933,017	11,628,983	590,218	12,219,201
Transaction with owners in their capacity as owners recognised directly in equity:											
Interim dividend for the year ended June 30, 2025 @ Rs. 45 per share	-	-	-	-	-	-	-	(8,978,220)	(8,978,220)	-	(8,978,220)
Dividend payment to non controlling interest	-	-	-	-	-	-	-	-	-	(25,883)	(25,883)
Effect of changes due to amalgamation - note 2.2	77,177	-	(77,177)	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	-	6,357,985	6,357,985	(33,812)	6,324,173
Other comprehensive income for the year	-	4,363	-	-	-	(94,868)	-	(174,398)	(264,903)	4,120	(260,783)
Total comprehensive income	-	4,363	-	-	-	(94,868)	-	6,183,587	6,093,082	(29,692)	6,063,390
Balance as on June 30, 2025	1,995,160	147,015	-	104,823	208,929	1,674,225	2,475,309	2,138,384	8,743,845	534,643	9,278,488
Transaction with owners in their capacity as owners recognised directly in equity:											
Final dividend for the year ended June 30, 2025 @ Rs. 15 per share	-	-	-	-	-	-	-	(2,992,739)	(2,992,739)	-	(2,992,739)
Interim dividend for the year ended June 30, 2026 @ Rs. 20 per share	-	-	-	-	-	-	-	(3,990,319)	(3,990,319)	-	(3,990,319)
Dividend payment to non controlling interest	-	-	-	-	-	-	-	-	-	(38,038)	(38,038)
Effect of changes due to amalgamation - note 2.2	-	-	-	-	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	-	7,945,058	7,945,058	126,320	8,071,378
Other comprehensive income / (loss) for the year	-	(5,611)	-	-	-	593,981	-	(37,694)	550,676	1,604	552,280
Total comprehensive income	-	(5,611)	-	-	-	593,981	-	7,907,364	8,495,734	127,924	8,623,658
Transfer of fair value reserve on sale of long term investment to unappropriated profits	-	-	-	-	-	(158,291)	-	158,291	-	-	-
Balance as on June 30, 2026	1,995,160	141,404	-	104,823	208,929	2,109,915	2,475,309	3,220,981	10,256,521	624,529	10,881,050

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.

Chief Financial Officer

Chief Executive Officer

Chairman

Consolidated Statement of Cash Flow

For the year ended June 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	45	19,477,939	10,475,473
Finance cost paid		(1,765,095)	(2,218,746)
Payment of long term loans to employees - net		(2,233)	(1,734)
Workers' Profit Participation Fund paid	31	(778,078)	(389,499)
Workers' Welfare Fund paid		(164,698)	(369,859)
Income taxes paid		(5,250,954)	(4,072,734)
Levy - final taxes paid		(39,656)	(24,175)
Retirement benefits paid - net		(15,800)	(11,859)
Long term security deposits received / (returned)		35,356	4,088
		(7,981,158)	(7,084,518)
Net cash generated from operating activities		11,496,781	3,390,955
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital expenditure		(1,145,294)	(460,346)
Proceeds from disposal of property, plant and equipment		50,160	80,285
Short term investments made during the year		–	(3,060,000)
Short term investments redeemed during the year		5,000	3,051,157
Proceeds from disposal of long term investment		288,939	–
Proceeds from disposal of investment property		–	400,000
Profit on bank deposits received		52,564	112,041
Dividend received from investments		160,303	14,131
Net cash (used in) / generated from investing activities		(588,328)	137,268
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid to non-controlling interests		(38,038)	(25,883)
Payments made against lease liabilities		(7,465)	(5,926)
Short term financing paid		(4,870)	(199,515)
Money market loan received		1,000,000	–
Long term financing received during the year		1,500,000	–
Long term financing paid during the year		(932,909)	(493,183)
Dividends paid to owners of the Holding Company		(6,979,755)	(8,971,595)
Net cash used in financing activities		(5,463,037)	(9,696,102)
Net increase / (decrease) in cash and cash equivalents		5,445,416	(6,167,879)
Cash and cash equivalents at the beginning of the year		(12,290,244)	(6,128,183)
Foreign exchange difference		(7,481)	5,818
Cash and cash equivalents at the end of the year	46	(6,852,309)	(12,290,244)

The annexed notes from 1 to 59 form an integral part of these consolidated financial statements.

Chief Financial Officer | Chief Executive Officer | Chairman

Notes to the Consolidated Financial Statements

For the year ended June 30, 2026

1 Legal status and nature of business

1.1 Holding Company:

Millat Tractors Limited (MTL)

Millat Tractors Limited (the Holding Company) is a public limited company and was incorporated in Pakistan in 1964 under the Companies Act, 1913 (now the Companies Act, 2017), and is listed on the Pakistan Stock Exchange Limited. The registered office and factory of the Company is situated at 9 km Sheikhupura Road, District Sheikhupura and 10 Km Raiwind Road, Lahore. The Company also has regional offices located in Karachi, Multan, Sukkur and Islamabad.

The Company is principally engaged in assembling and manufacturing of agricultural tractors, implements and multi-application products. The Company is also involved in the sale, implementation and support of IFS applications in Pakistan and abroad.

Subsidiary companies:

a) Millat Industrial Products Limited (MIPL)

Millat Industrial Products Limited, an unlisted public company registered under the Companies Ordinance 1984 (now the Companies Act, 2017), is a subsidiary of Millat Tractors Limited which holds 64.09% of the MIPL's equity. MIPL is engaged in the business of manufacturing of industrial, domestic and vehicular batteries, cells and components. The registered office of MIPL is situated at 8.8 km, Lahore - Sheikhupura Road, Shahdara, Lahore and the manufacturing facility of MIPL is located at 49 km, off Multan Road, Bhai Pheru, Distt. Kasur.

b) TIPEG Intertrade DMCC (TIPEG)

TIPEG Intertrade DMCC, a limited liability company registered with Dubai Multi Commodities Centre (DMCC) Authority, is a subsidiary of Millat Tractors Limited which holds 75% of the TIPEG Intertrade DMCC's equity. The principal place of business of the TIPEG Intertrade DMCC is located at Jumeirah Lake Towers, Dubai-UAE. TIPEG Intertrade DMCC is formed for trading of machinery and heavy equipment and its registered office is situated at Unit No.705, Fortune Executive Tower, Jumeirah Lake Towers, Dubai, United Arab Emirates.

c) Bolan Castings Limited (BCL)

Bolan Castings Limited, a public limited company incorporated in Pakistan under the repealed Companies Ordinance 1984 (now the Companies Act, 2017), and listed on the Pakistan Stock Exchange, is a subsidiary of Millat Tractors Limited which holds 46.26% of the BCL's equity. BCL is engaged in the business of manufacturing of castings for tractors and automotive parts thereof. The registered office and address of BCL's business unit, including plant is RCD Highway, Hub Chowki, District Lasbela, Baluchistan, Pakistan.

2 Basis of preparation

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions and directives issued under the Companies Act, 2017.

Where the provisions of the 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 Changes in accounting standards, interpretations and pronouncements

a) Standards, amendments and interpretations to approved accounting standards that are effective in current year or have been early adopted

Certain standards, amendments and interpretations to IFRS are effective for accounting periods beginning on or after July 01, 2025 but are considered not to be relevant to the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these financial statements.

Amendment to International Accounting Standard (IAS) 1, "Non-current liabilities with covenants" (effective for annual period beginning on January 1, 2024)

The amendment clarifies how conditions that an entity must comply with within twelve months after the reporting period affect the classification of a liability. The amendment also aims to improve the information an entity provides related to liabilities subject to these amendments. The amendment clarifies that a liability should be classified as a current liability if a breach of covenant that gives the lender the right to demand immediate repayment occurs at or prior to the end of the reporting period, unless sufficient relief is granted by the lender before or at the end of the reporting period.

The above amendment did not result in any significant changes to these consolidated financial statements.

b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 1, 2026, but are considered not to be relevant to the Company's operations and are, therefore, not detailed in these financial statements, except for the following:

i) Amendment to IAS 21 – Lack of Exchangeability

These amendments were in response to concerns raised when a Group is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

Assessing exchangeability between two currencies requires an analysis of different factors; such as the time frame for the exchange, the ability to obtain the other currency, markets or exchange mechanisms, the purpose of obtaining the other currency, and the ability to obtain only limited amounts of the other currency.

When a currency is not exchangeable into another currency, the spot exchange rate needs to be estimated. The objective in estimating the spot exchange rate at a measurement date is to determine the rate at which an orderly exchange transaction would take place at that date between market participants under prevailing economic conditions.

These amendments are not expected to have a material impact on the Group's financial statements when they become effective.

The new amendments are effective for annual reporting year beginning on or after January 1, 2025 with earlier application permitted.

ii) Annual improvements to International Financial Reporting Standards – Volume 11 (effective for annual period beginning on July 1, 2026)

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IAS 7 Statement of Cash Flows;
- IFRS 10 Consolidated Financial Statements

iii) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

The amendments clarify the timing for recognizing and derecognizing certain financial assets and liabilities, introduce an exception for some financial liabilities settled via electronic cash transfers, provide additional guidance for assessing if a financial asset meets the SPPI criterion, require new disclosures for instruments with cash flow changes linked to ESG targets, and update disclosures for equity instruments designated at FVOCI.

The Group is in the process of assessing the impact of this amendment on the Group's consolidated financial statements.

The above mentioned amendments are effective for accounting periods beginning on or after January 01, 2026.

iv) IFRS 18 Presentation and Disclosure in Financial Statements

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

The Group is in the process of assessing the impact of this amendment on the Group's consolidated financial statements.

The above mentioned standard is effective for accounting periods beginning on or after January 01, 2027.

3 Basis of measurement

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

3.2 Critical accounting estimates and judgments

The Group's material accounting policies are stated in note 4. Not all of these material accounting policies require management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies that management considers significant because of the complexity, judgment of estimation involved in their application and their impact on these consolidated financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in

respect of future events and the actual results may differ from these estimates. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the consolidated financial statements are as follows:

3.2.1 Employees' retirement benefits and other obligations

The Group uses the valuation performed by an independent actuary as the present value of its retirement benefit obligations i.e. employees' defined benefit plan and other obligations. The valuation is based on assumptions as mentioned in note 4.3 to these consolidated financial statements.

3.2.2 Provision for taxation

The Group takes into account the current income tax law and the decisions taken by appellate authorities. Pending instances where the Group's view differs from the view taken by the income tax department at the assessment stage and where the Group considers that its views on items of material nature are in accordance with law and the outcome is expected in favour of the Group are shown as contingent liabilities.

3.2.3 Estimated useful lives, residual values and method of depreciation of property, plant and equipment

The Group reviews the useful lives, residual value and method of depreciation of property, plant and equipment on a regular basis. Any change in estimates in future years might affect the carrying amounts of respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

3.2.4 Provision for inventories and stores

The Group regularly reviews the inventories for impairment. Provision for obsolete and slow-moving inventories is based on management's estimate of the condition and usability of inventories and stores.

3.2.5 Impairment of trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables and contract assets.

The expected loss rates are based on the payment profiles of sales over a period of time before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

3.2.6 Fair value of unquoted investments

Fair value of unquoted investments is determined by using valuation techniques. The Group uses the valuation performed by an independent valuation expert to determine the fair value of its unquoted investments. The Group has used discounted cash flow analysis for this purpose as fully explained in note 22.1 to these consolidated financial statements.

3.2.7 Recording and impairment of goodwill

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests) and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss account.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's Cash-Generating Units (CGU) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

3.2.8 Contingencies

The Group reviews the status of all the legal cases on a regular basis. Based on the expected outcomes and lawyers' judgements, appropriate disclosure or provision is made.

3.3 Functional and presentation currency

These consolidated financial statements are presented in Pak Rupees (PKR or Rupee) which is the Group's functional and presentation currency.

4 Material accounting policy information

The Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statements 2 'Making Materiality Judgements') from January 1, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the consolidated financial statements.

The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the consolidated financial statements.

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

4.1 Principles of consolidation

4.1.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the following:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interests in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in the consolidated statement of profit or loss and other comprehensive income as a bargain purchase.

4.1.2 Non-controlling interest

The Group applies a policy of treating transactions with non-controlling interests as transactions with parties external to the Group. Disposals to non-controlling interests result in gains and losses for the Group that are recorded in the profit or loss. Group elected to measures the non-controlling interest in the acquiree at the proportionate share of its interest in the acquirees' identifiable net assets on fair value.

4.2 Segment reporting

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Chief Executive Officer (the CEO) to assess segment's performance, and for which discrete financial information is available. Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Accordingly, for reporting purposes, the Group has been organised into business units based on its products and services and has two separate reportable segments, as follows:

The "tractors segment", which deals with assembling and manufacturing of agricultural tractors, implements and multi-application products.

The "castings segment", which is engaged in the business of manufacturing of castings for tractors and automotive parts thereof.

Other business activities of the Group have been presented under "others segment". Accordingly, no operating segments have been aggregated to form the above reportable operating segments.

4.3 Employees' retirement benefits and other obligations

4.3.1 Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leaves that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated statement of financial position.

4.3.2 Post employment benefits

The main features of the schemes operated by the Group for its employees are as follows:

4.3.2.1 Defined benefit plan

Pension

MTL operates a funded defined benefit pension scheme for all its eligible employees. Defined benefit plan is a post-employment benefit plan other than the defined contribution plan. Contributions under the scheme are made to this fund on the basis of actuarial recommendation and are charged to profit or loss. The latest actuarial valuation for the scheme was carried out as at June 30, 2026.

The amount recognized in the consolidated statement of financial position represents the present value of the plan assets reduced by value of defined benefit obligation. Any charge or credit arising as a result of remeasurements are recognized in the other comprehensive income of the Group in the period in which they occur. Past service costs are recognized immediately in the consolidated statement of profit or loss.

The future contribution rate of the plan includes allowances for deficit and surplus. Projected Unit Credit Method, based on the following significant assumptions, is used for valuation of this scheme:

	Pension scheme Millat Tractors Limited	
	2026	2025
Expected rate of increase in salary level	11.75%	11.75%
Discount rate used for interest cost in profit and loss	11.75%	14.75%
Discount rate used for year end obligation	11.75%	11.75%
Retirement Assumption	60 years	60 years
	SLIC 2001 -	SLIC 2001 -
	2005	2005
Expected mortality rates	Setback 1	Setback 1
	Year	Year

The Board Members of the Millat Tractors Limited Employees' Pension Fund Trust are managing the Pension Fund as per the applicable Pension Fund Deed, Rules and Regulations of the fund.

The amount recognized in the consolidated statement of financial position represents the fair value of the plan assets reduced by the present value of defined benefit obligation.

Gratuity

BCL operates a defined benefit gratuity for its permanent employees. The plan defines an amount of gratuity that an employee will receive on or after retirement, usually dependent on one or more factors, such as age, years of service and compensation. A defined benefit plan is a post-employment benefit plan other than the defined contribution plan. The liability recognised in the consolidated statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of high quality corporate bonds or the market rates on Government bonds. These are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related employee benefit obligation.

BCL operates the following schemes:

i) Funded gratuity scheme for all of its eligible executive employees appointed under the old salary grade scale up to 2006. Provisions are made annually to cover obligations under the scheme, as per actuarial valuation. The most recent valuation of the scheme was carried out as at June 30, 2026, using the 'Projected Unit Credit Method'.

ii) Unfunded gratuity scheme for all of its eligible non-executive employees. Provisions are made annually to cover obligations under the scheme, as per actuarial valuation. The most recent valuation of the scheme was carried out as at June 30, 2026, using the 'Projected Unit Credit Method'.

The amount arising as a result of remeasurements are recognised in the consolidated statement of financial position immediately, with a charge or credit to other comprehensive income in the periods in which these occur.

Past service costs are recognised immediately in the consolidated statement of profit or loss.

4.3.3 Defined contribution plans

4.3.3.1 Provident fund

The Group operates an approved defined contribution provident fund for all permanent employees. Equal contributions are made by employees and the Group at the rate of 10 percent of basic salary per month. The Group has no further payment obligations once the contributions have been paid. Obligation for contributions to defined contribution plan is recognised as an expense in the consolidated statement of profit or loss as and when incurred.

4.3.3.2 Accumulating compensated absences

The Group provides for accumulating compensated absences, when the employees render services that increase their entitlement to future compensated absences. Under the service rules, employees are entitled to 2.5 days leave per month. Unutilised leaves can be accumulated up to 150 days in case of executives and management and 180 days in case of workers. Workers, executives and management are entitled to encash the unutilised earned leave accrued on or before retirement date, or due to medical grounds could utilize / encash their outstanding days of leaves before leaving. Any further unutilised leaves lapse. The earned leave encashment is based on basic salaries for executives and management, and in case of workers, basic salaries plus house rent allowance.

Provisions are made annually to cover the obligation for accumulating compensated absences based on actuarial valuation and are charged to statement of profit or loss. The most recent valuation was carried out as at June 30, 2026 using the "Projected Unit Credit Method.

The amount recognised in the consolidated statement of financial position represents the present value of the defined benefit obligations. Actuarial gains and losses are charged to the consolidated statement of profit or loss immediately in the period when these occur.

Projected unit credit method, using the following significant assumptions, has been used for valuation of accumulating compensated absences:

	2026	2025
Expected rate of increase per annum in salary level	11.75%	11.75%
Discount rate per annum used for interest cost in profit or loss	11.75%	11.75%
Discount rate per annum used for year end obligation	14.75%	14.75%
Expected mortality rates	SLIC 2001 -	SLIC 2001 -
	2005	2005
	Setback 1	Setback 1
	Year	Year
Duration of the plan (years)	6	6

4.4 Contingent liabilities and assets

Contingent liability is disclosed when:

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

Contingent liabilities are not recognized. A contingent liability is disclosed unless the possibility of an outflow is remote.

Contingent asset is disclosed when an inflow of economic benefits is probable. Contingent assets are not recognised in these consolidated financial statements since this may result in recognition of income that may never be realised.

Contingent liabilities and assets are generally estimated using:

- The single most likely outcome; or
- A weighted average of all the possible outcomes (the 'expected value' method). This is likely to be the most appropriate method for a large population of similar claims, but can also be applied to a single obligation with various possible outcomes.

4.5 Taxation

Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these consolidated financial statements, except for taxes on normal business income and dividend earned from investment in subsidiaries, associates and joint arrangements which is specifically within the scope of IAS 12 and hence it continues to be categorised as current income tax.

Income Tax

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

Current

The charge for current tax is calculated using prevailing tax rates at the end of the reporting period in accordance with the prevailing law for taxation of income, after taking into account tax credits, rebates and exemptions, if any. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that the tax authorities will accept an uncertain tax treatment. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

4.6 Property, plant and equipment

Property, plant and equipment except for freehold and leasehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold and leasehold land is stated at cost less any identified impairment loss.

Depreciation on all items of property, plant and equipment is charged to profit or loss applying the diminishing balance method so as to write-off the depreciable amount of an asset over its useful life. Depreciation is being charged at the rates given in note 18. Depreciation on additions to property, plant and equipment is charged from the month in which an asset is acquired or capitalized while no depreciation is charged for the month in which the asset is disposed off.

The assets' residual values and useful lives are reviewed at each financial year end, and adjusted if impact on depreciation is significant. The Group's estimate of the residual value and useful life of its operating fixed assets during the year has not required any adjustment as its impact is considered insignificant.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (as explained in note 4.10 to these financial statements).

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 Group and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to profit or loss during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the profit or loss in the year the asset is derecognized.

4.7 Right-of-use asset and Lease liability

At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Group's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments include fixed payments, variable lease payment that are based on an index or a rate and amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Group is reasonably certain to exercise these options. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in the consolidated statement of profit and loss account if the carrying amount of right-to-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease, it is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increases the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

4.8 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure including borrowing costs connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

4.9 Intangible assets

Expenditure incurred to acquire and develop computer software are capitalized as intangible assets and stated at cost less accumulated amortization and any identified impairment loss.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite life are amortised using the straight line method over a period of three to five years and intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Amortization on additions to finite intangible assets is charged from the month in which an asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed off.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (as explained in note 4.10 to these financial statements).

4.10 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

4.11 Investment property

Property not held for own use or for sale in the ordinary course of business is classified as investment property. The investment property of the Group comprises land and is valued using the cost method i.e. at cost less any identified impairment loss.

The Group assesses at each reporting date whether there is any indication that investment property may be impaired. If such indication exists, the carrying amount of such assets is reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying value exceeds the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the profit or loss for the year. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

The gain or loss on disposal or retirement of an investment property represented by the difference between the sale proceeds and the carrying amount of the asset is recognized in profit or loss.

4.12 Investments and other financial assets

4.12.1 Classification

The Group classifies its financial assets other than investments in subsidiaries in the following measurement categories:

- those to be measured subsequently at fair value [either through other comprehensive income ('OCI') or through profit or loss]; and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

4.12.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

4.12.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

i) Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the consolidated statement of profit or loss.

ii) FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method. Impairment expenses are presented as a separate line item in the consolidated statement of profit or loss.

iii) FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value through other comprehensive income. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in the consolidated statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

4.12.4 Impairment of financial assets other than investment in equity instruments

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade debts, the Group applies IFRS 9 simplified approach to measure the expected credit losses (loss allowance) which uses a life time expected loss allowance to be recognised from initial recognition of the receivables, while general 3-stage approach for deposits, loans, bank balances and other receivables i.e. to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Following are the financial assets that are subject to the ECL model:

- Trade debts;
- Loans and advances;
- Loans to employees;
- Trade deposits and other receivables; and
- Bank balances.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are

specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

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

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

Irrespective of the above analysis, in case of trade debts, the Group considers that default has occurred when a debt is more than 360 days past due, unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for that financial asset because of financial difficulties

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Receivables are grouped and assessed collectively based on shared credit risk characteristics and the days past due. The expected credit losses on these financial assets are estimated using a provision matrix approach based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- external credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

The Group recognizes an impairment gain or loss in the consolidated statement of profit or loss for financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

4.13 Off-setting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Group intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

4.14 Stores, spare parts and loose tools

Stores, spare parts and loose tools are valued at moving weighted average cost except for items in transit which are stated at invoice value plus other charges paid thereon till the reporting date. For items which are slow moving and/or identified as obsolete, adequate provision is made for any excess book value over estimated realizable value. The Group reviews the carrying amount of stores and spares on a regular basis and provision is made for obsolescence.

4.15 Stock in trade

Stock of raw materials (except for those in transit), work-in-process and finished goods are valued principally at the lower of weighted average cost and net realisable value ('NRV'). Cost of work-in-process and finished goods comprises cost of direct materials, labour and related production overheads (based on normal operating capacity).

Materials in transit are stated at cost comprising invoice value plus other charges paid thereon.

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

If the expected net realisable value is lower than the carrying amount, a write-down is recognised for the amount by which the carrying amount exceeds its net realisable value. Provision is made in the consolidated financial statements for obsolete and slow moving stock-in-trade based on management estimate.

4.16 Trade debts and other receivables

Trade debts are amounts due from customer for goods sold or services performed in ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group. Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Group holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest rate method less loss allowance.

4.17 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original

maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

4.18 Revenue recognition

Revenue is recognised when or as performance obligations are satisfied by transferring control of a promised good or service to a customer, and control either transfers over time or at a point in time. Revenue is measured at fair value of the consideration received or receivable, excluding discounts, commissions and government levies.

4.18.1 a) Sale of goods

Tractors, Implements, multi-application products and trading goods

Revenue from contracts for sale of tractors, implements, multi-application products and trading goods is recognized upon delivery and acknowledgement of the good by the customer i.e. at a point-in-time when the performance obligation of the Group is satisfied. Since there is only one performance obligation the revenue is recognized at full amount. Payments for sale of tractors are received in advance from customers, while in the case of implements and multi-application products credit periods are provided as per Group policy on a case to case basis. The credit term does not include any financing component. Any rebate / markup on account of delayed delivery of tractor is deducted from the transaction price upon satisfaction of the performance obligation.

Castings

Revenue is recognised when control of the goods has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Revenue is recognised upon transfer of title to the customers, which generally coincides with physical delivery.

No element of financing is deemed present as the sales are made with a credit term of up to 90 days, which is consistent with the market practice.

Others

Sale of batteries and others are recognized as revenue when goods are dispatched and invoiced to the customers. Revenue is measured at the transaction price agreed under the contract, adjusted for variable consideration such as discount, if any. In most cases, the advances from customers are received before the goods are dispatched/invoiced. Deferred parent terms may also be agreed in case of sale to certain categories of customers.

In case of tractor components and batteries contracts with customers include promises to transfer goods or services without charges such as free inspections. Such promised goods or services are generally considered performance obligations and related sale revenue is deferred under IFRS 15, if it is deemed material. The Group also has a performance obligation to arrange for delivery of goods at locations specified by the customers. However, the Group acts as an agent in satisfaction of this performance obligation and net income/(expense) in this respect is recognized in the consolidated statement of profit or loss and other comprehensive income.

Sale of scrap items

Revenue from sale of scrap and store items is recognized when control of items passes to buyers which is generally on dispatch of goods.

b) Sale of service

- Warranties

The Group provides various types of warranties. When determining the nature of warranty-related promises, the Group considers:

- whether the customer has the option to separately purchase the warranty; and
- whether all or part of the warranty provides the customer with an additional service beyond the basic assurance that it will perform in accordance with published specifications.

Standard-type warranties of free repair, parts replacement, assurance and major rectification to the customer along with free service after specific intervals are not offered separately for any consideration by the Group and rather are embedded in the sale price of the good. Accordingly, the same are not considered to be separate performance obligations and are accounted for under IAS 37.

For extended-type warranties or separate after sale services offered by the Group the same are treated as separate performance obligations. Revenue from such warranties or after sale services contracts is recognized over time i.e. duration of the contract.

Revenue shall be recognized when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset and thus has the ability to direct the use and obtain the benefits from the good or service.

Sales of batteries are recognized as revenue when goods are dispatched and invoiced to the customers. Revenue is measured at the transaction price agreed under the contract, adjusted for variable consideration such as discount, if any. In most cases, the consideration is received before the goods are dispatched / invoiced, Deferred payment terms may also be agreed in case of sales to certain categories of customers.

Transaction price is adjusted for time value of money in case of significant financing component.

The Group's contracts with customers include promises to transfer goods or services without charges such as free inspections, Such promised goods or services are generally considered performance obligations and related sales revenue is deferred under IFRS 15, if it is deemed material.

The Group also has performance obligation to arrange for delivery of goods at locations specified by the customers. However, the Group acts as an agent in satisfaction of this performance obligation and net income/(expense) in this respect is recognized in the consolidated statement of profit or loss.

Amount received on account of sale of extended warranty is recognized initially as deferred revenue and is credited to the consolidated statement of profit or loss and other comprehensive income in the relevant period covered by the warranty.

- IFS services

Revenue from IFS services includes contracts for software implementation / customization services along with post implementation consultancy / maintenance services. Revenue from implementation / customization services is recognized at a point-in-time i.e. when the performance obligation of the Group for implementation/ customization is satisfied whereas revenue from post implementation consultancy / maintenance services is recognized on straight-line method over-time i.e. duration of the Service Level Agreement. Invoice is usually charged with 45 days credit period or as per contract terms.

Others

- Dividend is recognized as income when the right to receive dividend is established.
- Profit on bank deposits is recognized on effective rate of interest method.
- Investment income is recognized when right to receive the income is established.

4.19 Research cost

These costs are charged to profit and loss when incurred.

4.20 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in consolidated statement of profit or loss in the period in which they are incurred.

4.21 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current. Deferred tax liabilities are classified as non-current assets or liabilities.

4.22 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

4.23 Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

4.24 Foreign currency transactions and translation

a) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

4.25 Financial liabilities

All financial liabilities are recognized at the time when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss. The Group's financial liabilities include long-term finances, lease liabilities, short-term finances utilized under mark-up arrangements, trade and other payables and are measured at amortized cost.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognized in the profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

A financial liability is derecognized when the obligation under the liability is discharged or 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 or 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 recognized in the consolidated statement of profit or loss.

4.26 Share capital

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

4.27 Reserves

Reserve are classified into two categories as follows:

4.27.1 Revenue reserve

Revenue reserve is the reserve which is regarded as available for distribution through the profit or loss including general reserves and other specific reserves created out of profit and un-appropriated or accumulated profits of previous years.

4.27.2 Capital reserve

Capital reserve includes all the reserves other than reserve which are classified as revenue reserve.

4.28 Earning per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.29 Dividend and appropriations

Dividend distribution to the Group's shareholders is recognized as a liability in the period in which these are approved. Appropriations of profit are reflected in the consolidated statement of changes in equity in the period in which such appropriations are approved.

4.30 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

4.31 Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when:

i) When the sale is highly probable.

ii) The asset is available for immediate sale in its present condition.

iii) Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn.

iv) Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the consolidated statement of financial position.

4.32 Transactions with related parties

Transactions with related parties are conducted in normal course of business in accordance with the agreed terms and conditions. All the related party transactions are presented for approval of shareholders in General Meeting in accordance with the requirements of Section 208 of Companies Act, 2017.

5 Issued, subscribed and paid up capital

2026 (Number of shares in thousand)	2025 (Number of shares in thousand)		Note	2026 (Rupees in thousand)	2025 (Rupees in thousand)
		Ordinary shares of Rs.5 (2025:			
2,543	2,543	Rs. 10) each fully paid in cash		25,429	25,429
		Ordinary shares of Rs.5 (2025:			
		Rs. 10) each issued as fully			
		paid bonus shares			
196,973	189,255	- Opening balance		1,969,731	1,892,554
–	7,718	- Issued during the year	5.1	–	77,177
196,973	196,973			1,969,731	1,969,731
199,516	–	Share split	5.2	–	–
399,032	199,516			1,995,160	1,995,160

5.1 These shares had been issued as the consideration against purchase of Millat Equipment Limited (now Precision Engineering Department) at the rate of Rs. 10 per share. The number of shares currently outstanding reflect the impact of share split effected during the current year.

5.2 During the year, the Holding Company split its shares by decreasing the face value from Rs. 10 per share to Rs. 5 per share pursuant to special resolution passed by members at Extra Ordinary General Meeting held on June 05, 2026. The share split resulted in a proportionate increase in the number of issued shares with no impact on the paid-up share capital.

		Note	2026	2025
			(Rupees in thousand)	
6	**Reserves**			
	Capital reserve			
	Fair value reserve - Investments measured at FVOCI		2,109,915	1,674,225
	Other reserves		208,929	208,929
	Amalgamation reserve		104,823	104,823
	Exchange translation reserve		141,404	147,015
			2,565,071	2,134,992
	Revenue reserve			
	General reserve		2,475,309	2,475,309
	Unappropriated profit		3,220,981	2,138,384
			5,696,290	4,613,693
			8,261,361	6,748,685
7	**Long term finances - secured**			
	Long term loan	7.1	1,527,349	951,736
	Less: Current portion shown under current liabilities	7.1	(194,433)	(486,046)
			1,332,916	465,690
7.1	The reconciliation of carrying amount is as follows:			
	Opening balance	7.2 ,7.3 ,7.4 & 7.5	951,736	1,438,763
	Loan received during the year	7.6	1,500,000	-
	Repayments during the year	7.2 ,7.3 ,7.4 & 7.5	(932,909)	(493,183)
	Unwinding of interest cost		8,522	6,156
			1,527,349	951,736
	Less: Current portion shown under current liabilities	7	(194,433)	(486,046)
			1,332,916	465,690

7.2 This includes amount of loan against facility of Rs.160,000 thousand (2025: Rs.160,000 thousand) obtained under renewable energy finance scheme announced by the State Bank of Pakistan (SBP) to promote renewable energy use in Pakistan. It carries standard markup of 2.5% per annum, which is payable on quarterly basis. The loan was previously repayable in 40 equal quarterly instalments starting from September 30, 2021, however in the year ended June 30, 2022, the loan facility was modified by the Bank with equal 36 payments payable starting from April 28, 2022. The modification was considered to be non-substantial, with the resulting impact recognized in these financial statements accordingly. The discount rate used is 11.47% per annum (2025: 11.47% per annum). The difference between cash received and present value of cash outflows upon initial recognition and subsequent modification has been recognized as deferred grant. The carrying amount of loan as of year end is Rs. 27,349 thousand (2025: Rs. 46,502 thousand). This facility is secured by specific and exclusive charge on the purchased machinery and ranking charge over current assets of the Group. The facility amounting to Rs. 60,000 thousand was prematurely settled during the period.

7.3 This includes amount of loan against facility of Rs. 1,500,000 thousand (2025: Rs. 1,500,000 thousand) to maintain the Group's ownership stake of 15.86% in Hyundai Nishat Motors (Private) Limited. The loan is repayable in 16 equal quarterly instalments commencing from April 1, 2023 and carries markup at the rate of base rate plus 0.40% per annum, which is payable quarterly. Base rate is defined as the 'average of 3-month offer rate of KIBOR'. The base rate will be set for the first time at the date of initial disbursement and subsequently reset on the first working day of each calendar quarter, using the rate prevailing on last working day of preceding calendar quarter. This facility is secured by first exclusive mortgage charge over land of the factory situated at 9 KM, Sheikhupura Road, Lahore, amounting to Rs. 2,000,000 thousand (including 25% margin). At year end, all outstanding principal, mark-up and associated costs were settled in full.

7.4 This represents long-term financing arrangements obtained by the Group through restructuring of its short-term running finance facility with Bank Alfalah Limited. Facility is payable in equal monthly installments over a period of 36 months which include a grace period of 3 months and has to be repaid by July 2026. This facility carries mark-up at the rate of one month KIBOR plus 1.6% per annum and it is secured by way of hypothecation charge over plant and machinery and current assets of the Group amounting to Rs. 266,670 thousand. At year end all outstanding principal, markup and associated costs were settled in full.

7.5 This included Term Finance (TF) loan facility amounting to Rs. 269,570 thousand (June 30, 2025: 269,570 thousand) availed from The Bank of Punjab in April 2024 to finance capital expenditure. The facility had a sanctioned limit of Rs. 500,000 thousand. The loan was repayable in 20 equal quarterly instalments and carried markup at the rate of 1 month KIBOR plus 0.95%. The loan was secured against 1st Pari Passu charge over present and future fixed assets of the Group amounting to Rs. 666,667 thousand with 25% margin. During the year, all outstanding principal, mark-up and associated costs were settled in full.

7.6 This includes amount of loan against new facility of Rs. 1,500,000 thousand obtained from Meezan Bank Limited to meet the Group's long-term requirements including re-profiling of balance sheet. The loan carries a grace period of one year, and is repayable in 16 equal quarterly instalments commencing from February 19, 2027. The loan carries markup at the rate of 3-month KIBOR plus 0.30% per annum, which is payable quarterly, commencing from the date of initial disbursement. The markup rate will be set for the first time at the date of initial disbursement and subsequently reset on the first working day of each calendar quarter, using the rate prevailing on last working day of preceding calendar quarter. This facility is secured against joint Pari Passu charge over all present and future fixed assets of the company with 25% margin.

		2026	2025
		(Rupees in thousand)	
8	**Deferred grant**		
	At start of year	10,182	14,177
	Received during the year	–	–
	Transferred to profit or loss during the year	(4,456)	(3,995)
	At end of year	5,726	10,182
	Represented by:		
	Non-current	3,677	6,585
	Current	2,049	3,597
		5,726	10,182

8.1 Government grants have been recognized against loan obtained under the SBP refinance scheme for renewable energy in lieu of below market-interest / return rate payable on these loans. There are no unfulfilled conditions or contingencies attached to these grants effecting its recognition at the reporting date.

		Note	2026	2025
			(Rupees in thousand)	
9	**Lease liabilities against right-of-use assets**			
	Lease liabilities at start of year		3,548	8,184
	Additions during the year		18,922	–
	Interest accrued		1,436	1,290
	Payments made during the year		(7,465)	(5,926)
	Lease liabilities at year end		16,441	3,548
	Less: current portion of lease liabilities		(5,524)	(3,548)
	Non current lease liabilities		10,917	–
9.1	Commitments in relations to finance leases recognised under IFRS 16 are payable as follows:			
	Payable not later than one year		7,071	3,685
	Payable later than one year but not later than five years		11,699	–
	Payable later than five years		–	–
			18,770	3,685
	Future finance charges		(2,329)	(137)
	Total lease liabilities		16,441	3,548
10	**Employees' defined benefit plan**			
	Staff retirements benefit plan- Liability			
	Holding Company	10.1	–	–
	Subsidiary	10.2	21,762	22,659
			21,762	22,659
	Staff retirements benefit plan- Asset			
	Holding Company	10.1	(139,491)	(154,933)
	Subsidiary	10.2	–	(20,058)
			(139,491)	(174,991)
10.1	Holding staff retirement benefit plan - MTL			
	Present value of defined benefit obligation	10.1.2	1,257,428	1,241,582
	Fair value of plan assets	10.1.3 & 10.1.4	(1,396,919)	(1,396,515)
	Asset recognized in the statement of financial position		(139,491)	(154,933)

		2026	2025
		(Rupees in thousand)	
10.1.1	**For the year**		
	Salaries, wages and amenities include the following		
	in respect of employees' pension scheme:		
	Current service cost	6,583	9,520
	Interest cost	137,141	142,420
	Interest Income on plan assets	(155,755)	(185,527)
		(12,031)	(33,587)
	Remeasurements chargeable in other comprehensive income		
	Remeasurement of plan obligation:		
	Actuarial losses / (gains) from changes in financial assumptions	–	184,432
	Experience adjustments	20,978	5,581
		20,978	190,013
	Interest (expense) / income on plan assets	13,476	(14,938)
		34,454	175,075
10.1.2	The movement in present value of defined benefit		
	obligation is as follows:		
	Present value of defined benefit obligation at		
	beginning of year	1,241,582	1,031,486
	Current service cost	6,583	9,520
	Interest cost	137,141	142,420
	Benefits paid	(148,856)	(131,857)
	Benefits due but not paid	–	–
	Actuarial losses / (gains) from changes in		
	financial assumptions	–	184,432
	Experience adjustments	20,978	5,581
	Present value of defined benefit obligation at end of year	1,257,428	1,241,582
10.1.3	The movement in fair value of plan assets is as follows:		
	Fair value of plan assets at beginning of year	1,396,515	1,319,567
	Interest Income on plan assets	155,755	185,527
	Contributions	6,981	8,340
	Benefits paid	(148,856)	(131,857)
	Return on plan assets	(13,476)	14,938
	Fair value of plan assets at end of year	1,396,919	1,396,515
	Actual return on plan assets	142,279	200,465

		2026	2025
		(Rupees in thousand)	
10.1.4	Plan assets comprise of :		
	Term deposit receipts :		
	United Bank Limited	850,000	920,000
	Zarai Taraqiati Bank Limited	–	–
	Special Bank account:		
	NAFA Capital Protected Fund	480,268	440,206
	Accrued interest and bank balance:		
	Bank balances	49,675	14,947
	Accrued interest	15,199	19,585
	Advance income tax	1,777	1,777
	Less: payables	–	–
		1,396,919	1,396,515

Investments out of fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

10.1.5 Comparison of present value of defined benefit obligation, the fair value of plan assets and the resulting surplus or deficit of pension fund is as follows:

	2026	2025	2024	2023	2022
	(Rupees in thousand)				
Present value of defined benefit obligation	1,257,428	1,241,582	1,031,486	880,488	960,430
Less: Fair value of plan assets	(1,396,919)	(1,396,515)	(1,319,567)	(1,170,364)	(1,103,481)
(Surplus) / deficit	(139,491)	(154,933)	(288,081)	(289,876)	(143,051)
Experience adjustment on obligation	–	184,432	77,702	(143,808)	(218,848)
Return on plan assets, excluding interest income	(13,476)	14,938	74,741	29,747	(17,990)

Sensitivity analysis

The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation / asset to significant actuarial assumptions the same method (present value of the defined benefit obligation / asset calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation / asset recognised in the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

	2026	2025
	(Rupees in thousand)	
Discount rate + 100 bps	1,182	1,166
Discount rate - 100 bps	1,343	1,327
Salary increase + 100 bps	1,266	1,250
Salary increase - 100 bps	1,249	1,234
Indexation rate + 100 bps	1,351	1,334

10.1.6 The Group's net refund from the pension fund for the year ending June 30, 2027 is expected to be Rs. 10,014 thousand.

		2026	2025
		(Rupees in thousand)	
10.2	**Subsidiary staff retirement benefit plan - BCL**		
	Employees' defined benefit plan - liability	21,762	22,659
	Employees' defined benefit plan - asset	–	(20,058)

	2026		2025	
	Funded	Un-funded	Funded	Un-funded
	Executives' Gratuity	Non-Executives' Gratuity	Executives' Gratuity	Non-Executives' Gratuity
	(Rupees in thousand)			
Balance sheet reconciliation				
Present value of defined benefit obligation at end of year	–	(21,762)	(5,584)	(22,659)
Less: Fair value of plan assets at end of year	–	–	25,642	–
Surplus / (deficit)	–	(21,762)	20,058	(22,659)
Movement in the present value of defined benefit obligation				
Balances at beginning of year	5,584	22,659	10,102	21,867
Benefits paid by the plan	(7,677)	(2,945)	(4,352)	(1,984)
Current service costs	219	1,034	291	1,050
Interest cost	661	2,550	1,143	3,251
Actuarial (gain) / loss arising from experience adjustment	1,213	(1,536)	(1,600)	(1,525)
Balance at end of year	–	21,762	5,584	22,659
Movement in the fair value of plan assets				
Balance at beginning of year	25,642	–	27,283	–
Contributions (refunded) / paid into the plan	(18,663)	–	143	–
Benefits paid by the plan	(7,677)	–	(4,352)	–
Interest income	2,890	–	3,509	–
Remeasurement	(2,192)	–	(941)	–
Balance at end of year	–	–	25,642	–

	2026		2025	
	Funded	Un-funded	Funded	Un-funded
	Executives' Gratuity	Non-Executives' Gratuity	Executives' Gratuity	Non-Executives' Gratuity
	(Rupees in thousand)			
Expense / (income) recognised in profit and loss account				
Current service costs	219	1,034	291	1,050
Net Interest (income) / cost	(2,229)	2,550	(2,366)	3,251
(Income) / expense recognised in profit or loss	(2,010)	3,584	(2,075)	4,301
Remeasurement recognised in other comprehensive income				
Experience (gains) / losses	1,213	(1,536)	(1,600)	(1,525)
Remeasurement of fair value of plan assets	2,192	-	941	-
Remeasurements	3,405	(1,536)	(659)	(1,525)
Net recognised liability / (asset)				
Net recognised (asset) / liability at beginning of year	(20,058)	22,659	(17,181)	21,867
(Income) / expense recognised in profit or loss	(2,010)	3,584	(2,075)	4,301
Contribution refunded / (made) during the year to the Fund	18,663	(2,945)	(143)	(1,984)
Remeasurements recognised in other comprehensive income / (loss)	3,405	(1,536)	(659)	(1,525)
Recognised (asset) / liability at end of year	–	21,762	(20,058)	22,659
Plan assets comprise of following:				
Mutual funds	–	–	25,000	–
Cash at bank	–	–	642	–
Total plan asset	–	–	25,642	–
Actuarial assumptions				
Discount rate	12.50%	11.75%	11.75%	11.75%
Future salary increases	12.00%	10.75%	11.75%	10.75%

Mortality was assumed to be SLIC (2001-2005) table.

	2026	2025
	(Rupees in thousand)	
Maturity profile of the defined benefit obligation		
Distribution of timing of benefit payments		
One year	5,755	3,137
Two years	6,437	6,150
Three years	662	6,853
Four years	2,509	819
Five years	2,666	2,802
Six years to ten years	9,722	21,137

		Impact on defined benefit obligation	
	Change in assumption	Increase in assumption	Decrease in assumption
Sensitivity analysis for actuarial assumptions			
Discount rate at June 30, 2026	0.50%	(569)	608
Future salary increases	0.50%	662	(624)

There is no significant change in the obligation if life expectancy increases by 1 year.

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the liabilities recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

	2026	2025	2024	2023	2022
	(Rupees in thousand)				
Executives' gratuity fund					
Fair value of plan assets	–	25,642	27,283	35,792	38,871
Present value of the defined benefit obligation	–	(5,584)	(10,102)	(15,194)	(20,501)
Surplus	–	20,058	17,181	20,598	18,370
Experience adjustments on plan obligations - (gain) / loss	1,213	(1,600)	6,851	(433)	(1,841)
Experience adjustments on plan assets - gain / (loss)	(2,192)	(941)	220	(858)	1,906
Non-Executives' gratuity fund					
Present value of the defined benefit obligations	(21,762)	(22,659)	(21,867)	(26,981)	26,004
Experience adjustments on plan obligations	(1,536)	(1,525)	(4,443)	1,180	(5,694)

The weighted average duration of the plans are as follows:

	2026	2025
	Number of years	
Executives' gratuity fund	–	4.73
Non-executives' gratuity	5.4	5.56

Amounts in this note are based on the latest actuarial valuation carried out as at June 30, 2026.

10.3 Risks on account of defined benefit plan

The Group faces the following risks on account of defined benefit plan:

Final salary risk (linked to inflation risk) - The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

Asset volatility - Most assets are invested in risk free investments of 3 year Special Savings Certificates. However, instruments in Open-ended Mutual Funds is subject to adverse fluctuation as a result of change in market price.

Discount rate fluctuation - The plan liabilities are calculated using discount rate set with reference to market yields on government bonds. A decrease in market yields on government bonds will increase plan liabilities, although this will be partially offset by increase in the value of the current plan's bond holdings.

Risk of insufficiency of assets - This is managed by making regular contribution to the fund as advised by the actuary.

Demographic risks:

- Mortality risk - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.
- Withdrawal risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.
- Investment risk - The risk of the investment underperforming and being not sufficient to meet the liabilities.

		Note	2026	2025
			(Rupees in thousand)	
11	**Long term deposits**			
	Long-term deposits	11.1	16,898	15,698
	Employee deposits under vehicle scheme	11.2	113,526	81,380
			130,424	97,078

11.1 These represent security deposits received from dealers which, by virtue of agreement, are interest free. These are repayable on cancellation of dealership contract with dealers and cannot be utilized for the purpose of the business. These have been kept in separate bank account in accordance with the requirements of the section 217 of the Companies Act, 2017.

11.2 These represent deposits by employees under car and motorcycle scheme of the Company amounting to Rs. 113,526 thousand (2025: Rs. 81,380 thousand) and carry no markup.

Notes to the Consolidated Financial Statements

For the year ended June 30, 2026

		Note	2026	2025
			(Rupees in thousand)	
12	**Deferred tax liabilities - net**			
	The liabilities / (asset) for deferred tax comprises temporary differences relating to:			
	Taxable temporary differences:			
	Accelerated tax depreciation		232,313	238,265
	Change in fair value of investments		1,188,305	1,059,944
	Worker's profit participation fund (WPPF)		8,739	8,552
			1,429,357	1,306,761
	Deductible temporary differences:			
	Accumulating compensated absences		(128,184)	(126,015)
	Provision for Worker Welfare Fund		(1,944)	(57,706)
	Lease liabilities		(6,083)	–
	Provision for warranty		(971)	(6,952)
	Unused tax losses	12.1	–	(3,290)
	Unrealised gain on closing stock-in-trade		(29,978)	11,824
	Provision for impairment of intangible		–	–
	Provision for retirement benefit obligations		(10,930)	(15,876)
	Provision for slow moving stores		(1,275)	(1,400)
			(179,365)	(199,415)
	Net deferred tax liability at the year end		1,249,992	1,107,346

12.1 Reconciliation of deferred tax liabilities - net

	Unrealised gain on closing stock -in-trade	Accelerated tax depreciation	Change in fair value of investments	Accumulating compensated absences	Provisions	Unused tax losses	Net liability / (asset)
	(Rupees in thousand)						
Balance as at June 30, 2024	(66,512)	200,426	1,121,631	(25,177)	(24,263)	(3,743)	1,202,362
Tax (income) / expense during the year recognised in							
- profit or loss	51,801	47,782	–	(102,536)	(37,149)	(454)	(40,556)
- Other comprehensive income	–	–	(61,686)	–	721	–	(60,965)
Balance as at June 30, 2025	(14,711)	248,208	1,059,945	(127,713)	(60,691)	(4,197)	1,107,346
Tax expense / (income) during the year recognised in							
- profit or loss	(41,802)	(5,954)	–	(2,169)	55,789	3,287	9,151
- Other comprehensive income	–	–	128,361	–	5,134	–	133,495
Balance as at June 30, 2026	(56,513)	242,254	1,188,306	(129,882)	232	(910)	1,249,992

		Note	2026	2025
			(Rupees in thousand)	
13	**Trade and other payables**			
	Trade creditors		3,658,209	3,900,283
	Accrued liabilities		794,317	454,356
	Bills payable		148,865	419,949
	Security deposits	13.1	462,434	243,765
	Trademark fee payable		615,210	507,065
	Income tax deducted at source		1,432	513
	Workers' Welfare Fund		294,906	162,716
	Accrued markup on running finance		286,463	587,858
	Payable against sale tax withheld		148,518	71,461
	Others		171,841	108,887
			6,582,195	6,456,853

13.1 These represent security deposits from dealers and contractors against short term agreements for goods to be delivered or sold to the dealers which, by virtue of the agreements, are interest free, repayable on demand and are used in the Group's business. As at year end, the Group has utilized these security deposits for business operations of the Group in accordance with the terms of the contract in writing.

14 Contract liabilities

14.1 These represent amounts received in advance from customers against performance obligations / sales made in subsequent periods and carry no mark-up and are unsecured. Further, as referred in note 33 to these consolidated financial statements, these also include an amount of Rs. 182,121 thousand (2025: Rs. 685,585 thousand) representing cheques in hand at the reporting date.

Customers who have given advances for tractor sales, are entitled to discount at the rate of Karachi Inter Bank Offered Rate ('KIBOR') plus 3% per annum, from the date of advance payment to the date of delivery exceeding 60 days of initial booking, subject to certain other conditions.

14.2 Revenue recognised during the year that was included in the contract liability balance at the beginning of the year amounted to Rs. 1,637,818 thousand (2025: 3,011,306 thousand).

		Note	2026	2025
			(Rupees in thousand)	
15	**Short term borrowings**			
	Short term running finance	15.1	9,605,295	14,036,499
	Money Market Loan	15.2	1,000,000	–
	Istisna / Musawammah facility	15.3	–	4,870
	Istisna-cum-Wakala arrangement	15.3	60,000	75,000
			10,665,295	14,116,369

15.1 The Group has obtained short-term borrowing facilities from various banks to meet its working capital requirements against aggregate sanctioned limit of Rs. 23,900,000 thousand (2025: Rs. 22,500,000 thousand) out of which Rs. 14,294,705 thousand (2025: Rs. 8,966,232 thousand) remained unutilized as at the reporting date. The rates of mark up range from KIBOR 0.03% to KIBOR + 0.40% (2025: KIBOR - 3.5% to KIBOR + 0.40%) per annum.

Out of the above mentioned authorized limit, an amount of Rs. 9,500,000 thousand (2025: Rs. 6,500,000 thousand) has been obtained under Islamic mode of financing.

15.2 The Group has obtained money market loan to meet its working capital requirements against sanctioned limit of Rs. 1,700,000 thousand (2025: Rs. 1,700,000 thousand) out of which Rs. 700,000 thousand (2025: Rs. 1,700,000 thousand) remained unutilized as at the reporting date. The rate of mark up on money market loan is 1 Month KIBOR.

15.3 The Group has also obtained finance under Istisna-cum-Wakala arrangement from a commercial bank amounting to Rs. 60,000 thousand (2025: Rs. 75,000 thousand) and Istisna / Musawammah arrangement from another commercial bank amounting to Rs. 100,000 thousand (2025: Rs. 100,000 thousand). The profit rates on these facilities are 6 months KIBOR plus 2.25% (2025: 6 months KIBOR plus 2.25%) and 6 month KIBOR plus 1% (2025: 6 month KIBOR plus 1%) per annum respectively. They are secured by way of hypothecation charge over fixed assets and current assets of the Group amounting to Rs. 333,330 thousand and hypothecation charge over present and future stocks and book debts with 25% margin respectively. Amount utilised as at June 30, 2026 is Rs. 60,000 thousand (2025: Rs. 75,000 thousand) and Nil (2025: Rs. 4,870 thousand) respectively.

15.4 The Group has facilities for opening of letters of credit and guarantees aggregating to Rs. 10,094,260 thousand (2025: Rs. 8,403,190 thousand) out of which Rs. 2,100,000 thousand (2025: Rs. 1,600,000 thousand) have been obtained under Islamic mode of financing. At year end, the unutilized portion of the group-wide facilities for opening of letters of credit and guarantees aggregated to Rs. 6,487,193 thousand (2025: Rs. 5,693,283 thousand). These facilities are secured by pari passu hypothecation charge over current assets and book debts of the Group, lien over import documents and counter guarantees.

		2026	2025
		(Rupees in thousand)	
16	**Current portion of non - current liabilities**		
	Current portion of term finances - secured	194,433	486,046
	Current portion of deferred grant	2,049	3,597
	Current portion of lease liabilities against right-of-use assets	5,524	3,548
	Current portion of long term deposit	306	220
		202,312	493,411

17 Contingencies and commitments

17.1 Contingencies

17.1.1 Holding Company

17.1.1.1 The Income tax department has disputed the Company's treatment on certain tax matters relating to certain tax years from 2012 till 2021, entailing a possible additional tax liability of Rs. 4,967,704 thousand (2025: Rs. 2,967,540 thousand). These primarily include disallowances made by tax authorities in respect of apportionment of expenses to export sales, super tax liability effect, tax refunds / adjustments claimed by the Company, consumption of stock and consequently value of closing stock claimed by the Company, salaries and wages, import and domestic purchases etc. Both the Company and the Income tax department are currently in appeal at different forums regarding the tax matters, while certain tax matters have been remanded back to the Commissioner Inland Revenue level for reassessment. Decisions regarding these tax matters are still pending. The management in consultation with their tax advisor is confident that all the tax matters will eventually be decided in the favor of the Company; therefore no provision has been deemed necessary and / or made in these financial statements.

17.1.1.2 The Income tax department has disputed the Company's payment against Workers' Welfare Fund for years 2014 to 2024 and thereby created a demand of Rs. 2,421,926 thousand (2025: Rs. 268,452 thousand) under section 4(9) of Workers Welfare Fund Ordinance, 1971. The Company has submitted its response on the aforementioned order to the Income tax department which is currently pending a response. No further proceedings has been initiated to date by the department. The management in consultation with their tax advisor is confident that the matter will eventually be decided in the favor of the Company; therefore no provision has been made in these financial statements.

17.1.1.3 The Company is involved in various sales tax proceedings relating to the alleged non-payment of sales tax on warranty parts supplied under tractor warranty arrangements. For the tax years 2008 to 2010, an amount of Rs. 78,548 thousand is pending before the Lahore High Court following an appeal filed by the tax authorities against the decision of the Appellate Tribunal Inland Revenue. For the tax years 2012 to 2014, an amount of Rs. 29,413 thousand is pending before the Lahore High Court pursuant to a Sales Tax Reference filed by the Company against the decision of the Appellate Tribunal Inland Revenue. During the year, the Company received a Show Cause Notice in respect of the tax years 2021 to 2025 involving an amount of Rs. 51,498 thousand relating to input tax claimed on warranty parts, which is currently pending adjudication before the Deputy Commissioner Inland Revenue. The aggregate amount involved in these matters is Rs. 159,459 thousand. The cases are currently being pursued before the relevant judicial and tax authorities. The management and the legal advisor are confident of a favorable outcome in the case; therefore no provision has been made in these financial statements.

17.1.1.4 The Company has received a show cause notice alleging non-payment of Federal Excise Duty of Rs. 276,056 thousand on franchise fees/royalties paid to Massey Ferguson for tax years 2021 to 2025. A penalty of Rs. 13,803 thousand has also been proposed in this regard. The Company has submitted its response, and the matter is currently pending adjudication before the Deputy Commissioner Inland Revenue. The management and the legal advisor are confident of a favorable outcome in the case; therefore no provision has been made in these financial statements.

17.1.1.5 The show cause proceedings were initiated against the Company by the Competition Commission of Pakistan ('CCP') on September 08, 2021 under the Competition Act, 2010. The Company has filed a writ petition before the Islamabad High Court against the CCP. The matter is pending adjudication. The management and the legal advisor are confident of favorable outcome of the case, hence no provision in this regard has been made in these financial statements.

Subsidiaries

17.1.2 Bolan Castings Limited

17.1.2.1 In a suit filed against the Company before the Senior Civil Judge at Hub Baluchistan, Altaf Hussain Agha (the Plaintiff) claims that in the year 2004 the Company allegedly encroached upon the land measuring 5 acres - 2 roads - 34 poles belonging to him that he purchased in year 2003. The Plaintiff has also sought mesne profits from the Company for such alleged encroachment. The Company claims ownership to the said piece of land and disputes the alleged encroachment claim whatsoever. The written statement of the Company was filed, the issues were framed and the Plaintiff had produced his witnesses. However, suit was decreed against the Company by the Senior Civil Judge. The original order was challenged by the Company before Baluchistan High Court, which suspended the said order. In November 2019, the Government of Baluchistan enhanced the limit of session courts from claims of Rs. 50,000 thousand to Rs. 100,000 thousand. Hence, the case of the Company was transferred to Session Court, Hub on November 21, 2019. The Company's appeal was dismissed by Senior Civil Judge on August 18, 2020. The Company decided to file an appeal against the order in Baluchistan High Court Quetta on September 08, 2020 for revision and suspension of the order.

During the year, the High Court, via an order dated 06 March 2026, set aside the judgments and decrees of the courts below and remanded the matter to the trial court for fresh adjudication after providing both parties an opportunity to produce evidence and be heard in accordance with law. Consequently, the civil suit is pending adjudication before the trial court. The exposure on account of profits claimed under the suit amounts to Rs. 126,000 thousand (2025: Rs. 126,000 thousand). The management of the Company based on the views of its legal advisor is confident that decision will be given in favor of the Company and therefore, no provision has been made in these financial statements.

17.1.3 Millat Industrial Products Limited

17.1.3.1 Demand of Rs. 5,436 thousand was created vide order dated June 29, 2021 u/s 124/129/122 for the year 2013. CIR(A) vide appellate order dated 28 April 2022 has deleted the addition and directed to adjust carried forward refunds against demand as claimed in the return. Appeal effect order has not yet been issued. Prima facie no tax demand is anticipated.

17.1.3.2 Proceedings under Section 122(5A) for Tax Year 2015 were finalized by the Additional Commissioner on May 5, 2021, resulting in a tax demand of Rs. 17,937 thousand. The Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)], who, vide order dated December 3, 2021, deleted the major additions and remanded one issue for reconsideration. Consequently, based on the appellate order and its effect, the expected tax liability was reduced to Rs. 6 thousand. However, while giving effect to the appellate order, the Additional Commissioner created a tax demand of Rs. 13,404 thousand by disallowing the tax credit under Section 65B, denying adjustment of refunds relating to previous tax years despite the Company's application for refund under Section 170 of the Income Tax Ordinance, 2001, and disregarding Workers' Welfare Fund (WWF) already paid. The Company filed both a rectification application and an appeal before the CIR(A) against the said order. The CIR(A) subsequently deleted the tax demand of Rs. 13,404 thousand, remanded the matter to the assessing officer, and directed that the record be re-examined and the tax credit adjustment be allowed in accordance with the law.

During the subsequent reassessment proceedings, the Additional Commissioner failed to comply with the directions of the CIR(A) and once again created an unsustainable tax demand of Rs. 13,404 thousand by disallowing the tax credit under Section 65B and denying adjustment of refunds from previous years, notwithstanding the Company's refund application filed under Section 170 of the Income Tax Ordinance, 2001. The Company has again filed an appeal before the Commissioner Inland Revenue (Appeals) against the order of the Additional Commissioner. Based on the merits of the case and the previous appellate decisions, management believes that no tax liability is likely to arise, and there is a significant likelihood of a favourable decision for the company. Accordingly, no provision has been made in these financial statements.

17.1.3.3 Proceeding finalized u/s 122(1)/177 of tax year 2016 vide order dated June 01,2021 creating demand Rs.173,761 thousand The Company had filed appeal to CIR(A) who vide order dated 09.12.2021 deleted the material additions and set aside partial issues. The Company has filed appeal to ATIR against partial set-aside order of CIR(A). On the basis of available records and history of assessment, prima facie the re assessment is expected in favor of the company.

17.1.3.4 Proceeding finalized u/s 122(1)/177/214C of tax year 2017, vide order dated June 25, 2021 creating demand Rs.184,514 thousand. The Company had filed appeal to CIR(A) who vide order dated 03.01.2022 deleted the material additions and set aside partial issues. On the basis of available records and history of assessment, prima facie the re-assessment is expected in favor of the Company. No tax liability is anticipated.

17.1.3.5 Proceedings were finalized under sections 122(1)/177/214C for the tax year 2018, with an order dated 30 Sep, 2022, creating a demand of Rs. 206,769 thousand. The Company filed an appeal to the CIR(A), who, through an order dated 31 March, 2023, deleted the material additions and reduced the demand to Rs. 24,854 thousand, while setting aside partial issues. The Company then appealed to the Income Tax Appellate Tribunal against the decision of the CIR(A). The ATIR, in its order dated 20 March, 2024, remanded the case back, instructing the assessing officer to recheck the company records and pass a speaking order, as no prima facie errors were found in the records and is expected in favor of the company. Hence, no tax liability is anticipated.

17.1.3.6 Proceedings for the tax year 2019 were finalized under sections 122(1)/177/214C with an order dated 03 Oct, 2022, creating a demand of Rs. 191,460 thousand. The Company appealed to the CIR(A), who, in an order dated 31-05-2023, deleted the material additions, reduced the demand to Rs. 126 thousand, and set aside partial issues. The Company then appealed to the Income Tax Appellate Tribunal against the CIR(A)'s decision. The ATIR, in its order dated 20-03-2024, remanded the case back, directing the assessing officer to recheck the company records and issue a speaking order, as no prima facie errors were found in the records and is expected in favor of the company. Hence, no tax liability is anticipated.

17.1.3.7 Proceeding finalized u/s 221(1) of tax year 2021, vide order dated 11 Aug, 2022 creating demand of Rs. 3,062 thousand. The Company had filed appeal to CIR(A).Commissioner Appeals vide order dated 23 Aug 2023 remanded it back to assessing officer to credit to taxpayer as per law. On the basis of available records and history of assessment, prima facie the re-assessment is expected in favor of the Company. No tax liability is anticipated.

17.1.3.8 The Company received notice from the Directorate of Intelligence and Investigation – Federal Board of Revenue (FBR), Karachi on April 28, 2017. In the said notice it was alleged that the Company had purchased goods from a dummy / fake supplier who got registered with the Regional Tax Officers at Karachi and issued fake sales tax invoices to the Company and accordingly the Company has claimed illegal / inadmissible input tax adjustment amounting to Rs 2,439 thousand. As a result the name of the Company was included in the First Information Report (FIR) No. 678(931)/I&I/IR/KHI(AB-521)/2016/3617 dated 28-04-2017 registered by the Additional Director, Intelligence and Investigation - FBR, Karachi. Total demand raised against the Company is Rs. 2,439 thousand which the FBR allowed to deposit in two equal instalments of which first instalment of Rs. 1,219 thousand was deposited on June 16, 2017 and second Installment of Rs. 1,220 thousand was deposited on September 25, 2017 by the Company. The legal advisor of the Company has stated that the Company has "Good case & chances of success are bright".

17.1.3.9 A Sales Tax Audit under section 25(3) of the Sales Tax Act, 1990, for the years 2017-2020 was initiated by the FBR (Inland Revenue) on 14-12-2021. The Company filed writ petition no. 35175/2021 before the Hon'ble Lahore High Court, Lahore, seeking an interlocutory injunction and interim relief against proceedings pursuant to section 25 of the Act. The Honorable Lahore High Court, Lahore, issued an order dated 04-06-2021, suspending the operations of the impugned notices. The appeal is currently pending adjudication before the Honorable Lahore High Court. According to the Company's legal advisor, there is a significant likelihood of a favorable decision for the Company.

17.1.3.10 The Competition Commission of Pakistan imposed a penalty of Rs. 2,300 thousand on the Company on March 30, 2018, for allegedly engaging in deceptive marketing practices. The Company contested this decision before the Competition Appellate Tribunal in Islamabad, asserting that it was not involved in any deceptive marketing practices. However, on April 17, 2024, the Tribunal upheld the penalty against the Company.

Under the Competition Act of 2010, the Company filed an appeal with the Honorable Supreme Court of Pakistan. On June 11, 2024, the Supreme Court granted a stay and suspended the impugned judgment of the Competition Appellate Tribunal. The Company's legal advisor believes there is a strong chance of winning the case, and no liability is anticipated.

17.1.3.11 Pursuant to the order dated 28-02-2025, proceedings under Section 11E of the Sales Tax Act, 1990 were finalized, whereby the Deputy Commissioner Inland Revenue (DCIR) raised a tax demand of Rs. 76,179 thousand against MIPL during the tax period January 2022 to August 2024. The basis of the demand was the alleged inadmissible input tax claimed on purchases made from M/s Vohra Metal Industries (Pvt.) Limited. Aggrieved by the order, the Company has filed an appeal before the Appellate Tribunal Inland Revenue under Section 46 of the Sales Tax Act, 1990. In its defence, the Company has submitted all necessary documentation and a detailed written response, asserting that the purchases were made from a duly registered sales tax entity. During the relevant period, the supplier remained active and operative on the FBR's Active Taxpayer List (ATL). All payments for the purchases were made through proper banking channels—including crossed cheques, pay orders, IBFTs, and RTGS—in strict compliance with Section 73 of the Sales Tax Act, 1990. The Company has substantiated the transactions with verifiable records such as weighing slips, gate passes, goods receipt notes (GRNs), and material consumption records. It has strongly refuted any implication of involvement in fake or fictitious invoicing.

Additionally, the Company withheld and deposited 80% of the applicable sales tax in accordance with the Eleventh Schedule of the Sales Tax Act, 1990, amounting to Rs. 32,605 thousand for the period under review. However, this crucial fact was not taken into consideration by the DCIR in the assessment proceedings. The Company maintains that it has fully complied with all relevant provisions of the Sales Tax Act, 1990. The Appellate Tribunal Inland Revenue (ATIR), vide its order dated August 22, 2025, allowed the Company's appeal and annulled the order passed by the Deputy Commissioner Inland Revenue (DCIR) bearing Order No. 18/2025 dated February 28, 2025. Consequently, the tax demand raised by the DCIR was deleted, and likely to be decided in favor of the Company. Accordingly, no tax liability arises in respect of this matter.

17.1.3.12 Pursuant to the order dated 28-02-2025, proceedings under Section 11E of the Sales Tax Act, 1990 were finalized, whereby the Deputy Commissioner Inland Revenue (DCIR) raised a tax demand of Rs. 124,917 thousand against MIPL during the tax period June 2022 to August 2024. The basis of the demand was the alleged inadmissible input tax claimed on purchases made from M/s Hermes Industries (Pvt.) Limited. Aggrieved by the order, the Company has filed an appeal before the Appellate Tribunal Inland Revenue under Section 46 of the Sales Tax Act, 1990. In its defence, the Company has submitted all necessary documentation and a detailed written response, asserting that the purchases were made from a duly registered sales tax entity. During the relevant period, the supplier remained active and validly listed on the FBR's Active Taxpayer List (ATL). All payments for the purchases were made through proper banking channels - including crossed cheques, pay orders, IBFTs, and RTGS - in strict compliance with Section 73 of the Sales Tax Act, 1990. The Company has substantiated the transactions with verifiable records such as weighing slips, gate passes, goods receipt notes (GRNs), and material consumption records.

It has strongly refuted any implication of involvement in fake or fictitious invoicing. Additionally, the Company withheld and deposited 80% of the applicable sales tax in accordance with the Eleventh Schedule of the Sales Tax Act, 1990, amounting to Rs.19,774 thousand for the period under review. However, this crucial fact was not taken into consideration by the DCIR in the assessment proceedings. The Company maintains that it has fully complied with all relevant provisions of the Sales Tax Act, 1990. Appellate Tribunal Inland Revenue (ATIR), vide its order dated September 11, 2025, allowed the Company's appeal and annulled/cancelled the order passed by assessing officer. Consequently, the tax demand raised by the assessing officer was deleted, and likely to be decided in favor of the Company. Accordingly, no tax liability arises in respect of this matter.

17.1.3.13 The Deputy Commissioner Inland Revenue (DCIR), vide Order No. 02/2025 dated July 25, 2025, raised a sales tax demand of Rs. 3,231 thousand by alleging a violation of Section 11E of the Sales Tax Act, 1990, on the grounds that the Company had failed to comply with the requirements of Section 73 of the Act in respect of transactions with M/s Kingpin Industries (Private) Limited. The Company maintains that it has duly complied with all applicable statutory requirements, including the provisions of Section 73 of the Sales Tax Act, 1990, and that the impugned demand is without merit. The Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) challenging the said order, which is currently pending adjudication. Based on the merits of the case and the opinion of the Company's legal advisor, management believes that the appeal is likely to be decided in the Company's favour.

17.2 Commitments

17.2.1 The Group has provided guarantee amounting to Rs. 5,000 thousand (2025: Rs.5,000 thousand) to banks for repayment of loan by employees. At June 30, 2026 an amount of Rs. 460 thousand (2025: Rs. 485 thousand) was utilized by employees.

17.2.2 Guarantees issued by various banks on behalf of the Group in the normal course of business amount to Rs. 1,783,744 thousand out of which Rs. 26,240 thousand relates to Sui Northern Gas Pipelines Limited (2025: Rs. 26,242 thousand).

17.2.3 Commitments in respect of outstanding letters of credit for import of raw material amounting to Rs. 1,975,107 thousand (2025: Rs. 2,124,890 thousand) at the reporting date.

17.2.4 The Group has a commitment to deliver tractors against booking orders amounting to Rs. 131,486 thousand (2025: Rs. 36,165 thousand) other than those reflected in note 14.

		Note	2026	2025
			(Rupees in thousand)	
18	**Property, plant and equipment**			
	Operating fixed assets	18.1	2,788,975	1,975,157
	Capital work-in-progress	18.2	121,534	113,346
			2,910,509	2,088,503

18.1 Operating fixed assets

	Land (Note 18.1.2 & 18.1.3)		Buildings		Owned					
	Freehold	Lease-hold	On freehold land	On leasehold land	Plant and machinery	Furniture and office equipment	Vehicles	Tools and equipment	Computers	Total
	(Rupees in thousand)									
Net book value basis										
Year ended June 30, 2026										
Opening Net Book Value	119,691	8	295,697	–	944,752	79,975	399,644	115,605	19,785	1,975,157
Additions (at cost)	624,862	–	7,019	–	157,615	18,179	309,985	7,456	11,989	1,137,105
Disposals (at NBV)	–	–	–	–	(28)	(26)	(48,320)	–	(1,088)	(49,462)
Adjustments	–	–	–	–	(1)	–	1,680	–	(195)	1,484
Transfer to investment property	–	–	–	–	–	–	–	–	–	–
Write offs	–	–	–	–	–	–	–	–	–	–
Depreciation charge	–	–	(25,529)	–	(107,454)	(11,968)	(105,207)	(17,359)	(7,792)	(275,309)
Closing Net Book Value	744,553	8	277,187	–	994,884	86,160	557,782	105,702	22,699	2,788,975
Gross book value basis										
As at June 30, 2026										
Cost	744,553	8	785,590	2,900	2,215,638	186,952	890,505	262,984	97,153	5,186,283
Accumulated depreciation	–	–	(508,403)	(2,900)	(1,220,754)	(100,792)	(332,723)	(157,282)	(74,454)	(2,397,308)
Net Book Value	744,553	8	277,187	–	994,884	86,160	557,782	105,702	22,699	2,788,975
Depreciation rate % per annum			5-10	5	10-15	10-33	20	10-20	30-33	
Net book value basis										
Year ended June 30, 2025										
Opening Net Book Value	119,691	8	317,461	–	677,930	64,967	459,854	217,704	15,529	1,873,144
Additions (at cost)	–	–	7,188	–	268,046	25,204	109,530	15,754	9,357	435,079
Disposals (at NBV)	–	–	–	–	(125)	(165)	(78,255)	(70)	(1,403)	(80,018)
Adjustments	–	–	–	–	91,694	–	1,469	(99,216)	3,921	(2,132)
Transfer to investment property	–	–	–	–	–	–	–	–	–	–
Write offs	–	–	–	–	–	–	–	–	–	–
Depreciation charge	–	–	(28,952)	–	(92,793)	(10,031)	(92,954)	(18,567)	(7,619)	(250,916)
Closing Net Book Value	119,691	8	295,697	–	944,752	79,975	399,644	115,605	19,785	1,975,157
Gross book value basis										
As at June 30, 2025										
Cost	119,691	8	780,808	2,900	2,058,277	170,014	672,422	255,527	88,637	4,148,284
Accumulated depreciation	–	–	(484,992)	(2,900)	(1,113,525)	(90,271)	(272,662)	(139,922)	(68,855)	(2,173,127)
Net Book Value	119,691	8	295,816	–	944,752	79,743	399,760	115,605	19,782	1,975,157
Depreciation rate % per annum			5-10	5	10-15	10-33	20	10-20	30-33	

		Note	2026	2025
			(Rupees in thousand)	
18.1.1	The depreciation charge for the year has been allocated as follows:			
	Cost of sales	35	151,315	140,626
	Distribution and marketing expenses	36	7,413	11,473
	Administrative expenses	37	116,581	98,816
			275,309	250,915

18.1.2 The freehold land and building on owned land of the Group are as follows:

- 202,343 square meters of factory land situated at Sheikhupura Road, Sheikhupura - MTL;
- 759 square meters of land at Khera Gali District Abbottabad - MTL;
- 697 square meters of land in sector F-6/1 Islamabad - MTL;
- Corporate office floors in Tricon Corporate Centre Lahore - MTL;
- 100.9 Kanals of factory land and head office, situated at Mauza Bhoptian, Tehsil and District Lahore - MTL;
- 52 Kanals and 10 Marlas is located at 49-K.M., off Multan Road, Bhai Pheru, District Kasur - MIPL; and
- 22.93 acres of factory land situated at Main RCD Highway, Hub Chowki, Tehsil Hub, District Lasbella, Baluchistan - BCL

18.1.3 Leasehold property represents Igloo Hanger Godown measuring total area of 6,662 square meters situated near Brooke Bond factory SITE area, Karachi.

18.1.4 Disposal of operating fixed assets

Particulars of asset	Sold to	Mode of disposal	Cost	Book value	Sale proceeds	Gain on disposal
			(Rupees in thousand)			
Fixed assets sold having book value greater than Rs. 500,000						
	Directors:					
Vehicle	Mr. Laeeq Ud Din Ansari – a related party	As approved by the BOD	22,400	13,415	13,415	–
	Employees :					
Vehicle	Mr. Muhammad Irfan Daha	Company car scheme	6,621	4,127	4,127	–
Vehicle	Mr. Waqas Khurram Qureshi	Company car scheme	3,166	2,903	2,903	–
Vehicle	Ms. Sumera Nazir	Company car scheme	2,612	1,690	1,690	–
Vehicle	Ms. Ansa Batool	Company car scheme	2,754	1,507	1,507	–
Vehicle	Mr. Rana Ijaz Hussain	Company car scheme	2,020	1,481	1,481	–
Vehicle	Mr. Aftab Khurshid Warraich	Company car scheme	2,612	1,480	1,480	–
Vehicle	Mr. Muhammad Sikander Khan Afridi	Company car scheme	2,487	1,436	1,436	–
Vehicle	Mr. Shahzad Mehmood	Company car scheme	2,487	1,263	1,263	–
Vehicle	Mr. Muhammad Kashif	Company car scheme	2,487	1,238	1,238	–
Vehicle	Mr. Rashid Ahmad	Company car scheme	2,543	843	843	–
Vehicle	Mr. Rashid Javed	Company car scheme	2,543	843	843	–
		C/F	54,732	32,226	32,226	–

Particulars of asset	Sold to	Mode of disposal	Cost	Book value	Sale proceeds	Gain on disposal
			(Rupees in thousand)			
		B/F	54,732	32,226	32,226	–
Vehicle	Mr. Muhammad Imran	Company car scheme	2,543	843	843	–
Vehicle	Mr. Rizwan Ali Sultan	Company car scheme	1,780	681	681	–
Vehicle	Mr. Tauqeer Ahmad	Company car scheme	820	602	602	–
Vehicle	Mr. Najib Arif	Company car scheme	820	602	602	–
Vehicle	Mr. M. Usman Iftekhar	Company car scheme	1,780	591	591	–
Vehicle	Mr. Zishan Arif	Company car scheme	1,780	590	590	–
Vehicle	Mr. Farooq Usmani	Company car scheme	1,780	589	589	–
Vehicle	Mr. Muhammad Shamroz Khan	Company car scheme	1,780	587	587	–
Vehicle	Mr. Muhammad Akmal	Company car scheme	1,780	587	587	–
Vehicle	Mr. Rana Shehzad Ahmed	Company car scheme	1,745	574	574	–
Vehicle	Mr. Mukkaram Yousaf	Company car scheme	1,433	572	572	–
Vehicle	Mr. Nasir Jamshed	Company car scheme	1,335	538	538	–
Vehicle	Mr. Sadam Bajwa	Company car scheme	714	533	533	–
Fixed assets sold having book value less than Rs. 500,000			24,984	9,347	10,045	698
Year ended: June 30, 2026			99,806	49,462	50,160	698
Year ended: June 30, 2025			170,500	80,018	80,285	267

		Note	2026	2025
			(Rupees in thousand)	
18.2	**Capital work in progress**			
	Plant and machinery		118,314	113,346
	Factory building		3,220	–
		18.2.1	121,534	113,346
18.2.1	Movement in capital work in progress is as follows:			
	Opening balance		113,346	88,079
	Additions during the year		863,684	284,971
	Capitalized during the year		(855,495)	(259,704)
			121,535	113,346
19	**Right-of-use assets**			
	Opening net book value		1,444	6,730
	Recognition during the year		18,922	–
	Depreciation charged during the year	36	(5,123)	(5,286)
	Closing net book value		15,243	1,444
20	**Intangible assets**			
	Software and licenses	20.1	7,860	15,720

20.1 Software and licenses

	Note	Software with definite life	Licenses	Total
		(Rupees in thousand)		
Net carrying value basis:				
Opening net book value as at June 30, 2025		–	15,720	15,720
Amortization charge	35 & 37	–	(7,860)	(7,860)
As at June 30, 2026		–	7,860	7,860
Gross carrying value basis:				
As on June 30, 2026				
Cost		14,610	39,300	53,910
Accumulated amortization		(14,610)	(31,440)	(46,050)
		–	7,860	7,860
Net carrying value basis:				
Opening net book value as at June 30, 2024		–	23,580	23,580
Amortization charge	35 & 37	–	(7,860)	(7,860)
As at June 30, 2025		–	15,720	15,720
Gross carrying value basis:				
As on June 30, 2025				
Cost		14,610	39,300	53,910
Accumulated amortization		(14,610)	(23,580)	(38,190)
		–	15,720	15,720
Rate of amortization		33%	20%	

		Note	2026	2025
			(Rupees in thousand)	
21	**Investment property**			
	Land		41,597	41,597
	Provision for impairment	21.6	(2,736)	(2,736)
			38,861	38,861
21.1	**Land**			
	As at July 01	21.2 & 21.7	41,597	297,305
	Sale of investment property		–	(255,708)
	As at June 30		41,597	41,597

21.2 The Group carried out the fair valuation of this property in June 2026 which was Rs. 2,047,500 thousand. These valuations were performed by an independent valuer, who has appropriate professional qualifications and recent experience in the location and category of the properties being valued. The valuation is based on the comparable market transactions that considers sales of similar properties that have been transacted in open market.

The Group asserts that the above mentioned amount fairly represents the fair value of the investment property as at June 30, 2026.

21.3 The valuation method used by the independent valuers were based on market approach method.

21.4 The level of hierarchy for fair value disclosed falls in level 2 i.e. inputs other than quoted prices included within level 1 that are observable for real estate properties either directly or indirectly.

21.5 Management of the Group believes that holding on to these properties for appreciation in their market value is the highest and best use of these investment properties.

21.6 This represents provision for impairment against land measuring 12 kanals and 14.5 marlas located at Raiwind Road having gross value of Rs. 2,736 thousand (2025: 2,736 thousand) at the reporting date.

		Note	2026	2025
			(Rupees in thousand)	
22	**Long term investments**			
	Investment in related parties - at FVOCI			
	Unquoted			
	Arabian Sea Country Club Limited			
	500,000 (2025: 500,000) fully paid			
	ordinary shares of Rs. 10/- each		5,000	5,000
	Equity held 6.45% (2025: 6.45%)			
	Loss on fair valuation of investment		(5,000)	(5,000)
			–	–
	Hyundai Nishat Motors (Private) Limited			
	310,302,936 (2025: 310,302,936) fully paid			
	ordinary shares of			
	Rs. 10/- each	22.1	3,103,029	3,103,029
	Equity held 15.86% (2025: 15.86%)			
	Surplus on fair valuation of investment		3,211,635	2,547,586
	- note 22.1 & 49.1 (Level -3)			
			6,314,664	5,650,615
	Investment other than related parties - at FVOCI			
	Quoted			
	Baluchistan Wheels Limited			
	Nil (2025: 1,570,325) fully paid ordinary shares of Rs. 10/- each		–	24,364
	Surplus on revaluation of investment - note 48.1 (Level -1)		–	198,873
			–	223,237
	Unquoted			
	TCC Management Services (Private) Limited			
	40,000 (2025: 40,000) fully paid			
	ordinary shares of Rs. 10/- each - note 48.1 (Level-3)	22.2	400	400
			6,315,064	5,874,252

22.1 This represents investment in the ordinary shares of Hyundai Nishat Motors (Private) Limited ('HNMPL') that has setup a greenfield project for assembly and sales of Hyundai Motor Company passenger and commercial vehicles. Since HNMPL's ordinary shares are not listed, an independent valuer has estimated a fair value of Rs. 20.35 per ordinary share as at June 30, 2026 (2025: Rs.18.21 per ordinary share) through a valuation technique based on discounted cash flow analysis of HNMPL. Hence, it has been classified under level 3 of fair value hierarchy as further explained in note 49.1 to these consolidated financial statements. The fair value gain of Rs. 664,049 thousand (2025: fair value loss of Rs. 173,770 thousand) is included in the fair value gain recognised during the year in other comprehensive income.

The main level 3 inputs used by the Group are derived and evaluated as follows:

- Discount rate is determined using a Capital Asset Pricing model to calculate a post-tax rate that reflects current market assessments of the time value of money and the risk specific to HNMPL.
- Long term growth rate is estimated based on expected future performance of HNMPL and current market information for similar type of entities.

The significant assumptions used in this valuation technique are as follows:

- Discount rate of 17.97% per annum.
- Long term growth rate of 3% per annum for computation of terminal value; and
- Annual growth in costs are linked to inflation and currency devaluation both of 4% per annum respectively, and revenue are also linked to currency devaluation at 4% per annum.

Sensitivity analysis

Sensitivity analysis of the significant assumptions used in the valuation technique are as follows, with all other variables held constant as at June 30, 2026:

	Impact on fair value gain	
	+1%	– 1%
Significant assumptions	(Rupees in thousand)	
- Discount rate	(721,736)	829,637
- Long term growth rate	467,570	(410,023)
- Inflation rate per annum	(184,912)	178,142
- Interest rate	(1,834)	4,372

22.2 The fair value of this investment approximates its cost.

22.3 During the year, the Group disposed of its entire investment in Baluchistan Wheels Limited for a consideration of Rs. 288,939 thousand. Upon disposal, the cumulative surplus on remeasurement of the investment recognized in equity amounting to Rs. 184,535 thousand (net of deferred tax) was transferred from the fair value reserve to retained earnings in accordance with the IFRS 9 requirements. The Company no longer holds any interest in Baluchistan Wheels Limited as at June 30, 2026.

		Note	2026	2025
			(Rupees in thousand)	
23	**Long term loans and advances**			
	Loan to employees:			
	Company loan	23.1	11,300	8,606
	Motor cycle loan	23.2	1,263	1,724
			12,563	10,330
	Less: Current portion included in current assets	28	(8,367)	(452)
			4,196	9,878

23.1 These represent interest free loans to employees secured against their gratuity and provident fund balances. These loans are repayable in monthly installments over a period of twenty four months for executives and thirty six months for workers. They have not been carried at amortized cost since the impact of discounting is not material.

23.2 This represents interest free loans to employees for purchase of motor cycles secured by joint registration of motor cycles in the name of the Group and employees. These loans are repayable in monthly instalments over a period of twenty five months to sixty months. They have not been carried at amortized cost since the impact of discounting is not material.

24 Long term deposits

These include Rs. 11,332 thousand (2025: Rs. 11,753 thousand) deposits placed with utility companies. These deposits are non- interest bearing.

		Note	2026	2025
			(Rupees in thousand)	
25	**Stores, spare parts and loose tools**			
	Stores, spare parts and loose tools	25.1	829,382	863,521
	Less: provision for obsolescence		(4,397)	(4,829)
			824,985	858,692

25.1 Most of the items of stores, spare parts and loose tools are of inter-changeable nature and can be consumed as stores or used as machine spares against capital expenditure. Accordingly, it is not practical to distinguish stores from spares until their actual usage.

		Note	2026	2025
			(Rupees in thousand)	
26	**Stock in trade**			
	Raw material	26.1 & 26.2	8,718,802	11,043,588
	Work in process		954,994	672,433
	Finished goods:			
	Manufacturing	26.3 & 26.4	1,426,853	1,274,994
	Trading		496,153	525,512
			1,923,006	1,800,506
			11,596,802	13,516,527

26.1 This includes stock in transit amounting to Rs. 235,507 thousand (2025: Rs. 575,657 thousand).

26.2 This includes stock held with third parties amounting to Rs.99,994 thousand (2025: Rs. 153,849 thousand).

26.3 This includes 126 units of tractors held with third parties amounting to Rs. 219,680 thousand (2025: Nil).

26.4 Finished good components costing Rs. 2,730 thousand (2025: Rs. 12,110 thousand) have been written-down to their net realisable value by Rs. 350 thousand (2025: Rs. 3,900 thousand).

Notes to the Consolidated Financial Statements

For the year ended June 30, 2026

		Note	2026	2025
			(Rupees in thousand)	
27	**Trade debts**			
	Trade debts from contracts with customers - considered good	27.1	1,319,754	883,507
	Amounts written off	27.4	(12,650)	–

27.1 This includes amount of Rs. 7,533 thousand (2025: 14,120 thousand) due from related party Hyundai Nishat Motors (Private) Limited.

27.2 Aging analysis of the amounts due from related parties is as follows:

	Not yet Due	Past Due less than 60 Days	Past Due less than 90 Days	Past Due less than 365 Days	Past Due Over 365 Days	Total
	(Rupees in thousand)					
2026	–	6,933	–	75	525	7,533
2025	13,595	–	–	–	525	14,120

27.3 Aging analysis of these trade debts is given in note 47.2 of these consolidated financial statements.

27.4 These represents the write-off of long-outstanding receivables that had remained overdue for more than three years and were considered irrecoverable.

		Note	2026	2025
			(Rupees in thousand)	
28	**Loans and advances**			
	Current portion of long term loans to employees	23	8,367	452
	Advances to employees - considered good	28.1	20,932	19,892
	Advances to suppliers - considered good	28.2	202,292	130,153
			231,591	150,497
	Advances to suppliers - considered doubtful		8,231	–
	Less: Provision for doubtful advances		(8,231)	–
			–	–
	Letter of credit opening charges		166	2,056
			231,757	152,553

28.1 These represent interest free advances to employees for the purpose of the expenses, tour and salary as per Group's approved Human Resource policy. These advances have not been discounted at present value as the resultant impact is immaterial.

28.2 These represent interest free advances given to suppliers as per mutually agreed terms.

		Note	2026	2025
			(Rupees in thousand)	
29	**Trade deposits and short term prepayments**			
	Security deposits	29.1	52,815	30,945
	Prepayments		142,893	144,195
			195,708	175,140
	Written-off	29.2	(7,402)	–

29.1 These represents interest free security deposits made for tender placement.

29.2 These represent the write-off of long-outstanding security deposits relating to closed tenders, which had remained overdue for more than three years and were considered irrecoverable.

		Note	2026	2025
			(Rupees in thousand)	
30	**Balances with statutory authorities**			
	Excise duties receivable		57,656	15,566
	Sales tax recoverable		7,402,595	7,588,845
	Less: provision for doubtful claims		(44,956)	–
			7,357,639	7,588,845
		30.1	7,415,295	7,604,411
	The reconciliation of allowance for doubtful claims during the year is as follows:			
	Opening balance		–	–
	Provision during the year	30.2	(44,956)	–
	Closing balance		(44,956)	–

30.1 Included in this is a sales tax refund of Rs. 289,430 thousand, withheld by the Deputy Commissioner Inland Revenue, Lahore, regarding the reduced payment of sales tax on the sale of tractors by the Company to its customers in the period June to November 2016. The case is pending in the Lahore High Court against the decision of the ATIR for re-examination. The management and the legal advisor are confident that the outcome of the case will be in the Company's favor.

30.2 The refund claim of PRA sales tax amounting to Rs. 44,956 thousand, related to trademark fee, was rejected by the Federal Board of Revenue on the grounds that the sales tax was claimed on the Company's own National Tax Number, whereas the underlying payment was made to Massey Ferguson. Considering the prolonged outstanding nature of the claim and the remote likelihood of recovery, the Company has recognized a full provision against the balance during the year.

30.3 The Company had lodged sales tax refund claims for the tax periods July, 2021, September, 2021, November, 2021, December, 2021, and February, 2022, amounting to Rs. 3,806,856 thousand under SRO 363(I)/2012, which did not contain any provision relating to pre-refund audit and did not lay down any condition for availing benefit of the reduced rate of 5% on sale of tractors. The Deputy Commissioner Inland Revenue issued refund processing orders (RPOs) amounting to Rs. 77,945 thousand for the above tax periods and deferred the remaining amount of Rs. 3,728,911 thousand on the basis that the reduced rate of 5% was only available to supplies made to persons involved in agricultural activities. The Company preferred an appeal before the Commissioner Inland Revenue (Appeals) against the RPOs and is also contesting the legality of these RPOs in the Lahore High Court. The Commissioner Appeals

directed the department to re-examine the complete refund claims and sanction them accordingly. The Company has filed an appeal to the Appellate Tribunal Inland Revenue (ATIR) against this direction, since the claims have already been deferred by the department.

Alternative Dispute Resolution Committee (ADRC) was constituted on Company's application but was dissolved without deciding the case. Subsequently, new ADRC application was filed by the Company and ADRC has been constituted. The management, in consultation with the tax advisor, is confident that the matter will eventually be decided in favor of the Company.

		Note	2026	2025
			(Rupees in thousand)	
31	**Other receivables**			
	Claims receivable from suppliers		197,801	272,034
	Interest accrued		958	614
	Workers' Profit Participation Fund - net	31.1	19,616	21,922
			218,375	294,570
31.1	Workers' Profit Participation Fund - net			
	Balance at start of year		21,922	66,733
	Receipts during the year		(21,928)	–
	Mark-up on Workers Profit Participation Fund		(1)	(1,236)
	Expense for the year	38	(780,383)	(433,074)
			(780,390)	(367,577)
	Payments made during the year		800,006	389,499
	Balance receivable at end of year	31	19,616	21,922
32	**Short term investments**			
	Term Deposit Receipt	32.1 & 32.2	58,856	63,856

32.1 These deposits are made under conventional arrangements and carry mark-up at the rate of 6.75% to 10.69% (2025: 9.8% to 11.15%) per annum.

32.2 These are under lien with a bank for issuance of bank guarantee in favour of Sui Southern Gas Company Limited.

		Note	2026	2025
			(Rupees in thousand)	
33	**Cash and bank balances**			
	Cash in hand		2,133	2,111
	Cheques in hand		182,121	685,585
			184,254	687,696
	At banks:			
	Current accounts - Conventional		1,889,979	569,993
	Deposit accounts - Conventional	33.1	734,504	420,473
	Deposit accounts - Islamic	33.1	4,249	147,963
			2,628,732	1,138,429
			2,812,986	1,826,125

33.1 These deposits are made under conventional and Islamic arrangements and carry mark-up ranging from 5.0% to 10.47% (2025: 5.87% to 21%) per annum.

			Note	2026	2025
				(Rupees in thousand)	
34	**Revenue from contracts with customers**				
	Disaggregation of revenue	**Time of revenue recognition**			
	Local:				
	Tractors	Point-in-time		65,517,226	50,942,864
	Implements and tractor components	Point-in-time		308,117	111,856
	Multi-application products	Point-in-time		491,344	434,199
	Trading goods	Point-in-time		2,910,861	2,732,819
	Batteries	Point-in-time		244,449	1,740,933
	Castings	Point-in-time		337,033	322,302
	IFS services	Point-in-time / Over time		7,658	15,377
				69,816,688	56,300,350
	Less:				
	Trade discount			(285,814)	(535,076)
	Delayed delivery charges			(16,361)	(85)
	Sales tax and special excise duty			(9,037,446)	(7,102,948)
	Provincial Sales tax on services			(1,056)	(3,111)
				(9,340,677)	(7,641,220)
				60,476,011	48,659,130
	Export:				
	Tractors	Point-in-time		5,059,510	5,184,424
	Trading goods and tractor components	Point-in-time		47,306	97,049
	Implements	Point-in-time		–	79,483
	IFS services	Point-in-time / Over time		4,500	9,861
	Batteries	Point-in-time		–	62,708
				5,111,316	5,433,525
				65,587,327	54,092,655
	Less: Commission			(1,348,973)	(745,052)
			34.1	64,238,354	53,347,603

34.1 Revenues earned are from shariah compliant business segments.

34.2 Payments for sale of tractors are received in advance, whereas credit terms for other products extend between 45 to 60 days.

Notes to the Consolidated Financial Statements

For the year ended June 30, 2026

		Note	2026	2025
			(Rupees in thousand)	
35	**Cost of sales**			
	Components consumed	35.1	37,945,585	32,753,959
	Salaries, wages and amenities	35.2	995,012	1,167,815
	Contract services		1,253,273	1,184,847
	Fuel and power		618,903	594,187
	Oil and lubricants		14,886	41,518
	Communication		207	193
	Travelling and vehicle running		122,316	132,624
	Printing and stationery		13,084	13,264
	Insurance		88,390	90,513
	Repairs and maintenance		446,547	342,402
	Stores and spares consumed		342,000	409,149
	Depreciation	18.1.1	151,315	140,626
	Amortization	20.1	2	2
	Other expenses		126,078	173,092
			42,117,598	37,044,191
	Add: Opening work-in-process		672,433	914,502
	Less: Closing work-in-process		(954,994)	(672,433)
			(282,561)	242,069
	Cost of goods manufactured		41,835,037	37,286,260
	Add: Opening finished goods		1,274,994	1,380,541
	Less: Closing finished goods		(1,426,853)	(1,274,994)
			(151,859)	105,547
			41,683,178	37,391,807
	Cost of sales - trading	35.3	1,419,524	1,548,682
			43,102,702	38,940,489
35.1	Components consumed			
	Opening stock		11,043,588	13,074,274
	Add: Purchased during the year		35,620,799	30,723,273
			46,664,387	43,797,547
	Less: Closing stock		(8,718,802)	(11,043,588)
			37,945,585	32,753,959

		Note	2026	2025
			(Rupees in thousand)	
35.2	It includes the following staff retirement benefits expense / (income):			
	Defined benefit plan - pension		(4,331)	(13,964)
	Defined benefit plan - gratuity		2,660	3,005
	Defined contribution plan - gratuity		2,046	2,723
	Defined contribution plan - provident fund		28,042	27,354
	Provision for compensated absences		16,554	31,468
			44,971	50,586
35.3	Cost of sales - trading			
	Opening stock		525,512	542,101
	Purchases		1,390,165	1,532,093
			1,915,677	2,074,194
	Closing stock		(496,153)	(525,512)
			1,419,524	1,548,682
36	**Distribution and marketing expenses**			
	Salaries and amenities	36.1	275,019	310,561
	Contract services		128,274	120,313
	Fuel and power		12,395	12,045
	Communication		1,231	1,995
	Travelling and vehicle running		72,893	77,648
	Carriage and freight		364,271	80,993
	Printing and stationery		17,163	13,871
	Insurance		230,976	171,019
	Repairs and maintenance		14,639	7,975
	Trademark fee	36.2	713,643	587,891
	Advertisement and sales promotion		73,032	65,852
	Depreciation	18.1.1	7,413	11,473
	Depreciation charge for the right-of-use assets	19	5,123	5,286
	Meeting/convention fee		-	39,146
	After sales support		77,096	86,117
	Other expenses		141,004	151,215
			2,134,172	1,743,400

		2026	2025
		(Rupees in thousand)	
36.1	It includes the following staff retirement benefits expense / (income):		
	Defined benefit plan - pension	(1,555)	(3,063)
	Defined benefit plan - gratuity	420	39
	Defined contribution plan - gratuity	735	3,253
	Defined contribution plan - provident fund	9,032	8,603
	Provision for compensated absences	5,942	12,157
		14,574	20,989

36.2 Trademark fee is incurred under a trademark agreement between the Group and M/s Massey Ferguson Corp., having its registered office situated at 4205 River Green Parkway, Duluth, Georgia 30096, United States of America.

Under the trademark agreement, M/s Massey Ferguson grants exclusive rights to the Group for use of its brand name with certain terms and conditions.

		Note	2026	2025
			(Rupees in thousand)	
37	**Administrative expenses**			
	Salaries and amenities	37.1	1,117,065	1,033,879
	Contract services		173,412	160,612
	Fuel and power		31,204	45,794
	Communication		7,897	13,780
	Travelling and vehicle running		172,958	166,187
	Printing and stationery		20,317	19,902
	Insurance		32,514	31,526
	Repairs and maintenance		102,466	50,424
	Security		55,192	50,037
	Legal and professional	37.2	54,193	93,491
	Depreciation	18.1.1	116,581	98,817
	Amortization	20.1	7,860	7,860
	Rent, rates and taxes		11,227	2,831
	Fee and subscription		6,382	10,079
	Entertainment		31,136	26,165
	Other expenses		163,835	173,905
			2,104,239	1,985,289

37.1	It includes the following staff retirement benefits expense / (income):		
	Defined benefit plan - pension	(5,219)	(17,079)
	Defined benefit plan - gratuity	–	2,390
	Defined contribution plan - gratuity	2,466	2,351
	Defined contribution plan - provident fund	29,312	21,127
	Provision for compensated absences	19,950	35,926
		46,509	44,715

		Note	2026	2025
			(Rupees in thousand)	
37.2	Legal and professional expenses include following in respect of auditors' services:			
	Statutory audit		7,678	7,115
	Special audit		–	1,250
	Half year review		1,710	1,445
	Special reports and sundry certifications		1,014	900
	Sales tax		1,376	740
	Out of pocket expenses		957	661
			12,735	12,111
38	**Other operating expenses**			
	Workers' Profit Participation Fund	31.1	780,383	433,074
	Workers' Welfare Fund		296,888	164,568
	Exchange loss - net		33,324	8,517
	Donations	38.1	2,850	3,378
	Other expenses		128,535	365,000
			1,241,980	974,537

38.1 The particulars of the donation exceeding Rs. 1,000 thousand are as follows:

		2026	2025
		(Rupees in thousand)	
	Name of Donee		
	Ghazi University	–	2,977

38.2 The Group's Directors and / or their spouse have no interest in the donee(s) at the reporting dates.

Notes to the Consolidated Financial Statements

For the year ended June 30, 2026

		Note	2026	2025
			(Rupees in thousand)	
39	**Other income**			
	Income from financial assets			
	Dividend income from Baluchistan Wheels Limited	39.1	1,680	14,131
	Dividend income from Hyundai Nishat Motor (Private) Limited		158,623	62,061
	Return on bank deposits		52,908	109,970
	Gain on sale of short term investments	39.2	–	51,157
	Interest charged on early payments and advances		42,916	14,283
			256,127	251,602
	Income from assets other than financial assets			
	Rental income		51,551	43,569
	Gain on sale of long-term investments net - at cost		–	144,292
	Scrap sales		164,723	121,466
	Gain on disposal of property, plant and equipment	18.1.4	698	267
	Laboratory testing		627	575
	Multiapp products service income		2,872	792
	Others	39.3	24,679	50,032
			245,150	360,993
			501,277	612,595

39.1 Dividend income is earned from investments in shariah and non-shariah compliant companies.

39.2 Gain / (loss) on sale of short term investments - at FVPL

	2026	2025
	(Rupees in thousand)	
ABL Cash Fund	–	25,148
Lakson Money Market Fund	–	17,426
Alfalah Investments	–	8,583
	–	51,157

39.3 This includes income received as tender money in case of auctions and late delivery charges from suppliers.

		Note	2026	2025
			(Rupees in thousand)	
40	**Finance cost**			
	Mark-up on short term borrowings - secured	40.1 & 40.2	1,317,378	2,024,987
	Interest expense on long term financing - net	40.3	146,321	174,229
	Mark-up on Workers' Profit Participation Fund		1	1,236
	Interest expense against lease liability		1,436	1,290
	Bank charges and commission		12,967	9,774
			1,478,103	2,211,516

40.1 This represents markup and profit paid under conventional and Islamic mode of financing arrangements respectively having mark up and profit rates ranging from KIBOR plus 0.03% to KIBOR plus 0.40% (2025: KIBOR minus 3.45% to KIBOR plus 0.40%) per annum.

40.2 This includes Rs.564,232 thousand (2025: Rs. 562,381 thousand) mark-up paid on Islamic mode of financing.

40.3 This represents finance cost against long term financing net of unwinding of Government grant income for the year recognised as per IAS-20 amounting to Rs. 1,233 thousand (2025: Rs. 3,995 thousand).

		Note	2026	2025
			(Rupees in thousand)	
41	**Taxation**			
	For the year final taxes - levies:			
	- Tax on dividend		39,656	24,175
		41.3	39,656	24,175
	For the year income tax charge:			
	- Current		5,619,219	3,172,502
	- Deferred		9,151	(40,556)
			5,628,370	3,131,946
	Prior years income tax charge:			
	- Current		939,031	(1,375,327)
	- Deferred		–	–
			939,031	(1,375,327)
			6,607,057	1,780,794

		2026 %	2025 %
41.1	Numerical reconciliation between average effective tax rate and the applicable tax rate is as follows:		
	Applicable tax rate	29.00	29.00
	- Effect of change in prior year	6.10	(16.05)
	- Income chargeable to tax at different rates	(0.15)	(2.24)
	- Tax effect of super tax	10.01	10.08
	- Others	0.05	1.18
		16.01	(7.03)
	Average effective tax rate	45.01	21.97

41.2 The group of companies do not opt for the group taxation and are taxed and assessed individually therefore assessment of sufficiency of provision of taxation is carried out in each individual company.

The current tax expense has been computed using the tax rate enacted for the tax year 2026, which includes an additional Super Tax.

41.3 This represents final taxes paid under section 5, section 8 and section 154 of Income Tax Ordinance, 2001 (ITO 2001), representing levy in terms of requirements of IAS 37/ IFRIC 21.

Reconciliation between current tax and levy

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

	2026	2025
	(Rupees in thousand)	
Current tax liability for the period as per applicable laws	6,597,906	1,821,350
Less:		
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(6,558,250)	(1,797,175)
Portion of current tax computed as per current tax laws representing levy in terms of requirements of of IAS 37/ IFRIC 21	(39,656)	(24,175)
	–	–

42 Transactions with related parties

Related parties comprise of associated entities, entities under common control, entities with common directors, major shareholders, post employment benefit plans and key management personnel, inclusive of directors, and their close family members. Amounts due from and to related parties are shown under receivables and payables. Amount of assets sold to related parties during the year are shown in Note 18.1.4. Amounts due from directors and key management personnel are shown under receivables and remuneration of directors and key management personnel is disclosed in Note 43. Other significant transactions with related parties are as follows:

Relation with undertaking	Nature of transaction	2026	2025
		(Rupees in thousand)	
Associates	Sale of services	6,602	13,256
	Purchase of components	39,220	6,094
	Purchase of fixed assets	20,879	9,126
	Dividend income	158,623	62,061
Employees' defined benefit plan	Contribution to staff retirement benefit plan	6,981	8,340
Defined contribution plan	Contribution to defined contribution plan	23,910	8,469
Executives' gratuity fund	Benefits paid on behalf of the fund	7,677	4,352
Provident fund	Amount contributed	68,297	59,231
Directors and key management personnel	Remuneration and benefits paid	163,124	137,439
	Sale of assets at net book value	13,415	526

42.1 The Group intends to take the approval of the transactions with related parties from the shareholders in the General Meeting.

42.2 Transactions with related parties are carried out on mutually agreed terms and conditions.

42.3 The names of related parties with whom the Group has entered into transactions or had agreements / arrangements in place during the year, are as follows:

Name of the related party	Basis of relationship	Percentage of shareholding %
- Arabian Sea Country Club Limited	Common Directorship	6.45
- Hyundai Nishat Motors (Private) Limited	Common Directorship	15.86
- Arrowhead Engineering	Common Directorship	0%

43 Remuneration of Chief Executive Officers, Directors and Executives

The aggregate amounts charged in the accounts for the year for remuneration including certain benefits to the Chief Executive Officers, Directors and Executives of the Group are as follows:

	Chief Executive Officers		Directors				Executives	
	2026	2025	2026		2025		2026	2025
			Non Executive Directors	Executive Directors	Non Executive Directors	Executive Directors		
Number of persons	3	3	10	3	11	3	203	164
	(Rupees in thousand)							
Managerial remuneration	58,129	46,714	15,429	18,506	9,890	23,031	515,616	419,363
Cost of living allowance	-	-	15,429	18,506	9,890	23,031	30,896	54,879
Bonus	7,314	15,053	12,078	17,318	21,501	38,628	125,299	201,198
House rent	19,911	15,233	6,943	8,328	4,451	10,364	125,884	165,644
Contribution to provident fund and gratuity funds	4,427	3,387	-	-	-	2,190	47,022	44,759
Pension contribution	-	-	-	-	-	-	6,435	5,979
Medical expenses	1,699	1,486	1,451	4,077	1,930	2,993	46,328	34,203
Utilities	5,150	4,593	2,004	3,495	1,484	2,622	30,582	31,151
Other reimbursable expenses	8,362	5,379	3,542	4,818	1,186	2,284	65,774	16,783
Meeting fees	-	-	8,250	-	16,300	-	-	-
Travelling expenses	-	-	347	-	347	-	-	-
	104,992	91,845	65,473	75,048	66,979	105,143	993,836	973,959

43.1 The Group also provides the Chief Executive Officer(s), Director(s) and certain employees with free use of company maintained cars and residential utilities.

43.2 Executive means an employee of the Group whose basic salary exceeds Rs. 1,200 thousand (2025: Rs. 1,200 thousand) during the year.

44 Earnings per share - basic and diluted

44.1 Combined basic earnings per share

Earnings per share are calculated by dividing the net profit for the year by weighted average number of shares outstanding during the year as follows:

	2026	2025
	(Rupees in thousand)	
Profit after tax for the year	8,071,378	6,324,173

	Note	(Number of shares in thousand) 2026	2025
Weighted average number of ordinary shares outstanding during the year	5	399,032	399,032

	(Rupees) 2026	2025
Earnings per share	20.23	15.85

The weighted average number of ordinary shares for the current and comparative periods have been adjusted to reflect the share split effected during the year, as explained in note 5.

44.2 Combined diluted earnings per share

No figure for diluted earnings per share has been presented as the Group has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

Notes to the Consolidated Financial Statements

For the year ended June 30, 2026

		Note	2026	2025
			(Rupees in thousand)	
45	**Cash generated from operations**			
	Profit before taxation		14,638,779	8,080,792
	Adjustment for:			
	Depreciation on property, plant and equipment	18.1.1	275,309	250,916
	Depreciation charge for the right-of-use assets	19	5,123	5,286
	Adjustments pertaining to property, plant and equipment	18.1	(1,484)	2,132
	Amortization of intangible assets	20.1	7,860	7,860
	Provision for accumulating compensated absences		42,446	79,551
	Provision for slow moving stores and spares	25	(432)	1,668
	Profit on bank deposits	39	(52,908)	(109,970)
	Dividend income	39	(160,303)	(14,131)
	Charged to employees' defined benefit plan		(11,105)	(34,106)
	Provision for gratuity		5,247	8,327
	Gain on disposal of property, plant and equipment	39	(698)	(267)
	Gain on sale of long-term investments - at Cost		–	(144,292)
	Gain on sale of short term investments	39	–	(51,157)
	Finance cost	40	1,463,700	2,200,452
	Finance cost on lease liability	40	1,436	1,290
	Amortization of deferred grant	8	(4,456)	(3,995)
	Unwinding of long-term loan	7	8,522	6,156
	Provision for Workers' Profit Participation Fund	38	780,383	434,310
	Provision for Workers' Welfare Fund	38	296,888	164,568
	Final tax - levy	41	39,656	24,175
	Working capital changes	45.1	2,143,976	(434,092)
			19,477,939	10,475,473
45.1	**Working capital changes**			
	(Increase) / decrease in current assets:			
	Stores and spares		33,275	(41)
	Stock in trade		1,919,725	2,394,889
	Trade debts		(436,247)	(77,827)
	Loans and advances		(71,289)	278,379
	Trade deposits and short term prepayments		(20,568)	(28,861)
	Balances with statutory authorities		189,116	(1,288,282)
	Other receivables		74,233	(66,835)
			1,688,245	1,211,422
	Increase/ (decrease) in current liabilities:			
	Trade and other payables		294,547	(2,612,278)
	Contract liabilities		161,184	966,764
			2,143,976	(434,092)

		Note	2026	2025
			(Rupees in thousand)	
46	**Cash and cash equivalents**			
	Cash and bank balances	33	2,812,986	1,826,125
	Portion of short term borrowings classified as cash and cash equivalents		(9,665,295)	(14,116,369)
			(6,852,309)	(12,290,244)

47 Financial risk management

Financial instruments comprise loans and advances, trade deposits, trade debts, other receivables, short term investments, cash and bank balances, short term borrowings, long term deposits, interest / mark-up accrued, borrowings, lease liabilities and trade and other payables.

The Group has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the Board of Directors ('the Board') of the holding company as well as its subsidiaries. Finance departments evaluate and hedge financial risks. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies.

The Group's overall risk management procedures to minimise the potential adverse effects of financial market on the Group's performance are as follows:

47.1 Market risk

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

Monetary items, including financial assets and financial liabilities, denominated in currency other than functional currency of the Group are periodically restated to Pak Rupee equivalent and the associated gain or loss is taken to the profit or loss. Currently, the Group's foreign exchange risk exposure is restricted to the amounts receivable from / payable to the foreign entities. The Group's exposure to currency risk is as follows:

	Changes in rate	Effects on profit before tax 2026	Effects on profit before tax 2025
		(Rupees in thousand)	
Cash and Bank /Receivables / (Trade and other payables) - GBP	+15	(930)	(11,820)
	-15	930	11,820
Cash and Bank /Receivables / (Trade and other payables) - USD	+15	35,295	15,765
	-15	(35,295)	(15,765)
Cash and Bank /Receivables / (Trade and other payables) - CNY	+15	(22,425)	-
	-15	22,425	-
Trade and other payables - JPY	+15	(28,785)	-
	-15	28,785	-

	2026	2025
	(Rupees)	
Reporting date rate per:		
GBP to PKR	368.64	389.65
USD to PKR	278.55	284.10
CNY to PKR	40.99	39.66
JPY to PKR	1.72	1.97

(b) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a 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 traded in the market. The Group is not exposed to commodity price risk since it has a diverse portfolio of commodity suppliers. The long-term equity instrument held by the Group does not trade on a regular basis on the stock exchange and historically, it does not have a direct correlation with the equity index of the Pakistan Stock Exchange (PSX). Therefore, it is not possible to measure the impact of increase / decrease in the PSX Index on the Group's profit after taxation for the year and on equity (fair value reserve).

Price risk represents the risk that the fair value or future cash flows of a 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 traded in the market.

The Group is exposed to equity securities price risk because of investments held by the Group and classified as fair value through other comprehensive income. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board. The primary goal of the Group's investment strategy is to maximise investment returns.

The Group's certain investments in equity instruments are publicly traded on the Pakistan Stock Exchange Limited.

The table below summarises the impact of increases/decreases of the KSE-100 index on the Group's equity. The analysis is based on the assumption that the KSE-100 index had increased/decreased by 10% with all other variables held constant and all the Group's equity investments moved according to the historical correlation with the index:

	Impact on other components of equity	
	2026	2025
	(Rupees in thousand)	
Pakistan Stock Exchange Limited	–	(22,324)

As at June 30, 2026, the Group had no investments classified as at fair value through profit or loss, hence there is no impact on the profit for the year.

Short-term investments pertain to investment in mutual funds. These investment are carefully managed and observed on the basis of duly approved policy by Board of Directors. The underlying composition of these mutual funds does not involve equity instruments therefore it does not have any co-relation with stock market. Hence, the Group is not exposed to other price risk in this avenue as well.

(c) Cash flow and fair value interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group has no significant long-term interest-bearing instruments. The Group's interest rate risk arises from lease liabilities, short term and long term borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk. The Group mitigates its risk against the exposure by focusing on short-term investment and maintaining adequate bank balances.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit or loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

	Note	2026	2025
		(Rupees in thousand)	
Fixed rate instruments			
Financial assets			
Investment in Term Deposit Receipt	32	58,856	63,856
Financial liabilities			
Lease liabilities	9	(16,441)	(3,584)
Long term financing	7	(1,527,349)	(951,736)
Net exposure		(1,484,934)	(891,464)
Floating rate instruments			
Financial assets			
Bank balances - deposit accounts	33	738,753	147,963
Financial liabilities			
Short term borrowings	15	(10,665,295)	(14,116,369)
Net exposure		(9,926,542)	(13,968,406)

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Group.

Cash flow sensitivity analysis for variable rate instruments

The following analysis demonstrates the sensitivity to a change in interest rates, with all other variables held constant, of the Group's profit before tax. This analysis is prepared assuming the amounts of floating rate instruments outstanding at reporting dates were outstanding for the whole year.

		Changes in interest rate	Effects on profit before tax
		(Rupees in thousand)	
Bank balances - deposit accounts	2026	+5	36,938
		-5	(36,938)
2025		+5	7,398
		-5	(7,398)
Short term borrowings	2026	+5	(533,265)
		-5	533,265
	2025	+5	(705,818)
		-5	705,818

47.2 Credit risk

Credit risk represents the risk of financial loss being caused if counter party fails to discharge an obligation.

Credit risk of the Group arises from deposits with banks and other financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

(a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	2026	2025
		(Rupees in thousand)	
Trade debts	27	1,319,754	883,507
Long term investments	22	6,315,064	5,874,252
Trade deposits	29	52,815	30,945
Other receivables	31	198,759	272,648
Short term investments	32	58,856	63,856
Bank balances and cheques in hand	33	2,810,853	1,824,014
Long term deposits	24	11,333	9,409
		10,767,434	8,958,631

(b) Impairment of financial assets

The Group's financial assets, other than investments in equity instruments, are subject to the expected credit losses model.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debts. For trade receivables, internal risk assessment process determines the credit quality of the customers, taking into account their financial positions, past experiences and other factors. Individual risk limits are set based on internal or external credit worthiness ratings in accordance with limits set by the management.

	2026	2025
	(Rupees in thousand)	
The aging of trade receivables at the reporting date is:		
(Rupees in thousand)		
Past due 1 - 3 Months	976,618	653,795
Past due 4 - 6 Months	158,370	106,021
Past due one year	184,766	123,691
	1,319,754	883,507

Based on management's assessment of the expected credit loss, no material impairment is necessary in respect of trade receivables past due, as some receivables have been recovered subsequent to the year end and for other receivables and security deposits, there are reasonable grounds to believe that the amounts will be recovered in short course of time.

While bank balances, loans to employees, deposits and other receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial and are therefore not exposed to any material credit risk.

(c) Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate.

The table below shows the bank balances held with some major counterparties at the reporting date:

Balances with banks	Rating			2026	2025
	Short term	Long term	Agency	(Rupees in thousand)	
Allied Bank Limited	A1+	AAA	PACRA	664	114,466
Askari Bank Limited	A1+	AAA	PACRA	4,534	20,997
Bank Al Habib Limited	A1+	AAA	PACRA	738	312
Bank Alfalah Limited	A1+	AAA	PACRA	177,033	24,667
Dubai Islamic Bank	A1+	AA	VIS	587	18
Emirates NBD Bank	F1	A+	FITCH	–	–
Faysal Bank Limited	A1+	AA+	PACRA	4,249	24,671
Habib Bank Limited	A1+	AAA	VIS	154,496	150,789
Habib Metropolitan Bank Limited	A1+	AAA	PACRA	–	–
JS Bank Limited	A1+	AA	PACRA	4	4
MCB Bank Limited	A1+	AAA	PACRA	1,241,316	599,929
MCB Islamic Bank Limited	A1	A+	PACRA	2,092	2,092
Meezan Bank Limited	A1+	AAA	VIS	50,414	167,535
National Bank of Pakistan	A1+	AAA	PACRA	11	1,203
Sindh Bank Limited	A1+	AA	VIS	2,587	2,431
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	VIS	953	7,446
Soneri Bank Limited	A1+	AA	PACRA	1,414	–
The Bank of Punjab	A1+	AAA	PACRA	358,272	1,647
United Bank Limited	A1+	AAA	VIS	624,703	19,063
Industrial and Commercial Bank of China Limited	F1+	A	FITCH	68	68
Zarai Taraqiati Bank Limited	A1+	AAA	VIS	4,597	1,091
				2,628,732	1,138,429

Short term investments-Term deposit receipt	Rating		2026	2025
	Long term	Agency	(Rupees in thousand)	
Bank Alfalah Limited	AAA	PACRA	3,856	3,856
			3,856	3,856

47.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the Group's businesses, the finance departments maintains flexibility in funding by maintaining availability under committed credit lines.

The Group manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At June 30, 2026, the Group had short term borrowing facilities available from financial institutions as disclosed in note 15 and, cash and bank balances as disclosed in note 33 to these consolidated financial statements.

Management monitors the forecasts of the Group's cash and cash equivalents on the basis of expected cash flow. This is generally carried out in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in each quarter and considering the level of liquid assets necessary to meet its liabilities, monitoring consolidated statement of financial position liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

	Carrying amount	On demand	Less than one year	More than one year
	(Rupees in thousand)			
June 30, 2026				
Trade and other payables	6,287,289	–	6,287,289	–
Long term finances - secured	1,527,349	–	194,433	1,332,916
Lease liabilities against right-of-use assets	16,441	–	5,524	10,917
Short term borrowings	10,665,295	9,605,295	1,060,000	–
Unclaimed dividend	418,670	–	418,670	–
Unpaid dividend	31,979	–	31,979	–
Long term deposits	130,424	–	–	130,424
	19,077,447	9,605,295	7,997,895	1,474,257
June 30, 2025				
Trade and other payables	6,294,137	–	6,294,137	–
Long term finances - secured	951,736	–	486,046	465,690
Lease liabilities against right-of-use assets	3,548	–	3,548	–
Short term borrowings	14,116,369	14,036,499	79,870	–
Unclaimed dividend	368,183	–	368,183	–
Unpaid dividend	79,163	–	79,163	–
Long term deposits	97,078	–	–	97,078
	21,910,214	14,036,499	7,310,947	562,768

(a) Reconciliation of movements in liabilities to cash flows arising from financing activities

	Long term Financing	Short term Financing	Dividends paid - Equity Holders & NCI	Lease liabilities	Total
	(Rupees in thousand)				
Balance at July 01, 2025	951,736	79,870	447,346	3,548	1,482,500
Changes in liabilities					
Dividend announced during the year	-	-	4,028,357	-	4,028,357
Finance cost	8,522	-	-	1,436	9,958
Total liability related changes	8,522	-	4,028,357	1,436	4,038,315
Changes from financing cash flows					
Payments made against lease liabilities	-	-	-	(7,465)	(7,465)
Long term financing (paid) / received - net	567,091	-	-	-	567,091
Short term financing repaid	-	(4,870)	-	-	(4,870)
Money market loan received	-	1,000,000	-	-	1,000,000
Dividend paid during the year	-	-	(7,017,793)	-	(7,017,793)
Total changes from financing cash flows	567,091	995,130	(7,017,793)	(7,465)	(5,463,037)
Balance at June 30, 2026	1,527,349	1,075,000	(2,542,090)	(2,481)	57,778
Balance at July 01, 2024	1,438,764	279,385	440,721	8,184	2,167,054
Changes in liabilities					
Dividend announced during the year	-	-	9,004,103	-	9,004,103
Finance cost	6,156	-	-	1,290	7,446
Total liability related changes	6,156	-	9,004,103	1,290	9,011,549
Changes from financing cash flows					
Payments made against lease liabilities	-	-	-	(5,926)	(5,926)
Long term financing (paid) / received - net	(493,183)	-	-	-	(493,183)
Short term financing repaid	-	(199,515)	-	-	(199,515)
Dividend paid during the year	-	-	(8,997,478)	-	(8,997,478)
Total changes from financing cash flows	(493,183)	(199,515)	(8,997,478)	(5,926)	(9,696,102)
Balance at June 30, 2025	951,737	79,870	447,346	3,548	1,482,501

47.4 Financial instruments by categories

	FVOCI		At amortised cost		Total	
	2026	2025	2026	2025	2026	2025
	(Rupees in thousand)					
Financial assets						
Long term investments	6,315,064	5,874,252	–	–	6,315,064	5,874,252
Long term loans	–	–	4,196	9,878	4,196	9,878
Long term deposits	–	–	11,333	9,409	11,333	9,409
Loans to employees	–	–	29,299	20,344	29,299	20,344
Trade debts	–	–	1,319,754	883,507	1,319,754	883,507
Trade deposits	–	–	52,815	30,945	52,815	30,945
Other receivables	–	–	198,759	272,648	198,759	272,648
Short term investments	–	–	58,856	63,856	58,856	63,856
Cash and bank balances	–	–	2,812,986	1,826,125	2,812,986	1,826,125
	6,315,064	5,874,252	4,487,998	3,116,712	10,803,062	8,990,964

	2026	2025
	(Rupees in thousand)	
Comprised of:		
Total current	4,472,469	3,097,425
Total non-current	6,330,593	5,893,539
	10,803,062	8,990,964

	At amortised cost	
	2026	2025
	(Rupees in thousand)	
Financial liabilities		
Trade and other payables	6,287,289	6,294,137
Short term borrowings	10,665,295	14,116,369
Unclaimed dividend	418,670	368,183
Unpaid dividend	31,979	79,163
Long term finance	1,527,349	951,736
Lease liabilities against right-of-use assets	16,441	3,548
Long term deposits	130,424	97,078
	19,077,447	21,910,214
Comprised of:		
Total current	17,603,190	21,347,447
Total non-current	1,474,257	562,767
	19,077,447	21,910,214

48 Capital management

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

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares.

The Group monitors the capital structure on the basis of gearing ratio. This ratio is calculated as total borrowing (including related markup / interest) divided by total equity / capital employed:

The gearing ratios as at June 30, 2026 and June 30, 2025 were as follows:

	2026	2025
	(Rupees in thousand)	
Total borrowings	11,938,211	15,068,105
less: Liquid investments and cash and bank balances	(2,088,312)	(1,826,125)
Net Debt	9,849,899	13,241,980
Total Equity	10,881,050	9,278,488
Gearing Ratio	0.91	1.43

In accordance with the terms of agreements with the lenders of long term financing (as referred to in note 7 to these financial statements), the Group is required to comply with certain financial covenants.

Interest cover ratio shall be at least 2.25 times
Debt service coverage shall be at least 1.5 times

The Group has complied with these covenants as of the reporting period.

There are no indications that the Group would have difficulties complying with the covenants when they will be next tested.

49 Fair values of financial assets and liabilities

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

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on arm's length basis.

The carrying values of other financial assets and financial liabilities reflected in consolidated financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

49.1 Fair value hierarchy

IFRS 13 "Fair Value Measurement" requires the Group to classify fair value measurement and fair value hierarchy that reflects the significance of the inputs used in making the measurement of fair value hierarchy, which has the following levels:

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable.

Level 3: If one or more of the significant inputs is not based on observable market data. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred, if any. The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. Changes between various levels of fair value hierarchy are analysed at the end of each reporting period during the annual valuation discussion between the Chief Financial Officer and the management of investee company. As part of this discussion, the investee company presents a report that explains the reason for the fair value movement, if any. There have been no transfers between various levels of the fair value hierarchy during the respective reporting periods.

As at June 30, 2026, the Group held the following financial instruments carried at fair value:

	Note	Total	Level 1	Level 2	Level 3
Recurring fair value measurements			**(Rupees in thousand)**		
Financial assets measured - FVOCI					
Long term investments - Equity shares	22	6,315,064	–	–	6,315,064

Date of valuation : June 30, 2026

There were no financial liabilities measured at fair value as at June 30, 2026.

As at June 30, 2025, the Group held the following financial instruments carried at fair value:

	Note	Total	Level 1	Level 2	Level 3
Recurring fair value measurements			(Rupees in thousand)		
Financial assets measured - FVOCI					
Long term investments - Equity shares	22	5,874,252	223,237	–	5,651,015

Date of valuation : June 30, 2025

There were no financial liabilities measured at fair value as at June 30, 2025.

Movement / reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy

	Note	2026	2025
		(Rupees in thousand)	
Opening balance		5,651,015	5,824,785
Investment made during the year		–	–
(Deficit) / surplus on fair valuation of investment		664,049	(173,770)
	22	6,315,064	5,651,015

50 Disclosure requirements for Group not engaged in Shariah non-permissible business activities

'Following information has been disclosed as required under Part 1 Clause VII of the Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278(I)/2024 dated August 15, 2024:

	NOTE	2026	2025
		(Rupees in thousand)	
Description			
Disclosures required in relation to the Statement of Financial Position - Liability Side:			
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode		6,990,862	6,500,000
Interest or mark-up accrued on any conventional loan or advance		–	378,000
Disclosures required in relation to the Statement of Financial Position - Asset Side:			
Long-term and short-term Shariah compliant investments	22	6,315,064	5,651,015
Shariah-compliant bank deposits, bank balances, and TDRs	33	14,635	147,963
Disclosures required in relation to the Statement of Profit or Loss:			
Revenue earned from a shariah-compliant business segment	34	64,238,354	53,347,603
Break-up of late payment or liquidated damages	34	16,361	85
Gain or loss or dividend earned on Shariah-compliant investments or share of profit from Shariah-compliant associates	39	158,623	62,061

	Note	2026	2025
		(Rupees in thousand)	
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs		–	–
Exchange gain earned from actual currency		–	–
Exchange gains earned using conventional derivative financial instruments		–	–
Profit paid on Islamic mode of financing	40	659,763	545,232
Total interest earned on any conventional loan or advance		–	–
Breakup of other income into Shariah-compliant and non-compliant			
Shariah compliant income			
Rental Income	39	51,551	43,569
Gain on disposal of operating fixed assets	39	698	267
Sale of scrap	39	164,723	121,466
Miscellaneous	39	28,178	50,032
Gain on disposal of investment property	39	–	144,292
Non-Shariah compliant income			
Income on bank deposits	39	52,908	109,970
Interest received on early payments and advances	39	42,916	14,283
Gain on disposal of investments	39	–	51,157
Dividend income	39	1,680	14,131

Relationship with shariah compliant banks

Name	Relationship
Meezan Bank Limited	Funded / Non-funded facility & Bank Balances
Dubai Islamic Bank Limited	Funded / Non-funded facility & Bank Balances
Faysal Bank Limited	Funded / Non-funded facility & Bank Balances
MCB Islamic Bank Limited	Bank Balance

51 Provident fund trust

The investments by the provident fund in collective investment schemes, listed equity and debt securities have been made in accordance with the provisions of section 218 of the Act and the conditions specified thereunder.

52 Operating segment information

Business segments

For management and reporting purposes, the Group has been organized into two separate reportable segments based on the products and services as follows:

a) Tractors
b) Castings

Other business activities of the Group have been presented under "others segment". Accordingly, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its operating segments separately for the purpose of performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

	Tractors		Castings		Others		Inter-segment / group eliminations		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	(Rupees in thousand)									
Revenue from contracts with customers	63,755,236	52,108,997	1,694,002	1,712,642	6,063,280	3,070,001	(7,274,164)	(3,544,037)	64,238,354	53,347,603
Cost of sales	(43,391,220)	(38,241,906)	(1,433,348)	(1,555,890)	(5,508,994)	(2,818,245)	7,230,860	3,675,552	(43,102,702)	(38,940,489)
Gross profit	20,364,016	13,867,091	260,654	156,752	554,286	251,756	(43,304)	131,515	21,135,652	14,407,114
Distribution and marketing expenses	(2,036,324)	(1,631,382)	(69,279)	(52,977)	(28,569)	(59,039)	-	-	(2,134,172)	(1,743,398)
Administrative expenses	(1,799,950)	(1,664,087)	(84,660)	(80,570)	(219,629)	(240,633)	-	-	(2,104,239)	(1,985,290)
Other operating expenses	(1,234,459)	(974,537)	(7,521)	-	-	-	-	-	(1,241,980)	(974,537)
	(5,070,733)	(4,270,006)	(161,460)	(133,547)	(248,198)	(299,672)	-	-	(5,480,391)	(4,703,225)
Other income	599,429	639,394	10,702	11,111	5,258	8,276	(114,112)	(46,186)	501,277	612,595
Operating profit	15,892,712	10,236,479	109,896	34,316	311,346	(39,640)	(157,416)	85,329	16,156,538	10,316,484
Finance cost	(1,458,836)	(2,172,644)	(13,371)	(34,871)	(5,896)	(4,002)	-	-	(1,478,103)	(2,211,517)
Profit before income taxes and final taxes	14,433,876	8,063,835	96,525	(555)	305,450	(43,642)	(157,416)	85,329	14,678,435	8,104,967
Levy - Final taxes	(39,656)	(64,243)	-	-	-	-	-	-	(39,656)	(64,243)
Profit before income tax	14,394,220	7,999,592	96,525	(555)	305,450	(43,642)	(157,416)	85,329	14,638,779	8,040,724
Taxation	(6,553,431)	(1,626,664)	(26,583)	(18,591)	(29,191)	(19,496)	41,804	(51,800)	(6,567,401)	(1,716,551)
Profit after tax for the year	7,840,789	6,372,928	69,942	(19,146)	276,259	(63,138)	(115,612)	33,529	8,071,378	6,324,173

52.1 Inter-segment / group transactions have been eliminated for the purpose of consolidation.

52.2 Allocation of assets and liabilities

	Tractors		Castings		Others		Inter-segment / group eliminations		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	(Rupees in thousand)									
Segment operating assets										
Non-current assets										
Property, plant and equipment	2,647,041	1,786,075	126,795	142,688	148,122	171,189	(11,449)	(11,449)	2,910,509	2,088,503
Right-of-use assets	15,243	1,444	–	–	–	–	–	–	15,243	1,444
Intangible assets	7,860	15,720	–	–	–	–	–	–	7,860	15,720
Goodwill	–	–	–	–	–	–	18,572	18,572	18,572	18,572
Investment property	38,861	38,861	–	–	–	–	–	–	38,861	38,861
Long term investments	6,489,069	6,007,386	–	40,871	–	–	(174,005)	(174,005)	6,315,064	5,874,252
Long term loans	4,196	9,789	–	89	–	–	–	–	4,196	9,878
Long term deposits	–	–	4,748	4,748	6,585	4,661	–	–	11,333	9,409
Deferred tax asset - net	–	–	–	3,227	–	–	–	(3,227)	–	–
Employees' defined benefit plan	139,491	154,933	–	20,058	–	–	–	–	139,491	174,991
Current assets										
Stores, spare parts and loose tools	669,224	696,330	120,534	124,752	35,227	37,610	–	–	824,985	858,692
Stock in trade	10,993,310	12,836,160	264,951	243,038	351,527	407,011	(12,986)	30,318	11,596,802	13,516,527
Trade debts	1,101,024	500,407	127,232	147,357	886,431	549,565	(794,933)	(313,822)	1,319,754	883,507
Loans and advances	211,737	134,216	5,759	3,320	14,254	15,015	7	2	231,757	152,553
Trade deposits and short term prepayments	183,220	159,968	9,070	4,550	3,418	10,622	–	–	195,708	175,140
Balances with statutory authorities	7,410,946	7,587,586	1,908	14,386	2,439	2,439	2	–	7,415,295	7,604,411
Other receivables	215,109	285,999	1,426	1,702	7,044	6,874	(5,204)	(5)	218,375	294,570
Tax refunds due from the Government	–	1,207,969	14,846	12,615	85,155	53,685	(100,001)	–	–	1,274,269
Short term investments	–	–	3,856	3,856	55,000	60,000	–	–	58,856	63,856
Cash and bank balances	2,088,312	1,565,748	100,543	29,520	624,131	230,857	–	–	2,812,986	1,826,125
Non-current assets held for sale	–	–	–	–	–	–	–	–	–	–
Total operating assets	32,214,643	32,988,591	781,668	796,777	2,219,333	1,549,528	(1,079,997)	(453,616)	34,135,647	34,881,280

	Tractors		Castings		Others		Inter-segment / group eliminations		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	(Rupees in thousand)									
Segment operating liabilities										
Non-current liabilities										
Long term finance- secured	1,332,916	460,690	-	5,000	-	-	-	-	1,332,916	465,690
Deferred grant	3,677	6,585	-	-	-	-	-	-	3,677	6,585
Lease liabilities against right-of-use assets	10,917	-	-	-	-	-	-	-	10,917	-
Employees' defined benefit plan	-	-	21,762	22,659	-	-	-	-	21,762	22,659
Long term deposits	121,764	88,664	2,363	2,279	6,297	6,135	-	-	130,424	97,078
Deferred tax liabilities - net	1,270,632	1,096,632	3,646	-	5,689	2,115	(29,975)	8,599	1,249,992	1,107,346
Current liabilities										
Trade and other payables	6,857,784	6,228,674	275,747	285,663	92,551	256,343	(643,887)	(313,827)	6,582,195	6,456,853
Contract liabilities	1,409,982	1,808,426	2,303	1,011	967,552	252,968	(156,248)	-	2,223,589	2,062,405
Taxation- net	131,312	-	-	-	-	-	(100,001)	-	31,311	-
Short term borrowings	10,605,295	14,036,499	60,000	79,870	-	-	-	-	10,665,295	14,116,369
Current portion of non-current liabilities	202,006	433,191	306	60,220	-	-	-	-	202,312	493,411
Unclaimed dividend	413,890	362,053	3,375	3,377	1,405	2,753	-	-	418,670	368,183
Unpaid dividend	31,979	79,163	-	-	-	-	-	-	31,979	79,163
Accumulating compensated absences	335,160	311,714	14,398	15,336	-	-	-	-	349,558	327,050
Total operating liabilities	22,727,314	24,912,291	383,900	475,415	1,073,494	520,314	(930,111)	(305,228)	23,254,597	25,602,792

* Inter-segment / group balances have been eliminated for the purpose of consolidation.

Notes to the Consolidated Financial Statements

For the year ended June 30, 2026

53 Listing of subsidiary companies

Name of subsidiary	Group shareholding (%)	NCI shareholding (%)	Country of incorporation	Financial year end
Millat Industrial Products Limited (MIPL)	64.09%	35.91%	Pakistan	June 30
Bolan Castings Limited (BCL)	46.26%	53.74%	Pakistan	June 30
TIPEG Intertrade DMCC (TIPEG)	75%	25.00%	Dubai	December 31

TIPEG Intertrade DMCC has year-end according to the applicable law of the country of its incorporation.

53.1 Set out below is summarized financial information for each subsidiary that has Non-Controlling Interest (NCI). The amounts disclosed for each subsidiary are before inter company eliminations:

	MIPL	BCL	TIPEG
		(Rupees in thousand)	
Total assets	899,745	781,668	1,319,587
Total liabilities	116,919	383,900	956,575
Total comprehensive income	(25,790)	62,939	302,049
Total comprehensive income allocated to NCI	(9,261)	33,823	75,512
Accumulated NCI	284,207	195,600	90,753
Cash and bank balances, excluding term deposit receipts	32,754	100,543	591,377
Cash generated from / (used in):			
Operating activities	369	95,637	300,041
Investing activities	(3,634)	60,257	–
Financing activities	–	(84,872)	(151,700)

	2026	2025
	Units per annum	
54 Capacity and production		
a) Tractors		
Plant capacity (double shift)	30,000	30,000
Actual production	19,007	18,637

The Group has a normal capacity of producing 30,000 tractors per annum on double shift basis. However, the excess production over normal capacity is due to working on overtime schedules to meet the higher demand.

b) Batteries

The actual production capacity of the plant cannot be determined as it depends on the proportion of different types of batteries produced which varies in relation to the consumers' demand. The actual production during the year was according to market demand. During the year, the actual production capacity attained was 24,869 batteries (Standard 15: plates 24,240 batteries) compared with (2025: 116,183 batteries Standard 15 plates 97,348 batteries) against annual manufacturing capacity of 360,000 standard 15 plates batteries (2025: 360,000).

There has been low market demand of batteries which led to under utilization of our production capacity.

		2026	2025
		Metric tons	
c)	**Castings**		
	Installed capacity (single shift without overtime)	13,200	13,200
	Actual production	4,239	3,534
	Capacity utilisation	32.11%	26.77%

Production during the year was as per the market demand.

		2026	2025
55	**Number of employees**		
	Number of employees at the end of the year	640	537
	Average number of employees during the year	652	683
	Total number of factory employees at the end of the year	248	274
	Average number of factory employees during the year	260	351

The number of employees mentioned above does not include third party contractual employees.

56 Subsequent events

The Board of Directors of the Holding Company in its meeting held on September 16, 2026 has proposed a final cash dividend of Rs. 11 per share (2025: Rs. 15 per share) and Nil bonus shares (2025: Nil). The appropriation will be approved by the members in the forthcoming Annual General Meeting. These consolidated financial statements do not include the effect of these appropriations which will be accounted for subsequent to the year end.

57 Corresponding figures

Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purposes of comparison and better presentation as per reporting framework. However, no significant rearrangements and reclassifications have been made except for those disclosed elsewhere and the following:

		(Rupees in thousand)
–	Employee deposits under the vehicle scheme', previously reported within 'Others' under 'Trade and other payables', have been reclassified and separately presented under 'Long-term deposits' in the current year for enhanced presentation and comparability.	81,380

Notes to the Consolidated Financial Statements

For the year ended June 30, 2026

58 Date of authorization for issue

These consolidated financial statements have been approved for issue by Board of Directors of the Holding Company in their board meeting held on September 16, 2026.

59 General

Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

Chief Financial Officer | Chief Executive Officer | Chairman

Pattern of Shareholding

As on June 30, 2026

No. of share Holders	Shareholding From	To	Number of Shares Held	% of Capital
11155	1	100	385,043	0.10
6490	101	500	1,695,690	0.42
2609	501	1,000	2,045,743	0.51
3826	1001	5,000	9,003,109	2.26
933	5001	10,000	6,771,321	1.70
354	10001	15,000	4,335,182	1.09
233	15001	20,000	4,125,390	1.03
163	20001	25,000	3,674,930	0.92
111	25001	30,000	3,078,036	0.77
80	30001	35,000	2,593,516	0.65
78	35001	40,000	2,961,886	0.74
38	40001	45,000	1,592,158	0.40
68	45001	50,000	3,269,435	0.82
43	50001	55,000	2,274,247	0.57
45	55001	60,000	2,597,646	0.65
20	60001	65,000	1,240,132	0.31
34	65001	70,000	2,281,552	0.57
25	70001	75,000	1,812,240	0.45
22	75001	80,000	1,713,240	0.43
16	80001	85,000	1,318,590	0.33
17	85001	90,000	1,473,462	0.37
10	90001	95,000	930,320	0.23
21	95001	100,000	2,067,724	0.52
13	100001	105,000	1,335,542	0.33
13	105001	110,000	1,398,656	0.35
4	110001	115,000	455,108	0.11
6	115001	120,000	708,950	0.18
12	120001	125,000	1,465,752	0.37
7	125001	130,000	902,656	0.23
4	130001	135,000	532,920	0.13
8	135001	140,000	1,108,054	0.28
6	140001	145,000	852,550	0.21
9	145001	150,000	1,336,796	0.34
5	150001	155,000	765,540	0.19
4	155001	160,000	634,226	0.16
6	160001	165,000	976,032	0.24
2	165001	170,000	330,526	0.08
2	170001	175,000	345,040	0.09
3	175001	180,000	532,416	0.13
4	180001	185,000	732,146	0.18
1	185001	190,000	185,426	0.05
8	190001	195,000	1,546,232	0.39
11	195001	200,000	2,195,974	0.55
4	200001	205,000	807,852	0.20
3	205001	210,000	621,380	0.16
6	210001	215,000	1,273,102	0.32
4	215001	220,000	865,080	0.22
2	225001	230,000	455,914	0.11
1	230001	235,000	234,062	0.06
6	235001	240,000	1,430,932	0.36
6	240001	245,000	1,448,746	0.36
2	245001	250,000	495,332	0.12
3	250001	255,000	751,594	0.19
4	255001	260,000	1,033,194	0.26
1	265001	270,000	269,162	0.07
5	270001	275,000	1,361,292	0.34

Pattern of Shareholding

As on June 30, 2026

No. of share Holders	Shareholding From	To	Number of Shares Held	% of Capital
1	275001	280,000	275,424	0.07
2	280001	285,000	566,134	0.14
5	285001	290,000	1,433,074	0.36
2	290001	295,000	587,426	0.15
2	295001	300,000	598,400	0.15
2	300001	305,000	606,510	0.15
1	310001	315,000	312,100	0.08
2	315001	320,000	639,670	0.16
1	320001	325,000	322,328	0.08
1	325001	330,000	329,996	0.08
1	330001	335,000	334,664	0.08
1	340001	345,000	342,022	0.09
1	345001	350,000	345,040	0.09
1	350001	355,000	351,768	0.09
1	355001	360,000	360,000	0.09
2	365001	370,000	733,982	0.18
2	370001	375,000	743,610	0.19
1	375001	380,000	376,240	0.09
2	380001	385,000	761,514	0.19
2	385001	390,000	772,400	0.19
1	395001	400,000	400,000	0.10
1	405001	410,000	410,000	0.10
2	410001	415,000	825,000	0.21
1	415001	420,000	418,148	0.10
2	420001	425,000	845,588	0.21
1	425001	430,000	425,246	0.11
1	430001	435,000	433,014	0.11
1	435001	440,000	437,540	0.11
1	445001	450,000	446,704	0.11
1	455001	460,000	459,486	0.12
1	460001	465,000	460,486	0.12
1	475001	480,000	480,000	0.12
1	485001	490,000	486,228	0.12
1	500001	505,000	505,000	0.13
1	505001	510,000	507,986	0.13
1	510001	515,000	513,882	0.13
1	520001	525,000	522,018	0.13
1	540001	545,000	541,536	0.14
1	545001	550,000	546,598	0.14
2	560001	565,000	1,126,342	0.28
2	565001	570,000	1,136,512	0.28
1	595001	600,000	600,000	0.15
1	620001	625,000	622,800	0.16
4	670001	675,000	2,695,920	0.68
2	675001	680,000	1,358,000	0.34
1	680001	685,000	683,974	0.17
1	690001	695,000	692,840	0.17
1	700001	705,000	704,868	0.18
1	710001	715,000	713,346	0.18
1	755001	760,000	757,718	0.19
1	760001	765,000	763,194	0.19
1	785001	790,000	789,708	0.20
1	790001	795,000	794,622	0.20
2	795001	800,000	1,600,000	0.40
1	805001	810,000	809,928	0.20
1	825001	830,000	829,488	0.21

No. of share Holders	Shareholding From	To	Number of Shares Held	% of Capital
2	865001	870,000	1,738,932	0.44
1	905001	910,000	906,418	0.23
1	975001	980,000	977,336	0.24
1	985001	990,000	987,814	0.25
1	1020001	1,025,000	1,020,174	0.26
1	1055001	1,060,000	1,059,618	0.27
1	1070001	1,075,000	1,073,650	0.27
1	1075001	1,080,000	1,079,556	0.27
1	1295001	1,300,000	1,300,000	0.33
1	1330001	1,335,000	1,332,578	0.33
1	1365001	1,370,000	1,369,238	0.34
1	1490001	1,495,000	1,493,094	0.37
1	1525001	1,530,000	1,529,918	0.38
3	1540001	1,545,000	4,627,332	1.16
1	1580001	1,585,000	1,581,182	0.40
1	1710001	1,715,000	1,713,152	0.43
1	1785001	1,790,000	1,786,092	0.45
1	2000001	2,005,000	2,000,250	0.50
1	2330001	2,335,000	2,331,592	0.58
1	2350001	2,355,000	2,351,562	0.59
1	2485001	2,490,000	2,489,888	0.62
1	2595001	2,600,000	2,597,056	0.65
1	2625001	2,630,000	2,625,796	0.66
1	2790001	2,795,000	2,790,658	0.70
1	3085001	3,090,000	3,088,814	0.77
1	3160001	3,165,000	3,162,516	0.79
1	3205001	3,210,000	3,208,776	0.80
1	3370001	3,375,000	3,372,896	0.85
1	3485001	3,490,000	3,486,234	0.87
1	3510001	3,515,000	3,513,574	0.88
1	3785001	3,790,000	3,788,520	0.95
1	4110001	4,115,000	4,113,700	1.03
1	4200001	4,205,000	4,202,964	1.05
1	4315001	4,320,000	4,318,440	1.08
1	4455001	4,460,000	4,456,644	1.12
1	4720001	4,725,000	4,721,324	1.18
1	4875001	4,880,000	4,875,694	1.22
1	5005001	5,010,000	5,009,668	1.26
2	5010001	5,015,000	10,020,128	2.51
4	5035001	5,040,000	20,152,702	5.05
1	5505001	5,510,000	5,508,810	1.38
1	6205001	6,210,000	6,206,794	1.56
1	7070001	7,075,000	7,073,756	1.77
1	7075001	7,080,000	7,077,360	1.77
1	7350001	7,355,000	7,352,996	1.84
1	8235001	8,240,000	8,237,712	2.06
1	8895001	8,900,000	8,896,632	2.23
1	9055001	9,060,000	9,059,912	2.27
1	9320001	9,325,000	9,324,990	2.34
1	10075001	10,080,000	10,076,354	2.53
1	10350001	10,355,000	10,354,416	2.59
1	15790001	15,795,000	15,791,254	3.96
1	36050001	36,055,000	36,050,630	9.03
26,704	**Total**		**399,031,894**	**100.00**

Categories of Shareholding

As on June 30, 2026

	Categories of Shareholders	No. of Shareholders	Shares Held	Percentage
1	**Directors, CEO and their spouse & minor children**	19	126,095,896	31.60
	Mr. Sikandar Mustafa Khan	1	22,057,136	5.53
	Mr. Sohail Bashir Rana	1	24,892,842	6.24
	Mr. Laeeq Uddin Ansari	1	30,175,438	7.56
	Mr. Qaiser Saleem	1	10,237,962	2.57
	Mr. Saad Iqbal	1	9,059,912	2.27
	Mr. Muhammad Mustafa Khan	1	4,458,772	1.12
	Mr. Muhammad Mustafa Sohail	1	785,718	0.20
	Mr. Murad Naseer Uddin Ansari	1	5,290,258	1.33
	Mr. Manzoor Ahmed	1	20	0.00
	Mr. Muhammad Javed Rashid	1	2	0.00
	Mr. Nasar Us Samad Qureshi	1	974	0.00
	Mrs. Zara Salman Bandial	1	400	0.00
	Mr. Raheel Asghar	1	606	0.00
	Mrs. Cyma Khan (Spouse of Mr. Sikandar Mustafa Khan)	1	15,622,512	3.92
	Mrs. Ayesha Sohail(Spouse of Mr. Sohail Bashir Rana)	1	2,804,024	0.70
	Mrs. Samina Laeeq (Spouse of Mr. Laeeq Uddin Ansari)	1	85,162	0.02
	Mrs. Rabia Qaiser (Spouse of Mr. Qaiser Saleem)	1	66,678	0.02
	Mrs. Hanan Murad Ansari (Spouse of Mr. Murad Naseer Uddin Ansari)	1	540,180	0.14
	Mr. Adil Umar Bandial (Spouse of Mrs. Zara Salman Bandial)	1	17,300	0.00
2	**Associated Companies, Undertakings and Related parties**	32	45,111,144	11.31
	a- Associated Companies	0	0	0.00
	b- Associated Undertakings	3	569,576	0.14
	c- Related Parties	29	44,541,568	11.16
3	**NIT and ICP**	6	3,301,506	0.83
4	**Banks, Development Financial Institutions , Non-Banking Financial Institutions & Pension Funds**	7	16,192,330	4.06
5	**Insurance Companies**	5	44,018,328	11.03
6	**Modarabas & Mutual Funds**	10	265,984	0.07
7	**Shareholders Holding 10% or more Voting Interest**	-	-	-
8	**General Public**	26,509	149,551,542	37.48
	a-Local	26,500	147,950,846	37.08
	b-Foreign	9	1,600,696	0.40
9	**Others**	116	14,495,164	3.63
	Joint Stock Companies	89	3,940,355	0.99
	Trusts	23	10,094,067	2.53
	Others	4	460,742	0.12
		26,704	**399,031,894**	**100.00**

Millat Group of Companies
Consolidated Pattern of Shareholding
As on June 30, 2026

Pattern of Shareholding of Millat Industrial Products Limited

As on 30-06-2026

No. of Shareholders	Size of Holding		Total Shares Held
	From	To	
5	1	100	420
55	101	500	15,705
51	501	1,000	43,379
48	1,001	1,500	61,858
32	1,501	2,000	57,575
30	2,001	3,000	71,138
26	3,001	5,000	103,788
51	5,001	40,000	776,831
10	40,001	100,000	561,204
4	100,001	400,000	967,582
1	400,001	600,000	415,724
2	600,001	8,000,000	7,220,562
315			**10,295,766**

Pattern of Shareholding of Tipeg Intertrade FZE

As on 30-06-2026

No. of Shareholders	Size of Holding		Total Shares Held
	From	To	
5	1	100	500
1	101	1,500	1,500
6			**2,000**

Pattern of Shareholding of Bolan Castings Limited

As on 30-06-2026

No. of Shareholders	Size of Holding		Total Shares Held
	From	To	
430	1	100	13,916
642	101	500	166,025
222	501	1000	185,568
329	1001	5000	795,758
62	5001	10000	465,327
18	10001	15000	222,128
8	15001	20000	141,461
6	20001	25000	136,142
4	25001	30000	110,345
3	30001	35000	96,466
3	35001	40000	120,000
2	40001	45000	85,302
3	45001	50000	143,737
1	50001	55000	53,500
1	60001	65000	60,758
3	65001	70000	199,714
1	70001	75000	75,000
1	75001	80000	75,392
1	165001	170000	166,369
1	195001	200000	200,000
1	255001	260000	258,266
1	485001	490000	488,276
1	775001	780000	776,100
1	1125001	1130000	1,130,000
1	5305001	5310000	5,306,979
1746			**11,472,529**

Consolidated Categories of Shareholding

As on June 30, 2026

Categories of Shareholders		MIPL	%	TIPEG	%	BCL	%
1-	**Directors, CEO's, spouse & minor children**						
	Mr. Sikandar Mustafa Khan	622,437	6.05	100	5.00	166,369	1.45
	Mr. Sohail Bashir Rana	415,724	4.04	100	5.00	4,359	0.04
	Mr. Laeeq Uddin Ansari	390,425	3.79	100	5.00	3,120	0.03
	Syed Muhammad Irfan Aqueel(BCL Director only)	-	0.00	-	-	2,500	0.02
	Syed Javed Ashraf	-	0.00	-	-	10	0.00
	Mrs.Tabassum Rana (BCL Director only)	-	0.00	-	-	80	0.00
	Mr. Muhammad Mustafa Khan(Not a Director in BCL & TIPEG)	5,290	0.05	-	-	-	-
	Mr. Muhammad Mustafa Sohail (Not a Director in BCL & TIPEG)	1,150	0.01	-	-	-	-
	Mr. Muraad Naseer Uddin Ansari(Not a Director in BCL & TIPEG)	-	0.00	-	-	-	-
	Mr. Shehryar Ansari (MIPL Director only)	26,450	0.26	-	-	-	-
	Mr. Qaiser Saleem(Not a Director in TIPEG & BCL)	227,845	2.21	-	-	-	-
		1,689,321	16.41	300	15.00	176,438	1.54
2-	**Associated Companies, Undertakings and related parties**						
	a) Millat Tractors Limited	6,598,125	64.09	1,500	75.00	5,306,979	46.26
	b) Associated Undertakings	-	-	-	-	46,278	0.40
	c) Related Parties	-	-	-	-	-	-
3-	**NIT and ICP**	-	-	-	-	488,276	4.26
4-	**Banks, Development Financial Institutions ,**						
	Non-Banking Financial Institutions & Pensions Funds	-	-	-	-	75,713	0.66
5-	**Insurance Companies**	-	-	-	-	200,000	1.74
6-	**Modarabas & Mutual Funds**	-	-	-	-	-	-
7-	**Shareholders Holding 10% or more Voting Interest (Detail as per 2 (a) above)**						
8-	**General Public**						
	a-Local	-	-	-	-	4,553,349	39.69
	b-Foreign	-	-	-	-	137,711	1.20
9-	**Others**						
	Joint Stock Companies	-	-	-	-	-	-
	Trust	-	-	-	-	-	-
	Public	2,008,320	19.51	-	-	-	-
	Miscellaneous	-	-	200	10.00	487,785	4.25
		10,295,766	**100.00**	**2,000**	**100.00**	**11,472,529**	**100.00**

Electronic Transmission Consent

MILLAT TRACTORS LIMITED

Pursuant to the allowance granted through SRO 787(I)/2014 of September 8, 2014, by the Securities Exchange Commission of Pakistan, the Company can circulate its Annual Audited Financial Statements, Auditor's report(s) and Directors' report(s) etc. along with the Company's Notice of Annual General Meeting through email to its shareholders. Those shareholders who wish to receive the Company's Annual Report via email are requested to provide a completed consent form to the Company's Share Registrar, M/s. CDC Share Registrar Services Ltd.

ELECTRONIC TRANSMISSION CONSENT FORM

The Share Registrar

Date: _____

Karachi	Lahore	Islamabad
CDC Share Registrar Services Limited CDC House, 99 - B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal Karachi-74400.	Mezzanine Floor, South Tower, LSE Plaza, Khayaban-E-Aiwan-E-Iqbal, Lahore.	Room # 410, 4th Floor, ISE Towers, 55-B, Jinnah Avenue, Blue Area, Islamabad.

Pursuant to the directions given by the Securities Exchange Commission of Pakistan through its SRO 787(I)/2014 of September 8, 2014, I, Mr./Ms._____ S/o, D/o, W/o _____ hereby consent to have Millat Tractors Ltd., Audited Financial Statements and Notice of Annual General Meeting delivered to me via email on my email address provided below:

Name of Member/ Shareholder_____

Folio/ CDC Account Number_____

Email Address:_____

It is stated that the above mentioned information is true and correct and that I shall notify the Company and its Share Registrar in writing of any change in my email address or withdrawal of my consent to email delivery of the Company's Audited Financial Statements and Notice of Annual General Meeting.

_____

Signature of the Member/ Shareholder

اظہار رضامندی بابت ترسیل برق روی

MILLAT TRACTORS LIMITED

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے ایس آر او 787/(1)/2014 مورخہ 08 ستمبر، 2014 کے بموجب سہولت مہیا کی گئی ہے کہ کمپنی اپنی سالانہ بیلنس شیٹ اور نفع ونقصان کے گوشوارے محاسب ونظمہ کی مرتب کردہ اطلائی معلومات (پڑتال شدہ مالیاتی حسابات) بشمول سالانہ اجلاس عام کی اطلاع اپنے شیئر ہولڈرز کو بذریعہ ای میل ارسال کرسکتی ہے۔ وہ تمام شیئر ہولڈرز جو کمپنی کی سالانہ رپورٹ بذریعہ ای میل حاصل کرنے کے خواہش مند ہیں ان سے التماس ہے کہ تکمیل شدہ رضامندی کے فارم کمپنی کے شیئر رجسٹرار میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ کو مہیا کریں۔

اظہار رضامندی بابت ترسیل برق روی فارم

تاریخ: _____

شیئر رجسٹرار

میسرز سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ

کراچی	لاہور	اسلام آباد
سی ڈی سی ہاؤس، 99-بی، بلاک-بی، ایس۔ایم۔سی۔ایچ۔ایس، مین شاہ راہ فیصل، کراچی	میزانائن فلور، ساؤتھ ٹاور، ایل۔ایس۔ای پلازہ، خیابانِ ایوانِ اقبال، لاہور	روم نمبر 410، 4th فلور، آئی۔ایس۔ای ٹاورز، 55-B، جناح ایونیو، بلیو ایریا، اسلام آباد

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے ایس آر او 787/(1)/2014 مورخہ 08 ستمبر، 2014 کی تعمیل کرتے ہوئے میں مسمی/مسمات _____

ولدیت/زوجیت _____ ملت ٹریکٹرز لمیٹڈ کے پڑتال شدہ مالیاتی گوشوارے اور سالانہ اجلاس عام کی اطلاع بذریعہ ای میل مندرجہ ذیل ای میل پتے پر حاصل کرنا چاہتا/چاہتی ہوں

ممبر/شیئر ہولڈر کا نام _____

فولیو سی ڈی سی اکاؤنٹ نمبر _____

ای میل ایڈریس _____

ہرگاہ اقرار کیا جاتا ہے کہ مندرجہ بالا معلومات صحیح اور درست ہیں اور یہ کہ میں کمپنی اور اس کے شیئر رجسٹرار کو تحریری طور پر ای میل ایڈریس میں تبدیلی بابذریعہ ای میل کمپنی کے پڑتال شدہ حسابات اور سالانہ اجلاس عام کی اطلاع کی وصولی یا منسوخی کے بارے میں مطلع کروں گا/گی۔

_____

ممبر/شیئر ہولڈر کے دستخط

Ballot Paper

MILLAT TRACTORS LIMITED

Millat Tractors Limited
POSTAL BALLOT PAPER

for voting through post for the Special Business at the Annual General Meeting to be held on
Tuesday, October 27, 2026, at 12:00 P.M. at Registered Office of the Company at 9 K.M. Sheikhupura Road, Shahdara, Lahore
www.millat.com.pk

Folio / CDS Account Number	
Name of Shareholder / Proxy Holder	
Registered Address	
Number of shares Held	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)	
Name of Authorized Signatory	
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

Resolution For Agenda Item No. 5

5) To ratify and approve transactions conducted with subsidiary/associated companies for the year ended June 30, 2026 by passing the following special resolution with or without modification.

Resolved that the following transactions conducted with subsidiary/associated companies for the year ended June 30, 2026 be and are hereby ratified, approved and confirmed."

2026 (AMOUNT IN RUPEES)

Particulars	TIPEG INTERTRADE FZE	MILLAT INDUSTRIAL PRODUCTS LIMITED	BOLAN CASTINGS LIMITED
Purchase of components	1,081,872,445	444,826,258	1,676,465,813
Sale of components	4,070,057,414	–	943,738

Resolution For Agenda Item No.6

6) To authorize Chief Executive of the Company to approve transactions with subsidiary/associated companies for the year ending June 30, 2027 by passing the following special resolution with or without modification.

"Resolved that the Chief Executive of the Company be and is hereby authorized to approve all the transactions with subsidiary/associated companies on case to case basis in normal course of business during the period from 63rd Annual General Meeting till the next Annual General Meeting of the Company."

"Further resolved that these transactions shall be placed before the shareholders in the next Annual General Meeting for their ratification/approval."

Instructions For Poll

1. Please indicate your vote by ticking (√) the relevant box.
2. In case if both the boxes are marked as (√), you poll shall be treated as "Rejected".
3. I/we hereby exercise my/our vote in respect of the above resolution through ballot by conveying my/our assent or dissent to the resolution by placing tick (√) mark in the appropriate box below;

Resolution	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Resolution No. 5		
Resolution No. 6		

NOTES:

1. Duly filled ballot paper should be sent to the Chairman of Millat Tractors Limited at 9 K.M. Sheikhupura Road, Shahdara, Lahore or e-mail at corporate.affairs@millat.com.pk
2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Ballot paper should reach the Chairman within business hours by or before Monday, October 19, 2026. Any postal Ballot received after this date, will not be considered for voting.
4. Signature on ballot paper should match with signature on CNIC/ Passport. (in case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member.
7. Ballot Paper form has also been placed on the website of the Company at: www.millat.com.pk. Members may download the Ballot paper from the website or use an original/ photocopy published in newspapers.

Shareholder / Proxy holder Signature/Authorized Signatory
(In case of corporate entity, please affix company stamp)

Date

MILLAT TRACTORS LIMITED

پوسٹل بیلٹ پیپر

ملّت ٹریکٹرز لمیٹڈ

پوسٹل بیلٹ پیپر

27 اکتوبر، 2026 بروز منگل دوپہر 12:00 بجے، بمقام 9 K.M شیخوپورہ روڈ، شاہدرہ، لاہور کو منعقد ہونے والے سالانہ اجلاس عام میں خصوصی امور کیلئے بذریعہ پوسٹ ووٹنگ کیلئے بیلٹ پیپر www.millat.com.pk

فولیو/CDS اکاؤنٹ نمبر	
شیئر ہولڈر/ پراکسی ہولڈر کا نام	
رجسٹرڈ پتہ	
موجود شیئرز کی تعداد	
CNIC/ پاسپورٹ نمبر (غیر ملکی ہونے کی صورت میں) (نقل منسلک کریں)	
اضافی معلومات اور انکوئرز (باڈی کارپوریٹ، کارپوریشن اور وفاقی حکومت کے نمائندے کی صورت میں)	
مجاز دستخط کنندہ کا نام	
مجاز دستخط کنندہ کا CNIC/ پاسپورٹ نمبر (غیر ملکی ہونے کی صورت میں) (نقل منسلک کریں)	

ایجنڈا آئٹم نمبر 5 کیلئے قرارداد:

(5) 30 جون، 2026 کو ختم ہونے والے سال کیلئے ماتحت/ وابستہ کمپنیوں کے ساتھ کئے گئے لین دین کی توثیق اور منظوری کیلئے درج ذیل خصوصی قرارداد کو ترمیم کیساتھ یا اسکے بغیر منظور کرنا۔

''قرار پایا کہ ماتحت/ وابستہ کمپنیوں کیساتھ 30 جون، 2026 کو ختم ہونے والے سال کیلئے کیے گئے مندرجہ ذیل لین دین کی توثیق، منظوری اور تصدیق کی جاتی ہے''

2026 (رقم روپوں میں)

تفصیلات	ٹائی چیک انٹرٹریڈ (ایف زیڈ ای)	ملت انڈسٹریل پروڈکٹ لمیٹڈ	بولان کاسٹنگز لمیٹڈ
اشیاء کی خریداری	1,081,872,445	444,826,258	1,676,465,813
اشیاء کی فروخت	4,070,057,414	–	943,738

ایجنڈا آئٹم نمبر 6 کیلئے قرارداد:

(6) کمپنی کے چیف ایگزیکٹو کو 30 جون، 2027 کو ختم ہونے والے سال کیلئے ماتحت/ وابستہ کمپنیوں کے ساتھ لین دین کی منظوری کیلئے درج ذیل خصوصی قرارداد کو ترمیم کیساتھ یا اسکے بغیر منظور کرنے کا اختیار دینا۔

''طے پایا کہ کمپنی کے چیف ایگزیکٹو کو کمپنی کے 63 ویں سالانہ اجلاس عام سے لے کر اگلے سالانہ اجلاس عام تک کی مدت کے دوران امور کو معمول کے مطابق ذیلی/ وابستہ کمپنیوں کیساتھ تمام لین دین کی منظوری دینے کا اختیار ہے

مزید طے پایا کہ ان لین دین کو اگلے سالانہ اجلاس عام میں شیئر ہولڈرز کے سامنے ان کی توثیق/ منظوری کیلئے رکھا جائیگا''

پول کیلئے ہدایات

(1) براہ مہربانی متعلقہ خانہ کو (✓) کا نشان لگا کر اپنے ووٹ کی نشاندہی کریں۔

(2) اگر دونوں خانوں کو (✓) کے بطور نشان زدہ کیا گیا ہے، تو آپ کے پول کو ''مسترد'' سمجھا جائیگا۔

میں/ہم، بذریعہ ہذا، مندرجہ بالا قرارداد کے سلسلے میں اپنا ووٹ بیلٹ کے ذریعے استعمال کرتے ہیں اور ذیل میں مناسب خانہ میں (✓) کا نشان لگا کر قرارداد پر میری/ اپنی رضامندی یا اختلاف رائے پہنچاتے ہیں۔

قرارداد	میں/ہم اس قرارداد کی منظوری دیتے ہیں (حق)	میں/ہم اس قرارداد سے اختلاف کرتے ہیں (خلاف)
قرارداد نمبر-5		
قرارداد نمبر-6		

نوٹس:

(1) باقاعدہ پر کیا گیا بیلٹ پیپر، چیئرمین ملت ٹریکٹرز لمیٹڈ واقع 9 K.M شیخوپورہ روڈ، شاہدرہ، لاہور یا ای میل corporate.affairs@millat.com.pk پر ارسال جائے۔

(2) پوسٹل بیلٹ فارم کیساتھ CNIC/ پاسپورٹ کی نقل (غیر ملکی ہونے کی صورت میں) منسلک کریں۔

(3) بیلٹ پیپر، چیئرمین تک 19 اکتوبر، 2026 بروز پیر تک یا اس سے قبل دفتری اوقات کار کے اندر پہنچ جائیں، اس تاریخ کے بعد موصول ہونے والے کسی بھی بیلٹ پیپر پر ووٹنگ کیلئے غور نہیں کیا جائیگا۔

(4) بیلٹ پیپر کے دستخط کا CNIC/ پاسپورٹ پر کئے گئے دستخط کیساتھ مماثلت ہونی چاہئے۔ (غیر ملکی ہونے کی صورت میں)

(5) نامکمل، غیر دستخط شدہ، غلط، مسخ شدہ، پھٹا ہوا، اوور رٹین پول پیپر، مسترد کر دیا جائیگا۔

(6) ایک باڈی کارپوریٹ، کارپوریشن یا وفاقی حکومت کا ایک نمائندہ ہونے کی صورت میں کمپنیز ایکٹ 2017 کے سیکشنز 138 یا 139 کا اطلاق ہوگا، کے مطابق، بیلٹ پیپر کے ہمراہ لازمی طور پر مجاز فرد کے CNIC کی ایک نقل، بورڈ قرارداد کی تصدیق شدہ نقل/ پاور آف اٹارنی/ اتھارائزیشن لیٹر وغیرہ منسلک ہونا چاہئے۔ غیر ملکی باڈی کارپوریٹ وغیرہ ہونے کی صورت میں، تمام دستاویزات، قونصل جنرل آف پاکستان سے تصدیق شدہ ہونا ضروری ہے جو ممبر پر ذائرہ اختیار رکھتا ہے۔

(7) بیلٹ پیپر فارم کمپنی کی ویب سائٹ www.millat.com.pk پر بھی موجود ہے، ممبرز، بیلٹ پیپر ویب سائٹ سے ڈاؤن لوڈ کر سکتے ہیں یا اور سیکنڈ/ اخبار میں شائع شدہ کی فوٹو کاپی بھی استعمال کی جاسکتی ہے۔

مورخہ:

شیئر ہولڈر/ پراکسی ہولڈر کے دستخط/ مجاز دستخط کنندہ

(کارپوریٹ ادارہ ہونے کی صورت میں، براہ کرم کمپنی کی مہر ثبت کریں)

Proxy Form

63rd Annual General Meeting

MILLAT TRACTORS LIMITED

Please quote your Folio No. as in the Register of Members

Folio No._____

I/We,_____, of ,_____

_____(Full Address), being the holder(s) of_____

shares of Millat Tractors Limited, do hereby appoint _____of _____

_____CDC Account No./Folio No., another member of the Company or

failing him,_____(Name)of_____

_____(Full Address) CDC Account No./Folio No., another member of the Company as my/our proxy to attend and vote for me/us and on my/ our behalf at the 63rd Annual General Meeting of the Company to be held at the Company's Registered office 9 K.M, Sheikhupura Road, Lahore on Tuesday, October 27, 2026 at 12:00 P.M and at every adjournment thereof.

Signed this_____day of October, 2026.

Signatures on Rupees Fifty Revenue Stamp

(Signature should agree with specimen signatures registered with the Company)

Important

1. A member entitled to attend and vote at the Annual General Meeting of the Company is entitled to attend and vote instead of him/her. No person shall act as a proxy who is not a member of the Company except that a corporation may appoint a person who is not a member.
2. The instrument appointing a proxy should be signed by the member(s) or by his /her attorney duly authorized in writing. If the member is a company, its company stamp should be affixed to the instrument.
3. This Proxy Form, duly completed, must be deposited at the Company's Registered Office, 9 K.M, Sheikhupura Road, Lahore, not less than 48 hours before the time of holding of the meeting.

تشکیل نیابت داری

63واں سالانہ اجلاس عام

MILLAT TRACTORS LIMITED

براہ کرم ممبران کے رجسٹر میں درج اپنے فولیو نمبر کا حوالہ دیں۔

فولیو نمبر _____

میں/ہم _____

ساکن _____ ملت ٹریکٹرز لمیٹڈ

رکن وحامل _____ عام حصص بمطابق شیئر رجسٹرڈ فولیو نمبر _____

اور یا سی ڈی سی کے شراکتی آئی ڈی نمبر _____ اور ذیلی کھاتہ نمبر _____

ساکن _____ یا بصورت دیگر _____ ساکن _____

کو اپنی جگہ بروز منگل مورخہ 27 اکتوبر، 2026ء وقت 12:00 بجے، بمقام کمپنی کے رجسٹرڈ آفس: 9-کلومیٹر شیخوپورہ روڈ شاہدرہ لاہور میں منعقد یا ملتوی ہونے والے 63ویں سالانہ اجلاسِ عام میں رائے دہندگی کے لئے اپنا نمائندہ مقرر کرتا ہوں۔

دستخط کئے گئے مورخہ _____ 2026ء

دستخط

براہ کرم پچاس روپے مالیت کے ریونیو ٹکٹ چسپاں کریں۔

(دستخط کمپنی میں درج نمونہ کے دستخط کے مطابق ہونے چاہئے)

نوٹس:

1. کمپنی کی سالانہ جنرل میٹنگ میں شرکت کرنے اور ووٹ دینے کا حق دار رکن اپنی بجائے دوسرے کو شرکت کرنے اور ووٹ دینے کا حق دے سکتا ہے۔ جو کمپنی کا رکن نہیں ہے کوئی بھی شخص پراکسی کے طور پر کام نہیں کرے گا سوائے اس کے کہ ایک کارپوریشن کسی ایسے شخص کو مقرر کرے جو رکن نہیں ہے۔
2. پراکسی کا تقرر کرنے والے پراکسی پر رکن (ممبران) یا اس کے وکیل کی طرف سے تحریری طور پر مجاز ہونا چاہیے۔ اگر ممبر ایک کارپوریشن ہے تو، اس کی عام مہر کو پراکسی پر چسپاں کیا جانا چاہیے۔
3. یہ پراکسی فارم کمپنی کے رجسٹرڈ آفس 9-کلو میٹر، شیخوپورہ روڈ، لاہور میں اجلاس کے انعقاد سے 48 گھنٹے پہلے وصول ہو جانی چاہیے۔

Instructions for using QR Code for downloading the Company's Annual Report for the year ended June 30, 2026.

QR Code MTL Annual Report-2025-26

For Android Users

1. Open Play Store and download QR Code reader.
2. Open "QR Code reader"
3. Scan the QR Code to access the Annual Report-2025-26.
   Or
4. Type link in your search bar : https://www.millat.com.pk/wp-content/uploads/2026/09/Annual-Report-2026.pdf

For IOS Users

1. Open the Camera application
2. Scan the QR Code
3. A Notification will appear on the top of the Screen, click it to access the Annual Report-2025-26.
   Or
4. Type link in your search bar : https://www.millat.com.pk/wp-content/uploads/2026/09/Annual-Report-2026.pdf

Scan QR Code
for AR-2025-26

Notes

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VANTAGE