46TH ANNUAL REPORT 2026

DADABHOY GROUP

DADABHOY CEMENT INDUSTRIES LTD.

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Vision

Is recognized and accepted as leader in the country for manufacturing one of the best quality cement in Pakistan

Mission

- To have a diversified customer base
- To serve the market through innovation & creations
- To offer a high rate of return to Shareholders
- To create a good work environment for our employees and faster team work & career development
- To operate ethically
- To serve the country to achieve the national goals

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Fazal Karim Dadabhoy	Chief Executive
Mr. Danish Dadabhoy	Chairman
Mr. Shahban Ali	
Mr. Jumma Baig	
Mr. Mohammad Zaman	
Mr. Munir Hussain	
Mr. Liaquat Hussain	

CHIEF FINANCIAL OFFICER
Mr. Aslam Motan

COMPANY SECRETARY
Mr. Muhammad Rashid.

AUDITORS
M/s S.M. Suhail & Co., Chartered Accountants

LEGAL ADVISOR
Mr. Salim Thepdawala & Company

BANKER
Silk Bank Limited
Bank Al Habib Limited

REGISTERED OFFICE
Noor Centre Office No.4, 2nd Floor
Plot No. 30-C Ittehad Lane 12
Phase VII D.H.A, Karachi.
Tel : 021-35312004-9
URL : www.mhdadabhoy.com

SHARE REGISTRAR
Formerly M/s. Technology Trade (Pvt) Ltd.
Dagia House, 241-C, Block 2, P.E.C.H.S.
Off Shahrah-e-Quaideen, Karachi.
Telephone No. 43913 16-17, Fax No. 4391318

FACTORY
Nooriabad Deh Kalu Kohar,
District Dadu (Sindh)

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Jumma Baig	Chairman
Mr. Danish Dadabhoy	Member
Mr. Fazal Karim Dadabhoy	Member

AUDIT COMMITTEE

Mr. Shahban Ali	Chairman
Mr. Liaquat Hussain	Member
Mr. Munir Hussain	Member

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 46th Annual General Meeting of Dadabhoy Cement Industries Limited will be held on Wednesday the October 28th 2026 at 03:00 p.m. at Plot# 28-30/C, Suite# 4, 2nd Floor, Noor Centre, Khayaban-e-Ittehad, Lane# 12, Phase-VII, DHA, Karachi, to transact the following business:

ORDINARY BUSINESS:

1. To read and confirm the minutes of 45th Annual General Meeting (AGM) of the company held on October 28, 2025.

2. To receive, consider and adopt the Audited Accounts of the company for the year ended June 30, 2026 together with Directors and Auditors Reports thereon.

3. To appoint auditors for the year ending June 30, 2027 and fix their remuneration.

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

Karachi.
October 07, 2026

By Order of the Board
Company Secretary

Note:

1. The Share Transfer Books of the company will remain closed from 21-10-2026 to 28-10-2026 (both days inclusive).

2. A member entitled to attend, speak and vote at this meeting, may appoint another person as his / her proxy to attend, speak and vote on his / her behalf.

3. Proxy forms in order to be effective, must be completed and received at the registered office of the company, duly stamped and signed not less than 48 hours before the meeting.

4. All the members and the proxy holders need to verify their identity by showing original CNIC at the time of attending the meeting. In case of corporate entity, a certified copy of the resolution of the board of directors/ valid power of attorney having the same name and specimen signature of the nominee should be produced at the time of the meeting.

5. The Financial Statement of the Company for the year ended June 30, 2026 will also be available at its official website:- www.mhdadabhoy.com

REVIEW REPORT BY THE CHAIRMAN

I am pleased to inform that for the financial year ended June 30, 2026, the overall performance of the Board has been satisfactory. However, there will always be room for improvement. Although the Company has been going through rough times in the recent past, especially due to the current economic situation of the country the Board has coped up well and have shown to be effective to the best of their abilities. The Board of Directors of the Company received agendas and supporting written material including follow up materials in sufficient time prior to the board and its committee meetings.

Furthermore, exciting times lie ahead for the Company as diversification strategies are being explored which will eventually benefit our shareholders.

Danish Dadabhoy
Chairman

Karachi – October 07, 2026

DIRECTORS' REPORT
In the name of Allah, the Most Merciful and the Most Benevolent

The directors of your company are pleased to present the Annual report and the audited financialstatementsfor the year ended June 30, 2026 together with the auditor's report thereon.

FINANCIAL POSITION AT A GLANCE

The Comparativefinancialresults of the company are summarized below:

	June 30, 2026	*June 30 2025*
	--- (Rupees in '000) ---	
Sales-Net	**-**	**-**
Cost of sales	**-**	**-**
Gross profit	**-**	**-**
Administrative expenses	**(31,049)**	**(25,156)**
Finance cost	**-**	**-**
Operating loss	**(31,049)**	**(25,156)**
Other charges	**(2,596)**	**(528)**
Other income	**8,429**	**13,959**
Profit / (Loss) before taxation	**(25,215)**	**(11,725)**
Taxation	**(105)**	**(760)**
Profit after taxation	**(32,488)**	**(12,485)**
Profit per share	**(0.33)**	**(0.13)**

The Company continued to be in a loss position because operationally it continued to stay inactive.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is exposed to certain inherent risks and uncertainties. However, we consider the following as key risks:

• Re-structuring of the team to align with the new strategic direction of the Company.
• Exploring new ventures for diversification.

The Company is working with internal and external stakeholders to mitigate / reduce to acceptable level the likely impacts of the aforesaid risks.

BUSINESS PERFORMANCE HIGHLIGHTS

The Company's performance from a business viewpoint remained largely status quo during the year, with the primary focus being on preparing and developing a strong strategic and financial plan for its future growth and revival. We remain confident that, in the coming years, the Company's performance will show a positive upward trajectory.

As part of its revival and growth strategy, the Company has entered into a Memorandum of Understanding (MOU) with a consultant who will act as a strategic partner, bringing significant expertise and experience in the relevant fields. The Company will work closely with the strategic partner to explore and attract potential investment opportunities, strengthen its financial position and support efforts towards accelerating the revival of its business operations.

The Board remains optimistic that these initiatives will provide a stronger foundation for the Company's future growth and create enhanced value for its shareholders.

CORPORATE SOCIAL RESPONSIBILITY

No significant activities were undertaken from the platform of the Company as far as CSR is concerned since the Company was not operationally active this year. However, in the coming years as the revenue grows, the management will allocate a certain percentage to multiple initiatives such as child education and health as we believe these are the two key areas which require the most attention of the corporate sector.

OBSERVATION OF THE AUDITORS

As regards the material uncertainty to continue as a going concern, we would like state that the management is focused on reviving the operations of the Company which is further elaborated in 'Future Outlook' section of this Report.

AUDITORS

The present Auditors, M/s. S.M Suhail & Co., Chartered Accountants, retired and being eligible have offered themselves for reappointment. Audit committee has recommended the reappointment.

REMUNERATION POLICY OF NON-EXECUTIVE DIRECTORS

Owing to the financial outlook of the Company, Non-Executive and Independent Directors of the Company have voluntarily waived their remuneration for attending the Board and Committee meetings of the Company.

PATTERN OF SHARES HOLDING

Pattern of shareholding as at June 30, 2026 required under the reporting framework is annexed.

FUTURE OUTLOOK

We are fully determined to move the Company forward from its present situation and provide it with a strong and sustainable strategic direction.

In this regard, we have been engaging with prospective investors to attract investment into the Company. Considering the increasing demand and expected growth in the cement industry, we remain hopeful of achieving our objectives and improving the Company's overall performance.

The Securities and Exchange Commission of Pakistan (SECP) provided the Company with a hearing opportunity on March 31, 2021, leading to the submission of a Board-approved revival plan on April 16, 2021, along with a request for the withdrawal of the impugned order. On March 25, 2024, as per the Pakistan Stock Exchange (PSX) notice (Reference PSX N-267), the impugned order dated October 28, 2019, was set aside, paving the way for the Company's continued progress and operational revival.

As part of its ongoing efforts to accelerate the revival process, the Company has also entered into a Memorandum of Understanding (MOU) with a consultant who will serve as a strategic partner, possessing significant expertise in the relevant fields. Through this engagement, the Company intends to collaborate with the strategic partner to attract potential investment, strengthen its financial and operational position, and support and accelerate the Company's revival and future growth.

The Board remains optimistic that these initiatives, together with a focused strategic approach, will help accelerate the Company's revival and place it on a stronger and more sustainable path for the benefit of all stakeholders.

INTERNAL FINANCIAL CONTROLS

The directors are aware of their responsibility with respect to internal financial controls. Currently there are weak or no financial controls as the Company is not operationally active. However, strong controls will be implemented once the Company is in operation.

EARNING PER SHARE

The profit / (loss) per share of the company as at 2026 stood at Rs. (0.33)(2025: Rs. 0.13) per share.

STATEMENT ON CORPORATE AND FINANCIAL FRAMEWORK

The Directors of the Company are aware of their responsibilities under the Code of Corporate Governance incorporated in the Listing Regulations of the stock exchange where the Company is listed.All necessary steps are being taken to ensure appropriate Corporate Governance in the Company as required by the Code.

a) The Financial Statements prepared by the Management of the Company, present fairly the result of its operations, cash flows and changes in equity.

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

c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

d) International Accounting and Financial reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.

e) As already stated above the Company has already developed a business plan and negotiations are underway with prospective investors from the hospitality sector.As such the management does not see any significant doubt to continue as going concern.

f) Key operating and financial data for last six years is annexed with financial statement.

g) The Company has neither declared dividend nor issued bonus shares for the current financial year because of operating and accumulated losses incurred.

h) Information about taxes and levies is given in the notes to and forming part of financial statements.

i) The Company does not have any scheme for its employees.

j) During the year,4 meetings of the Board of Directors,4meetings of the audit committee and 1 meeting of the Human Resource and Remuneration (HR&R) Committee were held separately. Attendance by each Director and member of the Committees is annexed below.

k) The Company has no overdue of any substantial bank loan since now the same have been cleared.

l) There was no trading in shares of the Company by its directors, CEO, CFO, Company Secretary and their spouses and minor children.

THE COMPOSITION OF THE BOARD

Total number of directors are seven as per the following:

a) Male: Seven
b) Female: None

Composition of the Board is as follows:

Category	Names
a. Independent Directors	Mr. Shahban Ali Mr. Muhammad Zaman Mr. Jumma Baig

b. Other Non-Executive Director	Mr. Liaquat Hussain Mr. Munir Hussain
c. Executive Directors	Mr. Fazal Karim Dadabhoy Mr. Danish Dadabhoy

MEETINGS OF THE BOARD OF DIRECTORS

During the year four meetings of Board of directors were held. Attendance by each director is as follows.

Name of Directors	***No. of Meetings Attended***
Mr. Fazal Karim Dadabhoy	4
Mr. Danish Dadabhoy	4
Mr. JummaBaig	4
Mr. Shaban Ali	4
Mr. Muhammad Zaman	4
Mr. Munir Hussain	4
Mr. Liaquat Hussain	4

MEETINGS OF THE AUDIT COMMITTEE

During the year four meetings of Audit Committee were held. Attendance by each director is as follows.

Name of Directors	***No. of Meetings Attended***
Mr. Shaban Ali - Chairman	4
Mr. Liaquat Hussain	4
Mr. Munir Hussain	4

MEETINGS OF THE HUMAN RESOURCE AND REMUNERATION COMMITTEE

During the year one meeting of HR&R Committee were held. Attendance by each director is as follows.

Name of Directors	***No. of Meeting Attended***
Mr. Jumma Baig - Chairman	1
Mr. Danish Dadabhoy	1
Mr. Fazal Karim Dadabhoy	1

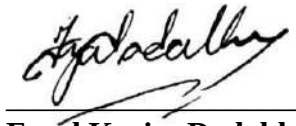
ACKNOWLEDGEMENT

We are pleased to record their appreciation for the continued dedications, commitment and loyalty of the employees of your company.

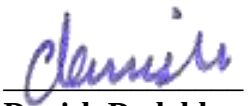
We are also thankful to all stakeholders for the loyalty they have shown during our difficult period.

We also appreciate the assistance and continued support of the various Government Departments, Bankers, Customers and Shareholders.

For and on behalf of the Board



Fazal Karim Dadabhoy
Chief Executive



Danish Dadabhoy
Director

Karachi: October 07, 2026

DADABHOY CEMENT INDUSTRIES LIMITED

DADABHOY GROUP

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Ph # 021-3531 2004 – 07 - 09
Fax # 021-3531 2006
Website.www.mhdadabhoy.com
E-mail: mhdadabhoygroup@gmail.com

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 Dadabhoy Cement Industries Limited For the Year Ended June 30, 2026

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

1) The total number of directors are seven as per the following:

   a) Male: Seven
   b) Female: None

2) The composition of board is as follows:

Category	Names
a. Independent Directors	Mr. Shahban Ali Mr. Muhammad Zaman Mr. JummaBaig
b. Other Non-Executive Director	Mr. Liaquat Hussain Mr. Munir Hussain
c. Executive Directors	Mr. Fazal Karim Dadabhoy Mr. Danish Dadabhoy

3) The directors have confirmed that none of them is serving as a director on more than five listed companies, including thisCompany.

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. While significant policies of the companyare in the process of formulation as the Company is planning for revival within the next financial year.

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. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.

8) The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9) The Board has not arranged any training program during the year but ensures that, other than the exempt Directors, all the Directors acquire the prescribed certification under the training program within the stipulated time.

10) There has been no change in the position of the Company Secretary. While no appointment of head of internal audit has been made during the year due to operational inactivity of the Company.

11) CFO and CEO duly endorsed the financial statements before approval of the board.

12) The board has formed committees comprising of members given below:

Committees	Names and Designation
a. Audit Committee	Mr. Shahban Ali– Chairman Mr. Liaquat Hussain Mr. Munir Hussain
b. HR and Remuneration Committee	Mr. JummaBaig - Chairman Mr. DanishDadabhoy Mr. Fazal Karim Dadabhoy

-

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

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

Committees	Frequency of Meetings
a. Audit Committee	Four meetings were held in FY 2025-26.
b. HR and Remuneration Committee	One annual meeting held before June 30, 2026

15) Due to operational inactivity of the Company, the Board has not formed any internal audit function during the year.

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 ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

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 have been complied with except the following non-compliances with the Regulations which occurred due to the operational inactivity of the Company, but we assure our members that reasonable progress is being made by the Company's management and its Board to seek compliance by the end of next financial year:

a) Executive directors of the Company are more than one-third of the elected directors;

b) Formal and effective mechanism is in place for the annual evaluation of Board members;

c) Related party transactions reviewed by the Audit Committee and approved by the Board;

d) Orientation program arranged for the Directors during the year;

e) Audit Committee and Human Resource and Remuneration Committee include executive members of the Board; and

f) Code of conduct along with supporting policies and procedures are placed on the Company's website.

Fazal Karim Dadabhoy
Chief Executive

Danish Dadabhoy
Director

Karachi
Dated: October 07, 2026

DADABHOY CEMENT INDUSTRIES LIMITED

FINANCIAL REVIEW FOR SIX YEARS

Particulars	2026	2025	2024	2023	2022	2021
PRODUCTION SUMMARY						
Clinker Production	-	-	-	-	-	-
Cement Production	-	-	-	-	-	-
Cement Dispatch	-	-	-	-	-	-
ASSETS EMPLOYED						
Fixed Assets	-	-	-	-	-	-
Long term Loan & Investments	-	-	-	-	-	-
Current Assets	205,711	236,178	248,177	242,983	239,384	247,866
Total Assets Employed	210,325	240,805	253,302	248,780	246,169	248,841
FINANCED BY						
Shareholders' Equity	200,336	232,887	245,309	240,436	236,826	240,081
Surplus on Revaluation	-	-	-	-	-	-
Long term Liabilities	-	-	-	-	-	-
Deferred Liabilities	-	-	-	-	-	-
Current Liabilities	9,989	7,918	7,135	7,013	8,777	8,195
Total Funds Invested	210,325	240,805	253,302	248,780	246,169	248,841
FINANCED BY						
Turnover (Net)	-	-	-	-	-	-
Operating Profit (Loss)	-	-	-	-	-	-
Profit / (loss) before Taxation	(25,321)	(11,725)	5,166	4,496	(3,137)	(6,679)
Profit / (loss) after Taxation	(32,488)	(12,485)	4,873	3,610	(3,254)	(6,679)
Cash Dividend	-	-	-	-	-	-
Profit (Loss) carried forward	(815,254)	(782,703)	(770,281)	(775,154)	(778,764)	(775,509)

DADABHOY CEMENT INDUSTRIES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2026



S.M. SUHAIL & CO.

Chartered Accountants - *A member firm of:*





INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF DADABHOY CEMENT INDUSTRIES LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN THE 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 Dadabhoy Cement Industries Limited (the Company) for the year ended **June 30, 2026**, in accordance with the requirements of regulations 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 with 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 that 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.

Smsco

• Karachi
• Lahore
• Islamabad
• Peshawar
• Faisalabad
• Bahawalpur
• UAE
• Canada
• Australia

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Karachi, Pakistan.
Phone: + 92-21-34314057
+ 92-21-34314163
E-mail: sms@smsco.pk
URL: www.smsco.pk

Further, we highlight below instances of non-compliance with the requirement(s) of the Regulations as reflected in the paragraph reference where these are stated in the Statement of Compliance.

S. No	Descriptions	Regulation Reference	Remarks
1	Role of the Board and its members to address Sustainability Risks and Opportunities:	10A	There is currently no committee established to oversee and ensure compliance with the Environmental, Social, and Governance (ESG) requirements, as well as Diversity, Equity, and Inclusion (DE&I) practices. Once the Company becomes financially strong, such Committee will be formed.
2	Nomination Committee	29(1)	In view of practical impediments, the Board has not been able to constitute a separate Nomination Committee. In the opinion of the Board, formation of this Committee is optional.
3	Risk Management Committee	30(1)	In view of the non operation of the company, the Board is in better position to take risk management decisions. Establishment of Risk Management Committee is optional.
4	Internal Audit Function	27(2)	The board has not formed internal audit function due to the operational inactivity of the Company.

Yours truly

S.M. Suhail & Co.
Chartered Accountants
Karachi

October 07, 2026

UDIN: CR202710197HKayJg9jd

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DADABHOY CEMENT INDUSTRIES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **Dadabhoy Cement Industries Limited** (the Company), which comprise the statement of financial position as of **June 30, 2026**, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cashflows for the year then ended, and the notes to the financial statements, including a summary of material accounting policies 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 purpose of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cashflows 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 loss, other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis of Opinion

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

Material Uncertainty Related to Going Concern

1) We draw attention to note 1.2 (a) to the financial statements, which indicates that the Company has accumulated losses as on the year-end date amounting to Rs. 815.254 million (2025: Rs. 782.77 million). The operations of the Company have been closed since the financial year 2009, due to which the Company has been facing financial and operational difficulties and was unable to discharge its financial and operational liabilities in the ordinary course of business. The company is dependent on return from investments and the financial support of its directors.

•Karachi
•Lahore
•Islamabad
•Peshawar
•Faisalabad
•Bahawalpur
•UAE
•Canada
•Australia

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Karachi, Pakistan.
Phone: + 92-21-34314057
+ 92-21-34314163
E-mail: sms@smsco.pk
URL: www.smsco.pk

2) We draw attention to Note 1.2 (b) to the financial statements that the company is in non-compliance with PSX Regulation 5.11.1(d), PSX issued a Risk Warning Alert (RWA) pursuant to Regulation 5.11.3(d), and the company has a period up to October 19, 2026, to rectify the aforesaid non-compliance by settling the outstanding PSX dues. In the event that the Company fails to rectify the non-compliance within the prescribed period, PSX may initiate further action under Regulation 5.11.3(e). The management of the company has resolved that, it is arranging for the settlement of the outstanding penalty amount demanded by the Pakistan Stock Exchange to demonstrate good faith and immediate compliance with financial obligations.

3) We draw attention to note 1.2 (c) & (d) to the financial statements, which indicates that the management plans to revive the Company, however, due to economic uncertainties and impediments, the company not able to implement the plan. The management remains confident of reviving the company when the economic conditions are conducive.

These factors indicate the existence of material uncertainty that may cast significant doubts regarding the Company's ability to continue as a going concern. Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of Management and Board of Directors for the Financial Statements

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

SMHCO

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the 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 based on these financial statements.

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is S.M. Suhail, FCA.

Yours truly

S.M. Suhail & Co.
Chartered Accountants
Karachi

October 07, 2026

UDIN: AR202610197 1HIQ3Aakz

DADABHOY CEMENT INDUSTRIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

ASSETS	Note	2026	2025
		(Rupees in thousand)	
Non-Current Assets			
Property plant and equipment	4	4,614	4,627
Long term investments	5	-	-
		4,614	4,627
Current Assets			
Advances and other receivables	6	9,429	14,572
Short term investment	7	118,141	118,203
Cash and bank balances	8	78,141	103,403
		205,711	236,178
Total Assets		210,325	240,805
EQUITY AND LIABILITIES			
Authorized Capital			
150,000,000 (2024: 150,000,000) Ordinary shares of Rs.10 each		1,500,000	1,500,000
Issued, subscribed and paid up capital	9	982,366	982,366
Other capital reserve		33,224	33,224
Accumulated losses		(815,254)	(782,766)
Shareholders' equity		200,336	232,824
Non-Current Liabilities			
Deferred liabilities	10	-	-
Current Liabilities			
Trade and other payables	11	9,143	7,241
Income tax liability		280	174
Unclaimed dividend		566	566
		9,989	7,981
Commitment and Contingency	12	-	-
Total Equity and Liabilities		210,325	240,805

The annexed notes from 1 to 24 from an integral part of these financial statements.

Chief Executive | Director | Chief Financial Officer

DADABHOY CEMENT INDUSTRIES LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in thousand)	
Administrative expenses	13	**(31,049)**	(25,156)
Financial cost - bank charges		**-**	-
		(31,049)	(25,156)
Other charges	14	**(2,596)**	(528)
Other income	15	**8,429**	13,959
Levy	16	**(105)**	(174)
(Loss) / Profit before taxation		**(25,321)**	**(11,899)**
Taxation	17	**(7,167)**	(586)
(Loss)/ Profit after taxation		**(32,488)**	(12,485)
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year		**-**	-
Total comprehensive (loss) /income for the year		**(32,488)**	(12,485)
(Loss)/ Earnings per share - basic and diluted (Rupees)	18	**(0.33)**	(0.13)

The annexed notes from 1 to 24 from an integral part of these financial statements.

Chief Executive | Director | Chief Financial Officer

DADABHOY CEMENT INDUSTRIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

CASH FLOW FROM OPERATING ACTIVITIES	Note	2026	2025
		(Rupees in thousand)	
Profit / (Loss) before taxation		**(25,215)**	(11,899)
Adjustments for:			
Impairment loss on investment in DESCL	**14**	**62**	61
Depreciation		**1,154**	1,157
Financial charges		**-**	-
Cash flow before working capital changes		**(24,000)**	(10,681)
Working capital changes:			
(Increase) / decrease in current assets			
Advances and other receivables		**(338)**	(382)
Decrease / (Increase) in current liabilities			
Trade and other payable		**1,901**	45
Cash used in operations		**(22,437)**	(11,019)
Financial charges paid		**-**	-
Taxes paid		**(1,685)**	(1,857)
Net cash used in operating activities		**(24,122)**	(12,876)
CASH FLOWS FROM INVESTING ACTIVITIES		-	-
Proceeds for acquisition of fixed assets		**(1,140)**	(660)
Net cash used in investing activities		**(1,140)**	(660)
CASH FLOWS FROM FINANCING ACTIVITIES		-	-
Net decrease in cash and cash equivalents		**(25,262)**	(13,536)
Cash and cash equivalents at beginning of the year		**103,403**	116,939
Cash and cash equivalents at end of the year	**8**	**78,141**	103,403

The annexed notes from 1 to 24 from an integral part of these financial statements.

Chief Executive | Director | Chief Financial Officer

DADABHOY CEMENT INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Share Capital	Capital Reserve	Revenue Reserve	
	Issued, subscribed and paid up capital	Other capital reserve	Accumulated losses	Shareholders' equity
	(Rupees in thousand)			
Balance as at July 01, 2024	982,366	33,224	(770,281)	245,309
Total comprehensive income for the year				
Profit after taxation	-	-	(12,485)	(12,485)
Other comprehensive income	-	-	-	-
Balance as at June 30, 2025	**982,366**	**33,224**	**(782,766)**	**232,824**
Total comprehensive income for the year				
(Loss) after taxation	-	-	**(32,488)**	**(32,488)**
Other comprehensive income	-	-	-	-
Balance as at June 30, 2026	**982,366**	**33,224**	**(815,254)**	**200,336**

The annexed notes from 1 to 24 from an integral part of these financial statements.

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Chief Executive **Director** **Chief Financial Officer**

DADABHOY CEMENT INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 STATUS AND NATURE OF BUSINESS

1.1 Dadabhoy Cement Industries Limited (DCIL) was incorporated on 09 August 1979 as a public limited company in Pakistan and is listed on Pakistan Stock Exchange Limited - PSX. Company is a subsidiary of Leo (Pvt.) Limited. The objective of Company is manufacturing and sale of ordinary portland, slag and sulphate resistant cement.

1.1.1 The company has not filed upto date corporate returns as required under the Companies Act 2017

Geographical Location

The Company's registered office is situated at Suite # 4, 2nd Floor, Plot no. 28-30 / C, Noor Centre, Khayaban-e-Ittehad, Lane no.12, Phase VII, D.H.A., Karachi.

1.2 Material Uncertainty Related to Going Concern

(a) The Company has accumulated losses at June 30, 2026 amounting to Rs. 815.254 million (2025: Rs. 782.77 million). The company is not operational because it suspended commercial production since financial year 2009 , has been facing financial and operational difficulties and was unable to discharge its financial and operational liabilities. The Company had been reporting nil sales since 2009 and is totally dependent on return from investments and the financial support of its directors.

(b) Issuance of Risk Warning Alert by Pakistan Stock Exchange (PSX)

On July 20, 2026, the Pakistan Stock Exchange Limited (PSX) issued a Risk Warning Alert ("RWA") against the Company under Clause 5.11.3.(d) of the PSX Regulations. The alert was issued due to non-payment of outstanding penalties and dues levied under Clause 5.11.1.(d) of the PSX Regulations

The PSX has provided a 90-day grace period, ending October 19, 2026, to rectify the non-compliance by paying the outstanding amounts. In the event of non-rectification, PSX may initiate further regulatory proceedings under PSX Regulation 5.11.3.(e). The management of the company has resolved that, it is arranging for the settlement of the outstanding penalty amount demanded by the Pakistan Stock Exchange to demonstrate good faith and immediate compliance with financial obligations.

(c) The management of the Company had prepared these financial statements on going concern basis due to the following reasons:

(i) The management intends to revive the operations of the Company,for which the planning is still on the initial stage as on the reporting date.

Pakistan's domestic cement demand was largely stagnant and experienced decline in prior years, but a surge in exports, offered industry growth. This export growth was driven by global demand and lower international coal prices.

(ii) Considering the expected growth in cement demand, the Company is hopeful to achieve its objective, as Government of Pakistan does not allow new companies to undertake cement manufacturing projects, thereby only existing companies can engage in cement manufacturing.

(iii) To achieve the objective mentioned above, the Company has been corresponding with the prospective investors to attract the investment in the Company.

(iv) The management plan to revive the Company, could not be implement due to economic uncertainties and impediments. The management remains confident of reviving the company when the economic conditions are conducive.

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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. 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 (Act); and

- provisions and directives issued under the Companies Act, 2017.

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention. Further accrual basis of accounting is followed except for cash flow information.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Pak Rupees, which is also the functional currency of the Company.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with the approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgments made by management in the application of approved accounting standard as, applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows:

Advances and other receivables
Company reviews its advances and other receivables for any provision required for any doubtful balances on an on-going balance. The provision is made while taking into consideration expected recoveries, if any.

Income taxes
In making the estimates for income taxes currently payable by the Company, the management looks at the current income tax laws as applicable in Pakistan.

Investments
Company has made judgments and assumptions in determining that it has control over subsidiary and significant influence over associates, impairment of investments in subsidiaries, associates and other investees.

Provision for contingencies
Company has made judgments and assumptions in disclosure and assessment of provision for contingencies.

Useful life of assets
Company has made estimates in determining the useful life of assets.

2.5 Standards, amendments to published standards and interpretations that are effective for the year and are relevent to the Company.

(a) Standards, interpretations and amendments to approved accounting and reporting standards which are effective during the year:

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements except for:

An amendment to IAS 1 'Presentation of Financial Statements' (IAS-1) was introduced addressing the classification of non-current liabilities subject to covenants. This amendment clarifies that liabilities should be classified as either current or non-current based on the rights available at the end of the reporting period, without consideration of future expectations or events occurring after this date. The amendment also mandates specific disclosures if a liability is classified as non-current but is subject covenants that must be complied with within twelve months of the reporting date.

(b) Standards and amendments to published approved accounting and reporting standards that are not yet effective:

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2025. The following amendments and standard have not been early adopted by the Company:

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

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

The management is in process of assessing the impact of above changes.

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued IFRS 18 Presentation and Disclosure in Financial Statements with applicability date of July 1, 2027, which has not been notified locally by the Securities and Exchange
Commission of Pakistan (SECP) as at June 30, 2025.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Property, plant and equipment

These are stated at cost less accumulated depreciation and impairment, if any. Cost includes expenditure that are directly attributable to the acquisition of the assets.

Depreciation is charged to income applying the diminishing balance method at the rates given in depreciation schedule, whereby the cost of an assets is written-off over its estimated useful life. Full month's depreciation is charged in the month in which asset is put to use while no depreciation is charged in the month of which the asset is disposed off.

Gain or loss on disposal of fixed assets is taken to income. Normal repairs and maintenance costs are charged to income. Major renewals and improvements are capitalized.

3.2 Investments

These represent investments in shares of companies that are directly controlled by the Company or in which a substantive interest in the voting power is owned directly by the directors of the Company.

Investment in associates is accounted for using the equity method whereby investment is carried in the statement of financial position at cost as adjusted by the post-acquisition changes in the company's share of net assets of the associate less any impairment in the value of investment.

3.3 Advances and other receivables

These are initially stated at amortized cost. Provision for doubtful balance is established where there is an objective evidence that the Company will not be able to collect the due amounts. Balances considered irrecoverable are written off.

3.3 Cash and cash equivalents

It comprises of cash in hand and cash at banks which are carried at cost and subsequently measured at amortized cost. For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand and at banks.

3.4 Trade and other payables

Accrued and other payables are stated at their nominal values which is the fair value of the consideration required to settle the related obligations whether or not billed to the Company. Liabilities are written back and recognized as other income when these are considered to be no longer payable.

3.5 Borrowing costs

Borrowing costs are charged to the statement of profit or loss in the year when they are incurred, except to the extent that they are directly attributable to the construction of a qualifying assets in which case they are capitalized as part of the cost of that assets.

3.6 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are not recognized for future operating losses. Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

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3.7 Taxation

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

Current

Provision for taxation is based on current year taxable income determined in accordance with the provisions of Income Tax Ordinance, 2001, enactive on the date of statement of financial position and carry adjustment to tax payable in respect of previous year.

Deferred

Deferred tax is provided using the balance sheet liability method for all temporary differences at the reporting date between tax base of assets and liabilities and their carrying amounts for financial reporting purposes. The amount of deferred tax provided is based on the expected manner of realization or the settlement of the carrying amounts of assets and liabilities, using the tax rates enacted or substantively enacted at the reporting date.

Deferred tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profit for the foreseeable future will be available against which such temporary differences and tax losses can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited to statement of profit or loss, except in the case of items credited or charged to equity in which case it is included in equity.

Levy

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.

3.8 Financial instruments

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instruments. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.8.1 Financial assets

a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

The Company measures financial assets at amortised cost if both of the following conditions are met:

i. The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and

ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

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

Based on business model of the Company, it elected to classify irrevocably its equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

c) Derecognition

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

i. The rights to receive cash flows from the asset have expired, or

ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or
(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

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d) Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At each reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.8.2 Off-setting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle either on a net basis, or to realize the asset and settle the liability simultaneously.

3.8.3 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortized cost.

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

The Company's financial liabilities include trade and other payables.

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Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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

b) Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective interest rate (EIR) method.

Gains and losses are recognized in statement of comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of comprehensive income.

3.9 Earnings per share

The company presents basic and diluted earnings per share for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders of the company by the weighted average number of ordinary shares. Diluted EPS is determined by adjusting profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares.

3.10 Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

SMC

4 PROPERTY, PLANT AND EQUIPMENT

	COST			ACCUMULATED DEPRECIATION			WDV	
	As at July 1, 2025	Addition / (Deletion)	As at June 30, 2026	As at July 1, 2025	Charge for the Year	As at June 30, 2026	As at June 30, 2026	Rate
				----------Rupees in thousand----------				
Generator	568	-	568	350	44	394	174	20%
Motor vehicle	6,666	-	6,666	3,708	591	4,300	2,366	20%
Furniture	756	-	756	279	95	374	382	20%
Office equipment	1,571	1,140	2,711	596	423	1,019	1,692	20%
June 30, 2026	**9,561**	**1,140**	**10,701**	**4,933**	**1,154**	**6,087**	**4,614**	
June 30, 2025	**8,901**	**660**	**9,561**	**3,777**	**1,157**	**4,934**	**4,627**	

5 LONG TERM INVESTMENTS	Note	2026	2025
		(Rupees in thousand)	
Dadabhoy Sack Limited - Associate	5.1	-	-
		-	-

5.1 Dadabhoy Sack Limited - at equity method

Investment - cost	5.1.1	**2,420**	2,420
Provision for impairment	5.1.2	**(2,420)**	(2,420)
Book value of investment as at June 30, 2026		**-**	-

5.1.1 Dadabhoy Sack Limited (DSL) was incorporated in Pakistan on September 27, 1983. The principal activity of the company is the manufacturing and sale of paper bags. DSL's registered office is situated at suite # 4, 2nd floor, plot no. 28-30/C, Noor center, Khayaban-e-Ittehad, Lane no.12, Phase VII, D.H.A., Karachi, Sindh. Manufacturing facility of DSL is located at Deh. Hatal Buth, Thana Bula Khan, Main Super Highway, Jamshoro, Sindh. The Company holds 6.90% equity interest (276,000 shares) in the Dadabhoy Sack Limited (DSL) which has been presumed to be an associated company due to the fact that majority of the Directors of the Company are also the members on the Board of Directors of DSL. The reporting date of DSL is also the same as of the Company, i.e. June 30.

5.1.2 The investment in DSL is fully impaired because during the current financial year, DSL has incurred after tax loss amounting to Rs. 2.066 (2025: Rs. 2.692) million, raising its accumulated losses to Rs. 40.009 (2025: Rs. 39.365) million after transfer of revaluation surplus of Rs 1.422 (2025: Rs. 1.580) million. Further, the operations of DSL have been closed since the financial year 2008 due to which DSL is facing financial and operational difficulties and is unable to discharge its liabilities . Since trading in shares of DSL is suspended in the PSX, the fair value of the share price cannot be measured reliably.

5.2 Summarized financial information of companies:

	2026	2025
	(Rupees in thousand)	
Dadabhoy Sack Limited		
Non-current assets	**37,889**	**40,599**
Current assets	**3**	**4**
Non-current liabilities	**6,107**	**6,951**
Current liabilities	**5,624**	**5,425**
Revenue	**-**	**-**
Other income	**-**	**-**
Loss before taxation	**(2,910)**	**(3,306)**
Loss after taxation	**(2,066)**	**(2,692)**
Other comprehensive income	**-**	**-**
Total comprehensive loss	**2,066**	**2,692**

5.2.1 Summarized financial information of DSL have been prepared on the basis of unaudited financial statements.

6 ADVANCES AND OTHER RECEIVABLES	Note	2026	2025
		(Rupees in thousand)	
- Un-secured - considered good			
Advances & deposits			
Advance tax refundable		**3,780**	9,261
Deposits		**220**	220
Other Receivables			
From Dadabhoy Hydrocarbon (Pvt.) Limited		**829**	829
From Dadabhoy Construction Technology Limited		**110**	110
From other related parties	6.2	**4,491**	4,153
		9,429	**14,572**

6.1 Advance Income Tax under section 151 on Profit on Debt

Jun-26	1,686	0.0
Jun-25	2,094	2093.8
Jun-24	2,633	2633.3
Jul-23	2,146	2145.8
Jul-22	1,335	1334.9
Jul-21	1,053	1053.0
Less : charge /adjusted	(7,167)	
	3,780	**9,261**

6.2 This includes receivable from Dadabhoy Sack Limited amounting to Rs. 3.113 (2025: Rs. 2.905) million, Dadabhoy Energy Supply Limited amounting to Rs. 1.085 (2025: Rs. 0.955) million, Dadabhoy Uni-Minerals Limited amounting to Rs. 0.020 (2025: 0.020) million, Dadabhoy Trading Corporation amounting to Rs. 0.210 (2025: 0.210) million and Leo Private Ltd amounting to Rs. 0.0625 (2025: 0.0625) million. These represent the reimbursable expenses incurred on behalf of the related parties and are recoverable on demand. Closing balance represents the maximum aggregate amount outstanding at any time during the year with respect to month-end balances.

6.3 Age analysis of advances to related parties

	Dadabhoy Uni-Minerals Limited	Dadabhoy Sack Limited	Dadabhoy Energy Supply Limited	Dadabhoy Trading Corporation	Leo Private Ltd
	---------- Rupees in thousand ----------				
The age of advances at reporting date is as follows:					
Past due amount	20	2,905	955	210	63
Less than 30 days	-	-	130	-	-
30-60 days	-	208	-	-	-
61-180 days	-	-	-	-	-
181-365 days	-	-	-	-	-
Total	20	3,113	1,085	210	-

7 SHORT TERM INVESTMENT	Note	2026	2025
		(Rupees in thousand)	
Investments in associate			
Dadabhoy Energy Supply Company Limited		**118,141**	118,203

7.1.1 Dadabhoy Energy Supply Company Limited (DESCL) was incorporated in Pakistan on May 29, 1994 having its registered office and principal place of business located at Noor Centre, office No.4, 2nd floor, plot no. 30-C, Ittehad Lane No.12, Phase VII, D.H.A., Karachi.
Previously, management of DESCL had decided to windup the company, therefore, investment in DESCL had been classified as short term as it is likely that the Company will receive its due share of net assets of DESCL within the next financial year.

7.1.2 Investment at cost	Note	2026 (Rupees in thousand)	2025
Investment - cost	7.1.3	**205,000**	205,000
Provision for impairment		**(86,859)**	(86,797)
Book value of investment as at June 30		**118,141**	118,203
Book value of investment as at July 01		**118,203**	118,264
Provision for impairment for the year		**(62)**	(61)
Book value of investment as at June 30	7.1.4	**118,141**	118,203

7.1.3 DESCL is as an associate of the Company. The Company holds 47.86% (2025: 47.86%) equity interest 20,500,000 shares (2025: 20,500,000 shares) in DESCL which is an associated company now. The reporting date of DESCL is also the same as of the Company, i.e. June 30.

7.1.4 As at June 30, 2026, the breakup value per share of DESCL as per their unaudited accounts was Rs. 5.763 (2025: Rs. 5.769) per share resulting in the impairment of Rs. 0.003 (2025: Rs. 0.003) per share.

8 CASH AND BANK BALANCES		2026 (Rupees in thousand)	2025
Cash in hand		-	-
Cash at banks			
- in current account		**2**	2
- in saving account	8.1	**78,139**	103,401
		78,141	116,939
		78,141	116,939

8.1 It carries markup ranging between 15% to 20% (2024: 14% to 20.5%) per annum.

9 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2026 (Number of shares)	2025 (Number of shares)		2026 (Rupees in thousand)	2025 (Rupees in thousand)
98,236,624	**98,236,624**	Ordinary shares of Rs. 10 each fully paid up in cash	**982,366**	**982,366**

9.1 Number of shares held by Leo (Pvt.) Limited, the holding company, and Dadabhoy Trading Corporation (Pvt.) Limited, the associated company, as on the reporting date are 61,938,455 shares (2025: 61,938,455 shares) and 9,131,360 shares (2025: 9,131,360 shares) respectively, representing 63.05% (2025: 63.05%) and 9.295% (2025: 9.295%) shareholding in the Company.

10 DEFERRED LIABILITIES	Note	2026	2025
		(Rupees in thousand)	
Deferred tax liability	10.1	-	-
		-	-

10.1 Deferred taxation comprises differences relating to:

Deductible temporary differences			
- investment in associates		**(25,893)**	(25,875)
- unused tax losses		**(82)**	(82)
		(25,975)	(25,957)
Deferred tax asset not recognized	10.2	**25,975**	25,957
		-	-

10.2 The Company has not recognized its deferred tax asset relating to deductible temporary differences of investments in associate and unused tax losses amounting to Rs. 25.975 (2025: Rs. 25.957) million as the Company is uncertain about the timing and extent of future taxable profits against which such benefits can be utilized.

11 TRADE AND OTHER PAYABLES

Accrued liabilities	**2,887**	2,961
Salaries payable	**528**	553
Withholding tax payable	**60**	60
SESSI payable	**583**	583
EOBI payable	**600**	600
Workers' Profit Participation Fund payable	**2,484**	2,484
Others	**2,000**	-
	9,143	7,241

12 COMMITMENT AND CONTINGENCY

12.1 Commitment

There are no commitment binding on the Company as on the reporting date (2025: nil).

12.2 Contingency

There are no contingency binding on the Company as on the reporting date (2025: nil).

13 ADMINISTRATIVE EXPENSES

Salaries and other benefits		**3,207**	3,651
Director remuneration	19	**6,725**	4,150
Rent expense		**1,800**	1,850
Vehicle maintenance		**1,151**	1,032
Depreciation expense		**1,154**	1,157
Utilities - Electricity and Gas		**978**	1,843
Legal and professional		**6,898**	5,073
Office maintenance		**9,137**	6,400
		31,049	**25,156**

	Note	2026	2025
14 OTHER CHARGES		*(Rupees in thousand)*	
Auditors' remuneration	14.1	534	467
Impairment loss on investment in DESCL		62	61
Others		2,000	-
		2,596	**528**

14.1 Auditors' remuneration

Audit fee	393	357
Sindh service sales tax	31	
Review of Code of Corporate Governance	75	75
Half yearly review and review of CCG	35	35
Out of pocket expenses	-	-
	534	**467**

15 OTHER INCOME

Income from financial asset		
Profit on saving account	8,429	13,959
	8,429	**13,959**

16 LEVY

Minimum tax	16.1	**105**	**174**
Total Levy		**105**	**174**

16.1 These represent minimum tax under section 113 of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 12.

The Company, in the light of 'Application Guidance' issued by Institute of Chartered Accountants of Pakistan (ICAP) via Circular No.07/2024 dated May 15, 2024, has accounted for the accounting treatment and presentation of 'Minimum and Final Taxes', charged under the Income tax Ordinance. 2001 (ITO) .

		2026	2025
17 TAXATION		*(Rupees in thousand)*	
Current			
- current year		-	-
- prior year	6.1	7,167	586
		7,167	586
Deferred		-	-
		7,167	**586**

17.1 The return of income for the tax year 2025 has been filed by the Company. The said return, as per the provisions of Section 120 of the Income Tax Ordinance, 2001 has been deemed to be an assessment order passed by the Commissioner of Inland Revenue. During the year, provision for current tax is based on minimum tax under section 113 of the Income Tax Ordinance, 2001, which is classified as Levy.

		2026	2025
18	**(LOSS)/ EARNINGS PER SHARE - BASIC AND DILUTED**	*(Rupees in thousand)*	
	(Loss)/ Profit after taxation - Rupees in Thousands	**(32,488)**	(12,485)
	Weighted average number of outstanding ordinary shares	**98,236,624**	98,236,624
	(Loss)/ Earnings per share - basic and diluted (Rupees)	**(0.33)**	(0.13)

19 REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE AND EXECUTIVES

DIRECTORS' REMUNERATION

To Chief Executive Officer (One)		
Managerial remuneration	2,550	2,550
House rent	-	-
Utilities	-	-
Travelling and conveyance	-	-
Bonus	-	-
Gratuity	-	-
To Directors (Five)		
Managerial remuneration	1,890	1,600
House rent	-	-
Utilities	-	-
Travelling and conveyance	-	-
Bonus	-	-
Gratuity	-	-
	4,440	**4,150**

20 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of group companies (associated companies), Directors and their close family members, executives, major shareholders of the Company. The transactions with related parties are as follows:

	2026	2025
Key Management Personnel - Directors	*(Rupees in thousand)*	
Bad debt	-	-
Directors' remuneration	6,725	4,150
Leo (Pvt.) Limited - holding company 63.05% -Parent company		
Reimbursable expenses incurred	-	-
Dadabhoy Energy Supply Limited - associate and 47.86% holding		
Reimbursable expenses incurred	130	117
Dadabhoy Sack Limited - associate by the way of common directorship and 6.90% holding		
Reimbursable expenses incurred	267	267
Dadabhoy Uni-Minerals Limited - common directorship		
Reimbursable expenses incurred	-	-
Dadabhoy Trading Corporation Limited - common directorship		
Reimbursable expenses incurred	180	180

20.1 Related party balances have been disclosed in the relevant notes.

21 FINANCIAL INSTRUMENTS BY CATEGORY	Note	2026	2025
		(Rupees in thousand)	
Financial Assets			
- At amortized cots			
Other Receivables	6	5,650	5,311
Short Term Investment	7	118,141	118,203
Cash and bank balances	8	78,141	103,403
		196,282	**221,606**
Financial Liabilities			
- At amortized cots			
Trade and other payables	11	3,415	3,514
Unclaimed dividend		566	566
		3,981	**4,080**

22 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (interest / mark-up rate risk and price risk). The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. Overall, risks arising from the Company's financial assets and liabilities are limited. The Company consistently manages its exposure to financial risk without any material change from previous period in the manner described in notes below:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

22.1 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties fails to meet its contractual obligation and it mainly arises from balances with banks and financial institutions, advances, investments and other receivables. The credit risk on liquid fund is limited because the counter parties are banks with reasonably high credit ratings and related parties.

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Company's financial assets include receivable from related parties and directors which are credit worthy parties thereby mitigating any significant concentration risk. The Company believes that it is not exposed to major concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk before any provisions at the reporting date is:

	2026	2025
	(Rupees in thousand)	
Other Receivables	5,650	5,311
Bank balances	78,141	103,403
	83,791	**108,714**

Quality of financial assets

The Company keeps its fund with banks having good credit ratings. Currently the funds are kept with banks having short term rating of A-1+ and long term rating of AAA.

Aging of other receivable are are provided in note 6.3.

22.2 Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet commitments. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with the financial liabilities as they fall due. The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or at the risk of Company's reputation. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to fulfil its obligation, monitoring financial position liquidity ratios against internal and external requirements and maintaining debt financing plans.

Following are the contractual maturities of the non-derivative financial liabilities:

	2026 - Non interest bearing				
	Carrying amount	Contractual cash flows	Upto one year	More than one year but less than five years	More than than five years
	(Rupees in thousand)				
Financial Liabilities					
Trade and other payables	3,415	3,415	3,415	-	-
Unclaimed dividend	566	566	566		-
	3,981	3,981	3,981	-	-

	2025 - Non interest bearing				
	Carrying amount	Contractual cash flows	Upto one year	More than one year but less than five years	More than than five years
	(Rupees in thousand)				
Financial Liabilities					
Trade and other payables	3,514	3,514	3,514	-	-
Unclaimed dividend	566	566	566	-	-
	4,080	4,080	4,080	-	-

22.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates, foreign exchange rates or the equity prices due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is not exposed to any foreign exchange risk, interest rate risk and other price risk as at reporting date.

22.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with processes technology and infrastructure supporting the company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour. Operational risk arises from the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. The responsibility encompasses the controls in the following areas:

i Requirements for appropriate segregation of duties between various functions, roles and responsibility;

ii Requirements for the reconciliation and monitoring of transactions;

iii Compliance with regulatory and other legal requirements;

iv Documentation of control and procedures;

v Requirements for the periodic assessment of operational risk faced, and the adequacy of controls and procedures to address the risk identified;

vi Ethical and business standards; and

vii Risk mitigation, including insurance where this is effective.

22.5 Fair value of financial instruments

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

The carrying values of all the financial assets and liabilities reported in the financial statements approximate their fair values.

In accordance with the requirements of IFRS 13 Fair value measurement, the Company classifies its financial and non-financial assets in terms of following fair value hierarchy:

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

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

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

22.6 Fair value of non-financial assets

There is no non financial assets measured at fair value on a recurring basis.

22.7 Capital risk management

The Company's objective when managing capital is 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. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares and take other measures commensuration to the circumstances. The Company finances its expenses through return from investment and borrowings.

The Company monitors capital using a gearing ratio, which is net debt divided by total shareholders equity plus net debt. Net debt is calculated as total loans and borrowings from financial institutions including any finance cost thereon, less cash and bank balances. The Company's strategy is to maintain leveraged gearing. The gearing ratio as at the reporting date is nil as the Company has repaid all the liabilities to financial institutions.

23 GENERAL

Figures have been rounded off to the nearest thousand of a Pak Rupee, unless otherwise stated.

Number of employees as on the year end date and average number of employees during the year were 10 (2025: 10).

24 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on 07 OCT 2026 by the Board of Directors of the Company.

Signed

Chief Executive | Director | Chief Financial Officer

INFORMATION AS REQUIRED UNDER CODE OF CORPORATE GOVERNANCE
AS ON 30-06-2026

Catagories of Shareholders	No. of Shareholders	Shares Held
DIRECTORS		
Mr. Fazal Karim Dadabhoy	1	938,349
Mr.Danish Dadabhoy	1	1,232
Mr. Shahban Ali	1	500
Mr. Jumma Baig	1	500
Mr. Mohammad Zaman	1	1,568
Mr. Munir Hussain	1	01
Mr. Liaquat Hussain	1	01
Individuals	4,730	15,573,427
Others	66	6,122,582
Investment Companies	1	116,250
Insurance Companies	5	104,200
Joint Stock Companies	2	71,069,815
Banks, DFIS, NBFIS Etc.	12	5,242,850
Foreign Companies	4	7,500

C A T E G O R I E S O F S H A R E H O L D E R S

Catagories of Shareholders	No. of Shareholders	Shares Held	Percentage %
Individuals	4,730	15,573,427	15.85
Others	66	6,122,582	6.23
Investment Companies	1	116,250	0.12
Investment Corp of Pakistan			
Insurance Companies	5	104,200	0.11
Joint Stock Companies	2	71,069,815	72.35
Financial Institutions/Banks/DFI	12	5,242,850	5.33
Foreign Companies	4	7,500	0.01
MIDLAND BANK TRUST CORP. (JERSEY) LTD.			
THE NORTHERN TRUST COMPANY			
CHEM BANK NOMINES LTD.			
STATE STREET BANK & TRUST CO. U.S.A.			
	4,820	98,236,624	100.00

DADABHOY CEMENT INDUSTRIES LIMITED

46TH ANNUAL GENERAL MEETING 2026

FORM OF PROXY

I / We _____

Of_____being

A member of DADABHOY CEMENT INDUSTRIES LIMITED and holder of _____ Ordinary Shares as per registered Folio No. _____ Hereby appoint _____
Or failing him _____
Of _____
Vide Registered Folio No. _____

As my / our proxy to vote for me/us and on my/our behalf at the 46th Annual General Meeting of the Company to be held on 28th October 2026 and at any adjournment thereof.

Signed my me/us this _____ day of _____ 2026

Signed by the Shareholders

_____

Important:

This form of Proxy duly complete must be deposited at the Company's

Registered Office, Noor Centre Office No. 4, 2nd Floor, Plot No.30-C Ittehad Lane 12 Phase VII, D.H.A, Karachi. Not later then 48 hours before the time of holding the meeting.
A proxy should also be a shareholder of the Company.

Five Rupees Revenue Stamps

For Office use

46TH ANNUAL REPORT