


**MERIT**  
**PACKAGING**  
**LIMITED** Since 1980  
A Lakson Group Company

**P**ROGRESSIVE **P**ACKAGING **S**OLUTIONS

# ANNUAL REPORT 2025

SYMBOL OF PACKAGING EXCELLENCE



**"From concept to  
creation, we highlight  
your packaging  
ambitions."**



# PREFACE

As we embark on the journey through the Annual Report 2025, we invite you to join us in envisioning the future of packaging.

Established in 1980, Merit Packaging Limited has been a beacon of innovation and excellence in the printing and packaging industry in Pakistan. Our dedication to delivering quality products and tailored solutions has forged enduring partnerships and propelled us to the forefront of the industry.

At Merit Packaging Limited, we believe in embracing the future with optimism and ingenuity. Guided by our theme, "Complementing your packaging ambitions with our packaging expertise," we are committed to pushing the boundaries of what is possible, anticipating the evolving needs of our clients, and delivering solutions that inspire and create value.

As an ISO-certified public limited company and a proud member of the Lakson Group of Companies, we remain steadfast in our commitment to upholding the highest standards of corporate governance and integrity. But beyond that, our success is built on the foundation of human connections, collaboration, and shared aspirations.

In this annual report, we invite you to journey with us as we explore the possibilities of tomorrow, driven by our passion for creativity and our resolute dedication to our clients and stakeholders. Together, let us shape the future of packaging, one ambition at a time.







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**Iqbal Ali Lakhani**  
CHAIRMAN

**Mr. Iqbal Ali Lakhani**

has over 46 years of top management experience in group companies in finance, marketing, manufacturing industry and government relations. His special interests include marketing, finance, total quality management and re-engineering.

Mr. Iqbal Ali Lakhani is the Chairman of the Corporate Boards of 4 Lakson Group Companies which are listed on the Stock Exchange covering a diversified range of businesses such as paper & paperboard, soap, detergents, toothpaste, printing & packaging and insurance. The spectrum of 36 unlisted public & private Companies includes Surgical Instruments, Media (T.V. & Print), software development & consultancy, travel & tourism, aviation industry, investment & mutual funds, ISP-broad band & Data Centre, Business Process Outsourcing house into call Centre & I.T.

He is also the Trustee of Hasanali & Gulbanoo Lakhani Foundation (A Lakson Group Welfare Trust), providing educational and medical facilities to the needy and deserving persons and helping in other social activities. He is also the Trustee of Lakson Medical Trust and R & I Trust.

**Recognition at National Level:**

- Awarded Sitara-e- Imtiaz by Govt. of Pakistan for his philanthropy work (2019).

**Important Positions Held:**

- Charter Member of The Indus Entrepreneurs
- Member Board of Trustees of the Layton Rahmatullah Benevolent Trust.
- Held the position of Director of Pakistan Business Council
- Chairman Cigarette Manufacturers Association of Pakistan,
- Chairman Aga Khan Economic Planning Board for Pakistan
- Vice President American Business Council of Pakistan.

**Education:**

- Acquired his Bachelor Degree from the University of California – Berkeley.
- Remained member of the PSI-National Accounting Fraternity; Honor Student's Society and Phi Beta Kappa.
- Recipient of departmental award for outstanding undergraduate achievement.







## VISION

"To emerge as the preeminent force in the packaging industry, harmonizing our clients' packaging aspirations with our unparalleled expertise, driving innovation, sustainability, and value creation."



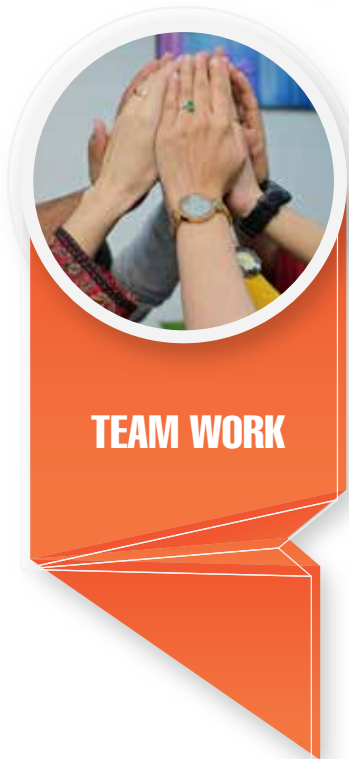
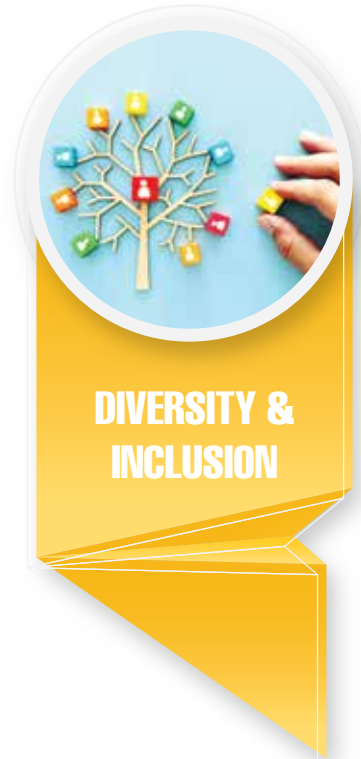
## MISSION

"At Merit Packaging Limited, we are dedicated to complementing our clients' packaging ambitions with our unrivalled expertise and commitment to excellence. We strive to:

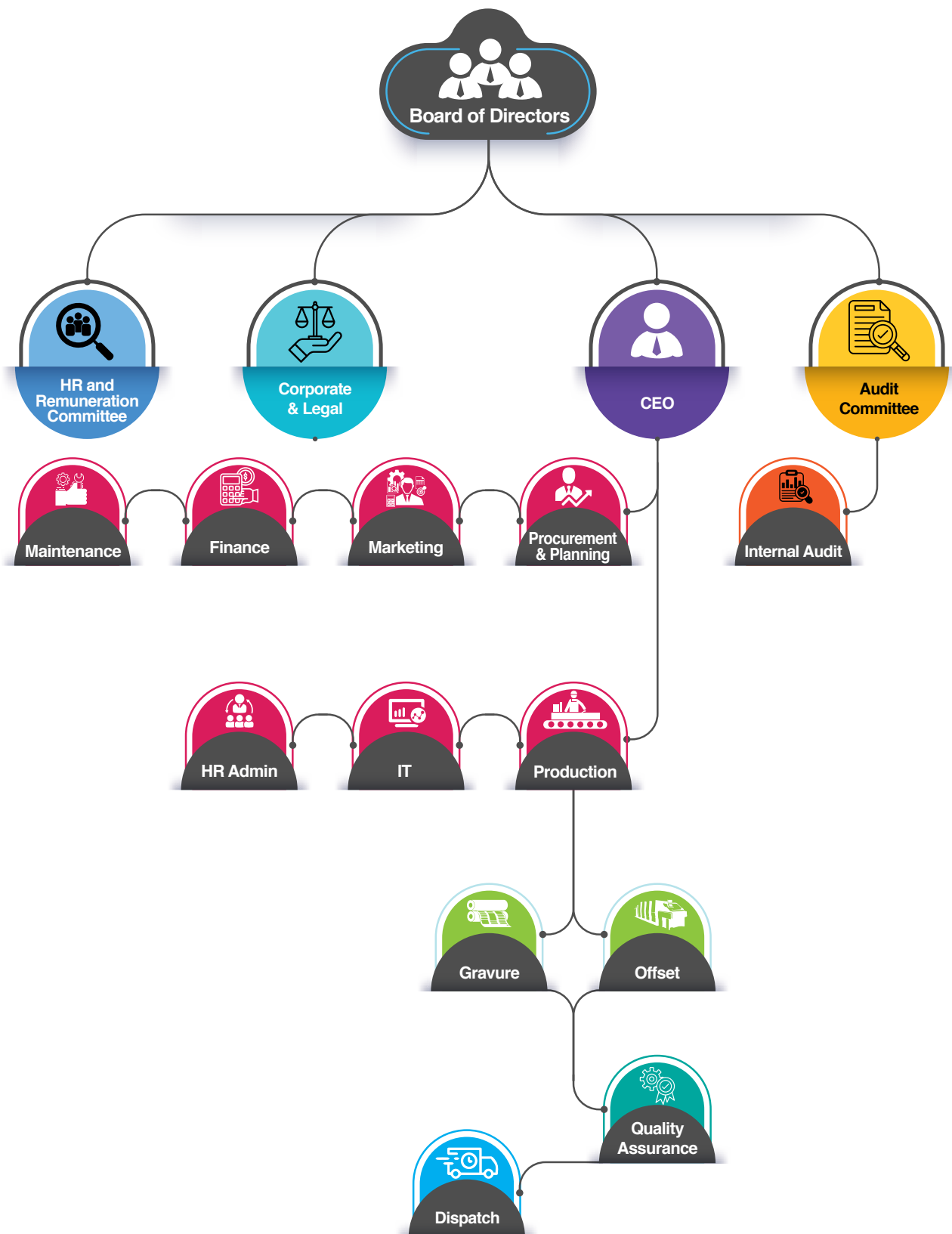
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- 1) Collaborate closely with our clients to understand their unique packaging needs and deliver tailored solutions that exceed expectations.
  - 2) Infuse each packaging solution with ingenuity, precision, and meticulous attention to detail, ensuring both product protection and narrative allure, resulting in consumer engagement and loyalty.
  - 3) Cultivate a culture of continuous learning, creativity, and collaboration, empowering our team members to thrive personally and professionally.
  - 4) Uphold the highest standards of integrity, transparency, and ethical conduct in all our interactions, building trust and fostering enduring partnerships with our clients, suppliers, and communities.
  - 5) Champion diversity and inclusion, fostering a workplace where all voices are heard, valued, and respected.
  - 6) Embrace sustainability as a core value, integrating eco-conscious practices into our operations and product offerings, to uphold environmental stewardship and social responsibility.

# OUR VALUES

Our values and priorities have helped our business to continue to forge ahead during the unprecedented challenges of the past year.



# ORGANIZATIONAL STRUCTURE







## FLEXIBLE PACKAGING DIVISION

Our Flexible Packaging Division complements the strengths of our Offset Division and reflects our dedication to delivering innovative, high-quality packaging solutions. With state-of-the-art equipment and advanced technology, this division is designed to meet diverse client requirements with precision, efficiency, and consistency.







## PRINTING CAPABILITIES

We are equipped with a high-speed RS-5002 Rotogravure Printing Machine from BOBST ITALIA, offering 9-color printing at a speed of 350 meters per minute. This machine ensures excellent print clarity, vibrant color reproduction, and seamless output for a variety of flexible packaging materials.







# LAMINATION

Our lamination section features two high-performance Nordmeccanica machines from Italy:

- Combi 3000 – Capable of both solvent-based and solvent-less lamination processes, offering flexibility in bonding techniques.
- Simplex – Specially used for solvent-less lamination, ensuring strong adhesion for high-barrier packaging.

These machines enable us to provide customized lamination solutions based on product requirements and end-use applications.







# SLITTING AND REWINDING

To maintain precision and quality in roll finishing, we operate the following machines:

- Atlas Titan (SR-09-DT) – A high-speed slitter running at 1,000 meters per minute, ideal for large-scale production.
- HCI Slitter (Taiwan) – With an operating speed of 300 meters per minute, suited for medium-scale production.
- HCI Rewinder – Ensures smooth rewinding of finished rolls with accurate alignment and tension control.







## FINAL PACKAGING

Our packaging process ensures that all finished products are packed efficiently and securely, maintaining the quality and integrity of each roll for delivery and storage.







# OFFSET DIVISION

At Merit Packaging Limited's Offset Division, we go beyond traditional limits, embracing a forward-thinking and technology-driven mindset to realize our objectives.

Our investment in cutting-edge technology and our steadfast dedication to innovation reinforce our commitment to delivering packaging solutions that not only meet but consistently exceed industry expectations—setting new standards in excellence.

We take pride in offering a comprehensive range of advanced printing and packaging services, thoughtfully tailored to meet the diverse needs of our clients across various sectors.





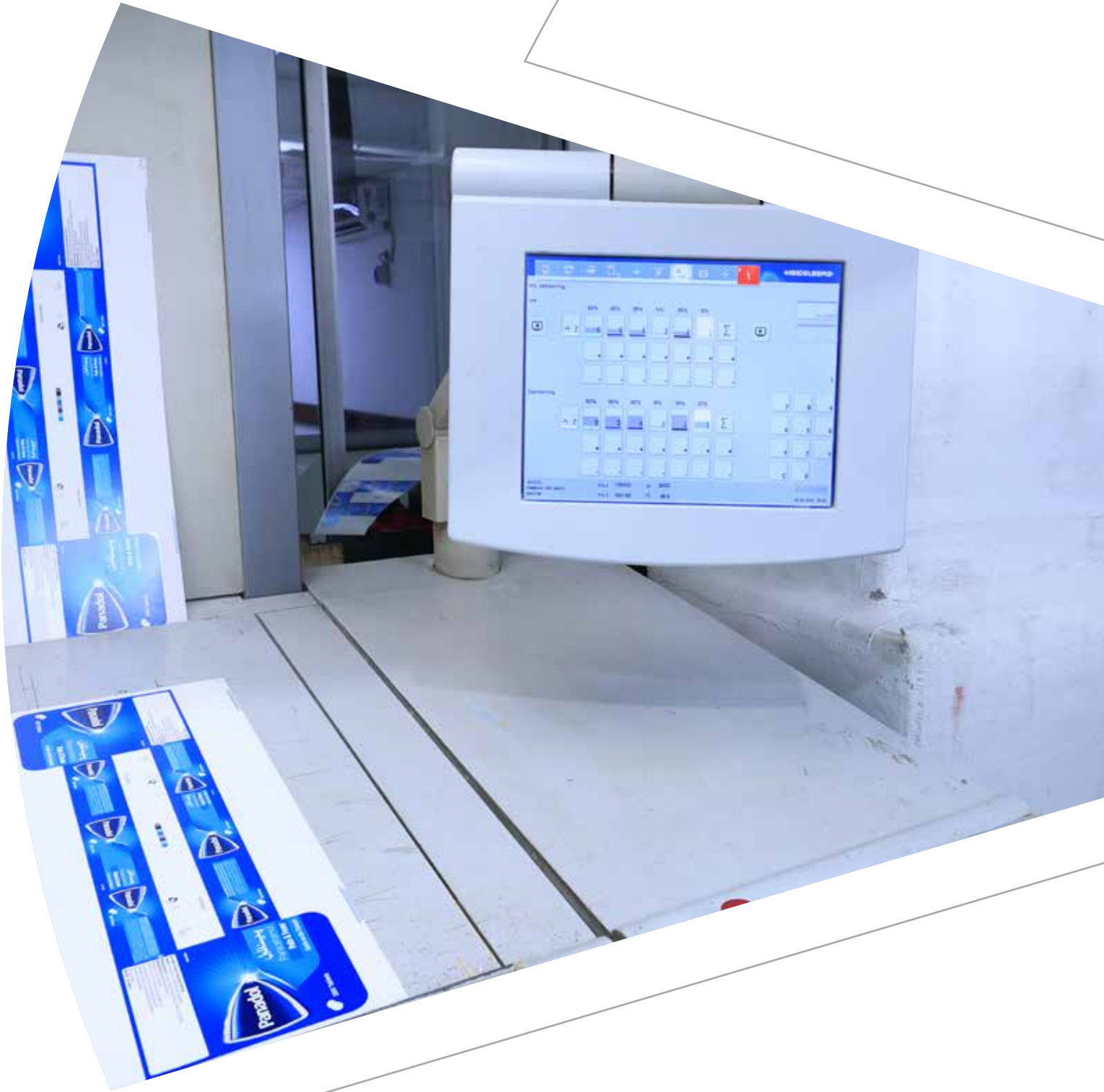


## PREPRESS

Our Prepress Department features the latest Kodak thermal plate-setter, celebrated for its unmatched precision, operational stability, and dependable performance.

This state-of-the-art technology ensures minimal plate remakes, reduces the need for variable adjustments, and significantly elevates overall print quality, enabling us to maintain the highest standards of consistency and efficiency in every project.





## COLOR MANAGEMENT

The latest integration of GMG Color Management software has significantly enhanced our ability to achieve exceptional color accuracy and consistency across all print jobs.

This advanced technology not only optimizes ink usage and elevates print quality, but also minimizes errors and streamlines production—driving greater efficiency and setting a new standard of excellence within the industry.







# PRINTING

Our printing facility is equipped with four state-of-the-art machines, including industry-leading Heidelberg and Komori presses, capable of delivering up to 18,000 impressions per hour.

These high-performance machines have been expertly customized to produce a wide range of innovative and specialty printing effects, ensuring our packaging designs are not only visually striking but also highly engaging, bringing our clients' visions to life with precision and flair.







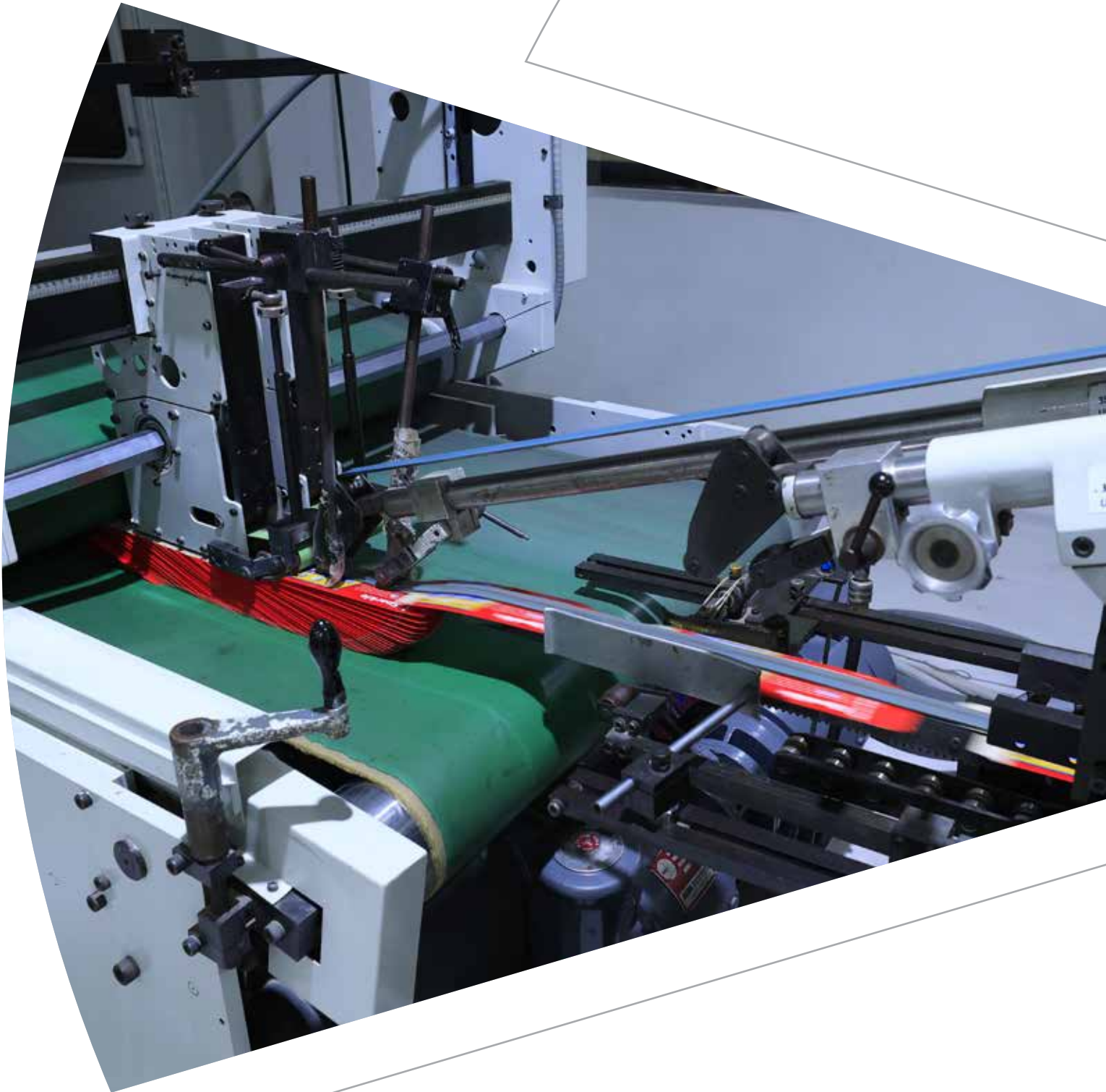
## CREASING AND CUTTING

Our Creasing and Cutting Division is equipped with seven advanced machines, including four BOBST and three Iberica units, as well as a dedicated foiling machine.

Capable of achieving speeds of up to 7,500 sheets per hour, these state-of-the-art systems deliver exceptional precision in cutting, stripping, and blanking—enhancing both the efficiency and the overall quality of our packaging solutions.







## FOLDING AND GLUING

Our Folding and Gluing Department is equipped with high-speed pasting machines from globally recognized manufacturers, including BOBST, VEGA, and Duran.

Operating at an impressive speed of up to 400 meters per minute, these machines are specifically designed for the efficient pasting of laminated and metallized boxes—delivering both structural integrity and an enhanced aesthetic appeal to the finished product.





## CULTIVATING BRILLIANCE

Merit Packaging Limited is igniting brilliance by seamlessly blending innovation, sustainability, and a commitment to people. By prioritizing teamwork, the company fosters a culture of excellence that empowers employees to reach their full potential. With a strong focus on employee wellness and continuous personal and professional growth, Merit Packaging creates a supportive environment that drives individual and collective success. Additionally, through its dedicated efforts to give back to the community, the company strengthens its business and positively impacts society, ensuring that brilliance is achieved in every aspect of its operations.



## NURTURING OUR HUMAN CAPITAL/TREASURING OUR TALENT



At Merit Packaging Limited, we believe in truly treasuring our talent by recognizing and celebrating our employees' dedication, hard work, and exceptional contributions. Through our Long Service Awards, we honored those who had shown unwavering loyalty and commitment over the years, acknowledging their lasting impact on the company. Our Excellent Performance Recognition program shined a spotlight on individuals who consistently go above and beyond, inspiring others with their outstanding achievements. Meanwhile, the Cricket Uniform Design Competition allowed employees to showcase their creativity and innovation, reflecting the diverse talents that make our team unique. Together, these initiatives reinforced our culture of appreciation, ensuring that every employee feels valued, motivated, and empowered to continue making a difference.





## ROLLING OUT A VENDING FACILITY

Introducing a vending facility in the workplace provides a convenient, self-service option for employees to access snacks, beverages, and other essentials quickly. This added flexibility caters to different dietary preferences and work schedules, ensuring employees have options that suit their needs. Moreover, by offering healthier choices, the vending facility supports employee well-being, contributing to better nutrition and overall satisfaction.



## BLOOMING HEALTH (PERSONAL HYGIENE SESSION)



The Personal Hygiene Session, paired with the previously installed sanitary napkin machine, aims to promote awareness and good hygiene practices in the workplace. The session educated employees on personal hygiene and the importance of proper sanitary product use, while the machine ensured easy access to hygienic napkins when needed. It created a supportive environment that empowered employees, promoted health, and reinforced the organization's commitment to employee well-being.

## PHILANTHROPIC CORPORATE EFFORTS/COMMUNITY ENGAGEMENT

Community engagement programs like Ration Distribution Drives and Plantation Drives directly contribute to several UNDP Sustainable Development Goals (SDGs). Ration drives support SDG 2 (Zero Hunger), SDG 1 (No Poverty), and SDG 10 (Reduced Inequality) by providing essential food items to the employees. Through such programs, the company fosters a sense of social responsibility and aligns its corporate efforts with global sustainability goals, creating a positive impact on both society and the environment.





## PROMOTING A VIBRANT, INCLUSIVE, AND GROWTH-ORIENTED ENVIRONMENT

Merit Packaging Limited is a strong believer in creating a progressive and inclusive workplace through employee engagement activities, but not limited to Mental Health Awareness Sessions, Cricket Leagues, Women's Day Celebrations, and Breast Cancer Awareness Sessions aligned with several UNDP Sustainable Development Goals (SDGs). These initiatives support SDG3 (Good Health and Well-being) by raising awareness about mental and physical health, SDG5 (Gender Equality) by empowering women and promoting gender inclusivity, SDG10 (Reduced Inequality) by fostering a collaborative, diverse workplace, and SDG8 (Decent Work and Economic Growth) by enhancing employee satisfaction and productivity. When employees are happy and healthy, they are more likely to thrive both personally and professionally.



### Gender Pay Gap

#### Mean Gap

The mean pay for men is 6.94% higher than that of women.

#### Median Gap

The median pay for men is 34.63% higher than that of women.



## CORPORATE EMPLOYMENT BRANDING/EMPLOYER MARKETING STRATEGY/TALENT-CENTRIC BRANDING



For our organization, corporate employment branding is key to attracting the best talent and fostering long-term success. By actively participating in job fairs, offering engaging internship programs, and hosting student industrial visits, we provide aspiring professionals with an inside look at our culture, values, and work environment. These initiatives allow us to connect with young, motivated individuals early on while showcasing the opportunities for growth and development within our company. Through these efforts, we not only strengthen our brand but also create a strong talent pipeline, ensuring that we continue to bring in individuals who align with our vision and are excited to contribute to our success.





# OUR PEOPLE

## MANAGEMENT



## INTERNAL AUDIT



## FINANCE





## HR & ADMINISTRATIONS



## MARKETING





## QUALITY



## PREPRESS





# INFORMATION TECHNOLOGY



# MAINTENANCE





## PLANNING & DISPATCH



## SUPPLY CHAIN





# GRAVURE PRODUCTION



# STORE





## OFFSET PRODUCTION



## HVAC





## CREASING AND CUTTING



## OFFSET PRINTING





## FOLDING AND GLUING



## BREAKING





## ADMIN STAFF



## ADMIN / HR STAFF





## EMPOWERED WOMEN'S



## NKC STAFF





## CORE CATERS STAFF



## SECURITY PERSONNEL



# DIRECTOR PROFILE

## **Mr. Amin Mohammed Lakhani** *Director*

An MBA in Finance and International Business from The Wharton School of Business, University of Pennsylvania (USA) and holder of Bachelor of Science in Industrial Engineering from Stanford University (USA), Mr. Amin Mohammed Lakhani is part of the Executive Leadership Team of Lakson Group of Companies.

Mr. Amin Mohammed Lakhani is Chief Executive Officer of SIZA Foods (Private) Limited, the franchise holders of McDonald's restaurants in Pakistan, a world known Multinational Corporation serving fast foods. Under his dynamic leadership, SIZA has succeeded in a short period of 26 years in making McDonald's a household name in Pakistan, expanding the network of its restaurants to 43 in key cities of the country. He has also won "Golden Arches Award" 2011 from McDonald's Corporation, the highest award an owner operator can receive from McDonald's.

His rich experience in finance, marketing, management and production spanning over 33 years has enabled him to serve as CEO of 11 unlisted public and private limited companies, Director on the Corporate Boards of 4 Lakson Group companies listed on Stock Exchange in Pakistan and Director in 11 other unlisted public and private limited companies of the Lakson Group.

Mr. Lakhani is the Honorary Consul General of Singapore in Pakistan since July 1992. Previously he served as Singapore's Honorary Consul since April 1989. Acknowledging his services the Republic of Singapore awarded him "The Public Service Star".

Mr. Lakhani actively participates in social activities. He is a Founder Member of Pakistan Chapter of Young Presidents' Organization, and served as the local Chapter's chairman for the 2006-07 term. He is a Member of Stanford Alumni Association as well as of The Wharton Alumni Association. He is an ardent sport enthusiast and his favourite sporting activities include riding, playing polo, tennis and golf. He has widely travelled around the globe and takes interest in international/current affairs.

Mr. Lakhani strongly believes in Lakson Group's philosophy of paying back to the society. He is a Trustee of Hasanali & Gulbanoo Lakhani Foundation, a Lakson Group welfare trust. The Foundation provides educational and medical facilities to the deserving and needy persons and helps people in other areas and also a Trustee of Amin, Saira and Anika Lakhani (ASAL) Foundation.

## **Ms. Anushka Lakhani** *Director*

Ms. Anushka Lakhani has a BSE from Wharton School of Business, University of Pennsylvania and a MBA from Harvard Business School. She serves as Director on the Corporate Board of 03 Group Companies that are listed on Stock Exchange and also Director on 06 Public un-listed and Private Companies of the Group.



### **Mr. Farrukh Shauket Ansari** *Director*

Mr. Ansari brings over thirty years of rich and diversified experience in Commercial, Corporate & Investment banking as well as corporate sector. He has held senior management positions over the last twenty five years and was CEO of a major NBFIs between 2003-2011 and played a key role in the development of SME sector in Pakistan. He was instrumental in setting up of an investment banking arm of a foreign bank in Pakistan and establishing a new bank in South Africa.

He has advised on numerous fund raising, acquisition and privatization transactions over his career. He possesses rich experience in restructuring and rehabilitation of projects in distress. He is highly respected as a Leader in his field with respect to special focus on restructuring and project turnaround.

He has served on various advisory committees of the Government and the board of Karachi Stock Exchange as a representative of the Government of Pakistan. He also served on the Board of Directors Commercial Banks, Leasing, Modaraba, Insurance, Asset Management, Petroleum and Food Products Companies.

He obtained his MBA degree from IBA, Karachi in 1983 and Certificate in MIS from US Department of Agriculture School, Washington D.C. in 1990. He is also a Certified Director from the first batch of Pakistan Institute of Corporate Governance. He is an investment advisor to some of the leading Business families in Pakistan. Apart from his professional commitments, he enjoys reading, traveling and experiencing new cultures.

### **Mr. Aftab Ahmad** *Director*

Mr. Aftab Ahmad is presently the Director of two listed companies including Chief Executive Officer of one Company. He joined Lakson Group of Companies in 1984 as Deputy General Manager (Technical) of Century Paper & Board Mills Limited (CPBM), and has also served as G. M. Operations and Director Operations of CPBM.

Prior to joining Lakson Group, he has worked in Packages Limited in Pakistan, Saigal Brothers and Azzawya Oil Refinery in Libya. Under his Dynamic Leadership, CPBM become Market Leader in the field of Packaging. With his engineering background he successfully implemented the mega project of Century's new board machine PM-07, thereby building CPBM brand image for quality and reliability in the market.

### **Mr. Ahmed Munaf** *Director*

Mr. Ahmed Munaf Lodhikawala is the proprietor of M-Text, which indents Polyester yarn, and is the sole agent for the Polyester yarn in the Pakistan market for Hangzhou Zhongli / Zhongcai China yarn. He has more than 16 years of experience in leading businesses. Apart from this he also has interests in running a Textile Weaving mill, Real Estate projects, Car Dealerships along with exporting Hand Knotted Carpets from Pakistan.

Mr. Ahmed was also recently Appointed Convener of Federation of Pakistan Chamber of Commerce & Industry (FPCCI) Central Standing Committee on Polyester Filament Yarn. He has also been nominated for the National Committee (Pakistan Chapter) for Developing-8 Countries Chamber of Commerce & Industry (D-8 CCI).

Mr. Ahmed is also the Chief Patron of IMO (International Memon Organization) Young Memons (with over 1 million global members) which is one of the largest Memon organizations in the world. IMO is also involved in significant social work across Pakistan where it helps underprivileged individuals improve their lot through scholarships along with improving access to sports and helping the memon community navigate tough times. Mr. Ahmed also devotes his time to helping advance the cause of education where he is the Vice President of Jetpur Memon Association (JMA) for the years 2018-2021 and also serves as the Chairman of the Education Board of the JMA. They have started a white fund scholarship for all kinds of students including Masters Programmes and currently supporting around 1,500-1,700 Students with support of WMO (World Memon Organization) and JMA. He has also served as a member of the Managing Committee for Karachi Club for the years 2019-2020.

Mr. Ahmed also believes in the concept of shareholder activism where he along with a group of other like minded investors help managements to improve their businesses creating value for both major and minority shareholders alike.

### **Mr. Sheikh Asim Rafiq** *Director*

Mr. Asim Rafiq is a Fellow member of the Institute of Chartered Accountants of Pakistan (ICAP). He has over 26 years of diversified experience in financial accounting & audits, strategy, taxation, corporate affairs & Regulators' dealings in leading private and public sector organizations. He has been a Nominee/Independent Director in various national and multinational companies, listed on PSX, for more than 16 years.

He completed his Chartered Accountancy from ICAP with training from A F Ferguson & Co. Chartered Accountants (PwC Pakistan); certification in International Financial Reporting Standards (IFRS) from the Institute of Chartered Accountants in England & Wales and certification in Internal Audit from the Institute of Internal Auditors, USA. He has also attended various national and international seminars & conferences. Also, he is a Certified Director from ICAP.



# CORPORATE CALENDAR

Audit Committee Meeting	August 21, 2024	To consider the audited accounts for the year ended June 30, 2024
BOD Meeting	August 27, 2024	To approve audited accounts for the year ended June 30, 2024
HR Committee	October 04, 2024	To discuss the application and outcome of minimum wage to workers.
Audit Committee Meeting	October 24, 2024	To consider the quarterly accounts for the period ended September 30, 2024
Annual General Meeting	October 25, 2024	To consider the annual accounts for the year ended June 30, 2024 etc.
BOD Meeting	October 29, 2024	To approve the quarterly accounts for the quarter ended September 30, 2024
Risk Management Committee	February 04, 2025	To discuss the Company's risks and mitigation strategies.
Audit Committee Meeting	February 26, 2025	To consider the half yearly accounts for the period ended December 31, 2024
BOD Meeting	February 27, 2025	To approve half yearly accounts for the half year ended December 31, 2024
Audit Committee Meeting	April 24, 2025	To consider the nine months accounts for the period ended March 31, 2025
BOD Meeting	April 28, 2025	To approve nine months accounts for the period ended March 31, 2025
Audit Committee Meeting	June 03, 2025	To consider the proposal to dispose off Machinery (Flexible Packaging Unit) of the Company.
BOD Meeting	June 03, 2025	To consider to dispose off Machinery of Flexible Unit of the Company.
Extraordinary General Meeting	June 27, 2025	To consider and seeking approval from members to dispose off Machinery (Flexible Packaging Unit) of the Company.

# CORPORATE INFORMATION

## Board of Directors

Mr. Iqbal Ali Lakhani (Chairman)  
Mr. Amin Mohammed Lakhani  
Ms. Anushka Lakhani  
Mr. Aftab Ahmad  
Mr. Farrukh Shauket Ansari  
Mr. Ahmed Munaf  
Mr. Sheikh Asim Rafiq

## Advisor

Mr. Sultan Ali Lakhani

## Audit Committee

Mr. Sheikh Asim Rafiq (Chairman)  
Mr. Amin Mohammed Lakhani  
Mr. Farrukh Shauket Ansari

## Human Resource and Remuneration Committee

Mr. Sheikh Asim Rafiq (Chairman)  
Mr. Amin Mohammed Lakhani  
Mr. Amir Ahmed Chapra  
Mr. Aftab Ahmad

## Chief Executive Officer

Mr. Amir Ahmed Chapra

## Chief Financial Officer

Mr. Umair Ahmed

## Company Secretary

Mr. Mansoor Ahmed

## Auditors

BDO Ebrahim & Co.  
Chartered Accountants

## Bankers - Conventional

Habib Bank Limited  
National Bank of Pakistan  
Soneri Bank Limited  
JS Bank Limited  
MCB Bank Limited

## Bankers - Islamic

Meezan Bank Limited  
United Bank Limited – Ameen  
Al-Baraka Bank (Pakistan) Limited  
BankIslami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Habib Bank Limited - Islamic Banking  
MCB Islamic Bank Limited

## Shares Registrar

FAMCO Share Registration Services (Private)  
Limited, 8-F, Near Hotel Faran, Nursery,  
Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi.  
Website: [www.famcosrs.com](http://www.famcosrs.com)  
Email: [info.shares@famcosrs.com](mailto:info.shares@famcosrs.com)  
Phone: (021) 34380101- 5  
Fax: (021) 34380106

## Registered & Head Office

Lakson Square, Building No. 2, Sarwar  
Shaheed Road, Karachi-74200, Pakistan.

## Factory

17-B, Sector 29, Korangi Industrial Area,  
Karachi.

## Marketing Divisions

CONTACT US  
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Phone Number: 0341-2464451  
Email: [info@meritpack.com](mailto:info@meritpack.com) | Web: [www.meritpack.com](http://www.meritpack.com)

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 45th Annual General Meeting of MERIT PACKAGING LIMITED will be held on Friday, October 24, 2025 at 03:30 p.m. at ICAP Auditorium, Chartered Accountants Avenue, Block 8, Clifton, Karachi as well as electronically through Video link facility to transact the following business:

## ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the year ended June 30, 2025 together with the Directors' and Auditors' reports thereon.

As required under Section 223(6) of the Companies Act, 2017 (the "Act"), Financial Statements of the Company have been uploaded on the website of the Company, which can be downloaded from the following link and/or QR enabled code:



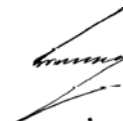
<https://www.meritpack.com/wp-content/uploads/PDF/Financial%20Statements/2024-25/MPL-FR-AN-2024-25.pdf>

2. To appoint Auditors and fix their remuneration.

## SPECIAL BUSINESS

3. To consider and if deemed fit to pass the following resolutions as special resolution:
  - a) **"RESOLVED THAT** the transactions carried out in normal course of business with associated companies/related parties as disclosed in Note No. 44 of the audited financial statements for the year ended June 30, 2025 be and are hereby ratified and approved."
  - b) **"RESOLVED THAT** the Chief Executive Officer of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with associated companies/related parties during the ensuing year ending June 30, 2026 and in this connection the Chief Executive Officer be and is hereby also authorized to take any and all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company."

By Order of the Board

A handwritten signature in black ink, appearing to read 'Mansoor Ahmed', with a stylized flourish at the end.

(MANSOOR AHMED)  
Company Secretary

Karachi: September 24, 2025



## NOTES:

### 1. Closure of Share Transfer Books

The share transfer books of the Company will remain closed from October 17, 2025 to October 24, 2025 (both days inclusive). Transfers received in order by the Shares Registrar of the Company, M/s. FAMCO Share Registration Services (Private) Limited, 8-F, near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi up to the close of business on October 16, 2025 will be treated in time for the purpose of attending the annual general meeting 'AGM'.

### 2. Electronic transmission of Annual Report:

In compliance with Section 223(6) of the Act, the Company has electronically transmitted the Annual Report 2025 through email to Shareholders whose email addresses are available with the Company's Shares Registrar, M/s. FAMCO Share Registration Services (Private) Limited. In those cases, where email address is not available with the Company's Shares Registrar, printed notices of AGM along with the weblink and QR enabled code to download the said Annual Report have been dispatched. However, the company will provide hard copies of the Annual Report to any Member on their demand, at their registered address, free of cost, within one week of receiving such request.

Annual Report 2025 shall also be available electronically on PUCARS system of Pakistan Stock Exchange and the Company's website.

### 3. Participation in the AGM via physical presence or through video conferencing

- a. A member, who has deposited his/her shares into Central Depository Company of Pakistan Limited (CDC), must bring his/her participant's ID number and CDC account/sub-account number along with original Computerized National Identity Card (CNIC) or original Passport at the time of attending the meeting.
- b. To facilitate our members who want to attend AGM through Zoom application - a video conference facility will be provided for which undernoted procedure will be followed:
  - i. Shareholders interested in attending the AGM through Zoom application are hereby requested to get themselves registered with the Company Secretary's office by providing the following details at the earliest but not later than 24 hours before the time of AGM (i.e., before 03:30 p.m. on October 23, 2025) through following means:

a) Mobile/WhatsApp: 0315 5008228

b) E-mail: comsec@meritpack.com

Shareholders are advised to mention their Name, CNIC Number, Folio/CDC Account Number, cell number and email ID for identification and sending login credential.

Upon receipt of the above information from the interested shareholders, the Company will send the login credentials at their e-mail address. On the date of AGM, shareholders will be able to login and participate in the AGM proceedings through their smartphone/computer devices.

Shareholders can also provide their comments/suggestions for the proposed agenda items of the AGM by using the aforesaid means.

### 4. Requirements for appointing Proxies

- a. A member entitled to attend and vote at the AGM may appoint another member as his/her proxy to attend, speak and vote on his/her behalf, and a proxy so appointed shall have such rights, as respects attending, speaking and voting at the meeting as are available to a member. A proxy must be a member of the Company.

- b. Form of proxy, in order to be valid must be properly filled-in/executed and received at the registered office of the Company situated at Lakson Square, Building No.2, Sarwar Shaheed Road, Karachi not later than 48 hours before the time of the meeting excluding holidays.
- c. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- d. Copies of CNIC or the valid passport of the beneficial owners and the proxy shall be furnished along with the proxy form.
- e. The proxy holders shall produce their original CNIC or original valid passport at the time of the Meeting.
- f. A corporate entity, being a member, may appoint any person, regardless whether a member or not, as its proxy. In this respect, a resolution of the Board of Directors/Power of Attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted to the Company along with a completed proxy form.

**5. Updation of Shareholder Addresses/Email & Cell Numbers:**

Members holding shares in physical form are requested to promptly notify Ms. FAMCO Share Registration Services (Private) Limited (the Share Registrar of the Company) of any change in their addresses or any other particulars. Shareholders maintaining their shares in electronic form should have their address updated with their participant or CDC Investor Accounts Service.

**6. Conversion of Physical Shares into CDC Account**

The Securities and Exchange Commission of Pakistan has issued a letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021 addressed to all listed companies drawing attention towards the provision of Section 72 of the Companies Act, 2017 (Act) which requires all companies to replace shares issued in physical form with shares in the Book-Entry-form within a period not exceeding four years from the date of the promulgation of the Act in 2017.

In order to ensure full compliance with the provisions of the aforesaid Section 72 and to benefit from the facility of holding shares in the Book-Entry-Form, the shareholders who still hold shares in physical form are requested to convert their shares in the Book-Entry-Form, as soon as possible.

**7. Unclaimed Dividend / Shares under Section 244 of the Companies Act, 2017**

An updated list of unclaimed dividend/shares of the Company is available on the Company's website [www.meritpack.com](http://www.meritpack.com). These are unclaimed dividend/shares which have remained unpaid or unclaimed for a period of three years or more from the date these have become due and payable. Claims can be lodged by shareholders on Claim Forms as are available on the Company's website. Claims Forms must be submitted to the Company's Shares Registrar for receipt of dividend/shares.

**8. E-Voting:**

In accordance with the Companies (Postal Ballot) Regulation, 2018, as amended, the right to vote through electronic voting facility will be provided by the Company in respect of the Special Business. Details of e-voting facility will be shared through e-mail with those members of the Company who have their valid CNIC numbers, Cell Numbers and e-mail addresses available in the register of Members of the Company within due course. The member may alternatively opt for voting through postal ballot which is being published with this notice and is also available on Company's website.

- 9. Members can exercise their right to demand a poll subject to meeting requirements of Section 143 to Section 145 of the Companies Act, 2017.

## **10. Prohibition on grant of gifts to Shareholders**

The Securities and Exchange Commission of Pakistan (the "SECP"), through its Circular 2 of 2018, dated February 9, 2018, has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (tokens/coupons/lunches/takeaway packages) in any form or manner, to shareholders at or in connection with general meetings. Under Section 185 of the Act, any violation of this directive is considered an offense, and companies failing to comply may face penalties and accordance with the directive issued by the SECP, vide its S.R.O.452(i)/2025 dated 17 March 2025 the Company would like to inform all the shareholders that no gifts will be distributed at the AGM.

## **11. Proxy Form:**

Form of Proxy and Postal Ballot Paper are enclosed and are also available on Company's website: [www.meritpack.com](http://www.meritpack.com).

## **STATEMENT OF MATERIAL FACTS CONCERNING SPECIAL BUSINESS PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2017**

This statement sets out the material facts concerning the Special Business item No. 3 of the Notice which will be considered to be passed by the members.

Agenda Item No. 3 (a) – Transactions carried out with associated companies/related parties during the year ended June 30, 2025 to be passed as a Special Resolution.

The transactions carried out in normal course of business with associated companies/related parties were being approved by the Board as recommended by the Audit Committee on quarterly basis pursuant to Clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2019.

During the Board meeting it was pointed out by the Directors that as some of Company Directors were interested in these transactions, the quorum of directors seemingly could not be formed for approval of some of these transactions which resultantly have to be approved by the shareholders in the general meeting.

In view of the above, the transactions conducted during the financial year ended June 30, 2025 with associated companies/related parties shown in Note No. 44 of the financial statements for the year ended June 30, 2025 are being placed before the shareholders for their consideration and approval/ratification.

Agenda Item No. 3 (b) – Authorization to the Chief Executive Officer for the transactions carried out and to be carried out with associated companies during the ensuing year ending June 30, 2026 to be passed as a Special Resolution.

The Company would be conducting transactions with associated companies/related parties in the normal course of business. The majority of Directors are interested in these transactions, therefore, such transactions with associated companies/related parties have to be approved by the shareholders.

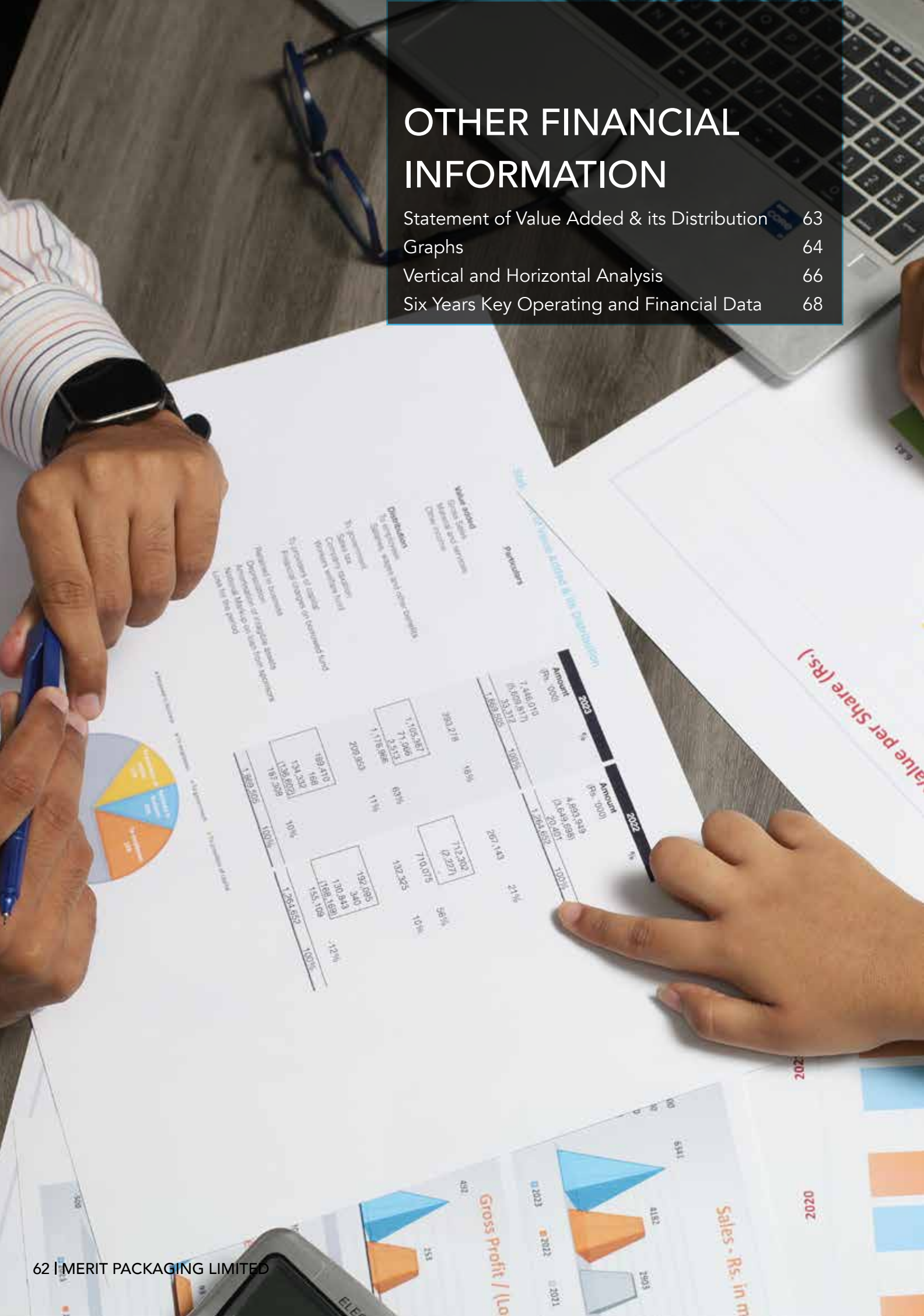
In order to comply with the provisions of Clause 15 of Listed Companies (Code of Corporate Governance) Regulations, 2019, the shareholders may authorize the Chief Executive Officer to approve transactions carried out and to be carried out in normal course of business with associated companies/related parties during the ensuing year ending June 30, 2026.

The Directors are interested in the resolutions to the extent of their common directorships and shareholding in the associated companies and the privileges attached thereto only.



# OTHER FINANCIAL INFORMATION

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# STATEMENT OF VALUE ADDITION

## Value Added

Gross Sales  
Material and Services  
Other Income

## Distribution

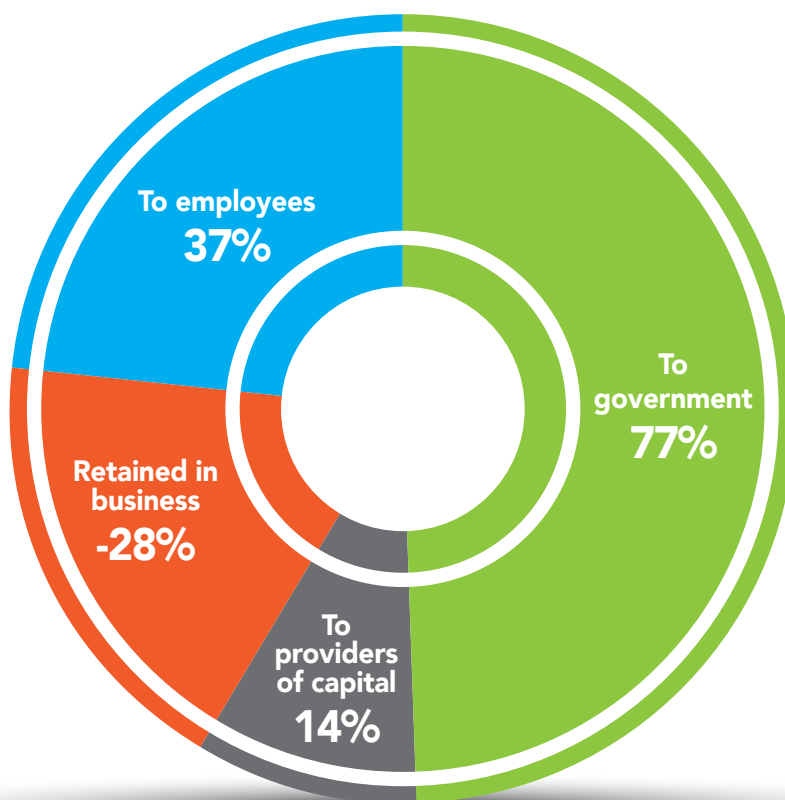
To Employees  
Salaries, Wages and other Benefits

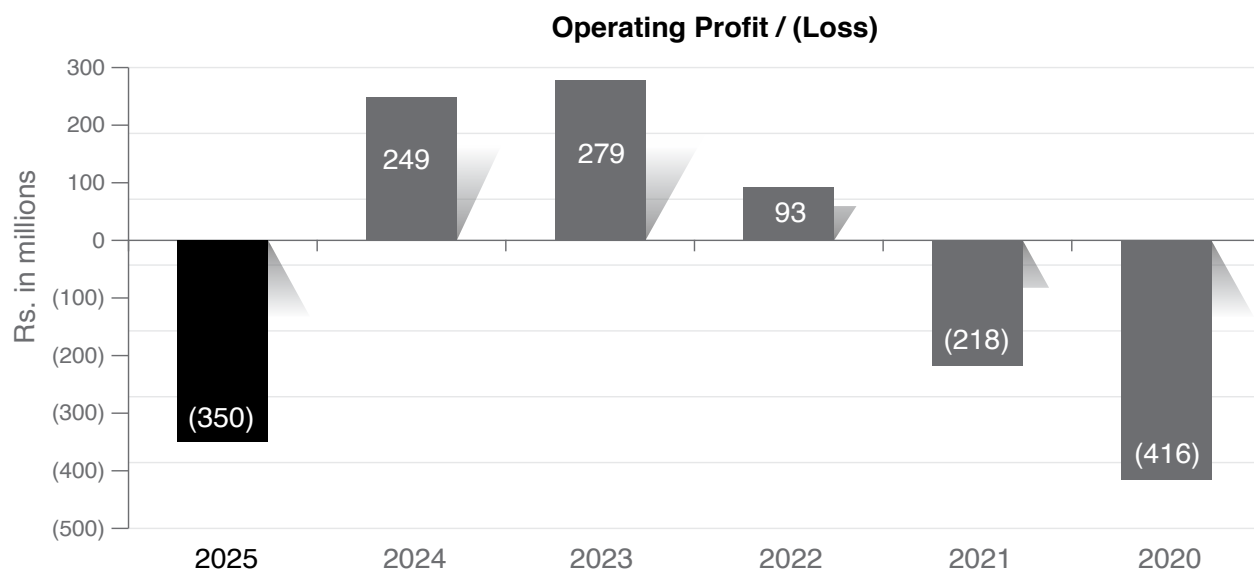
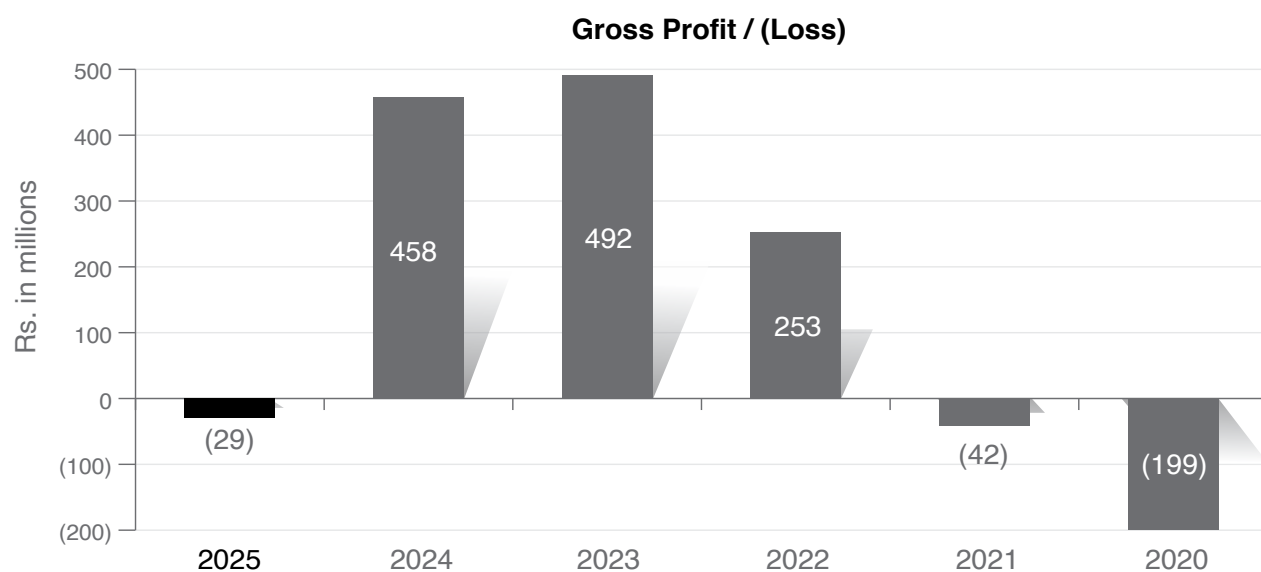
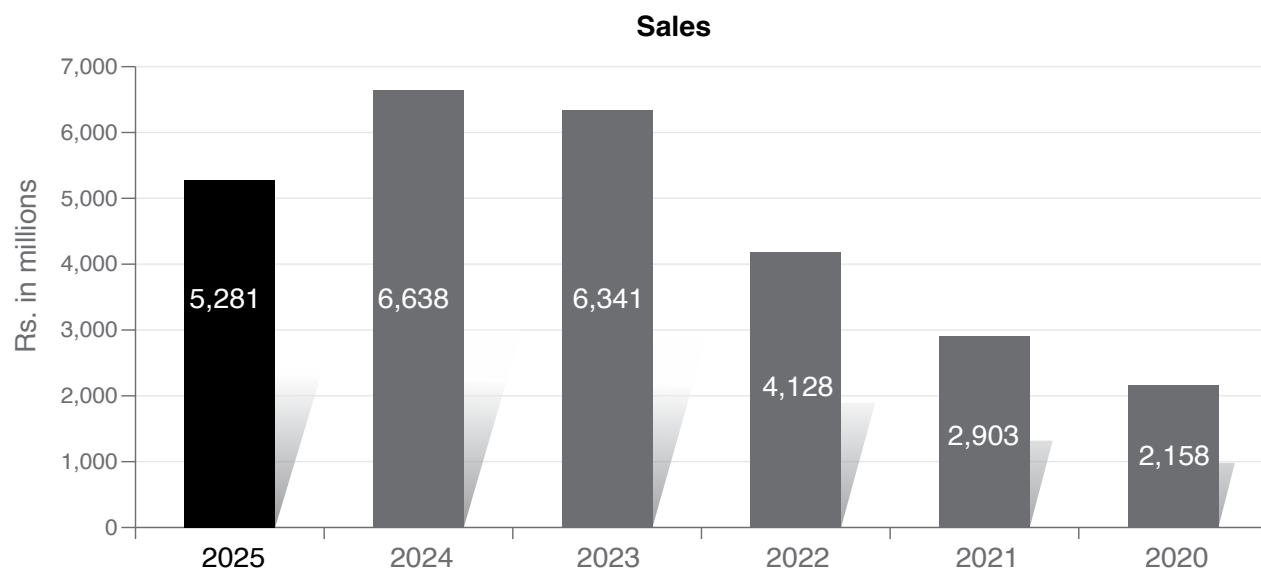
To Government  
Sales Tax  
Company Taxation

To Provider of Capital  
Financial Charges on Borrowed Fund

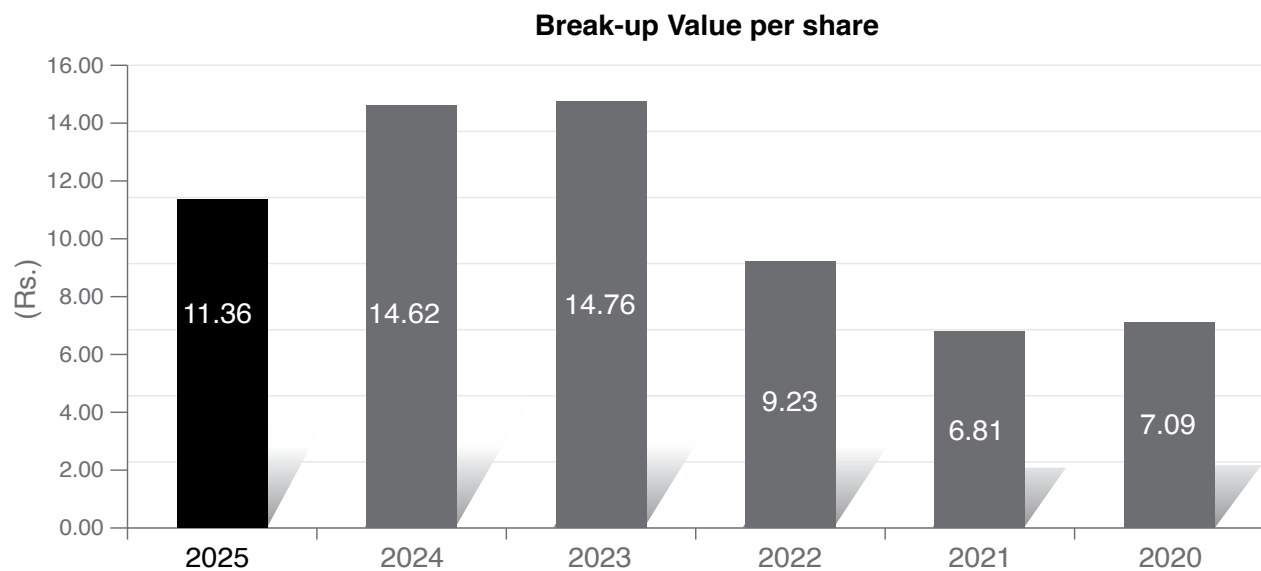
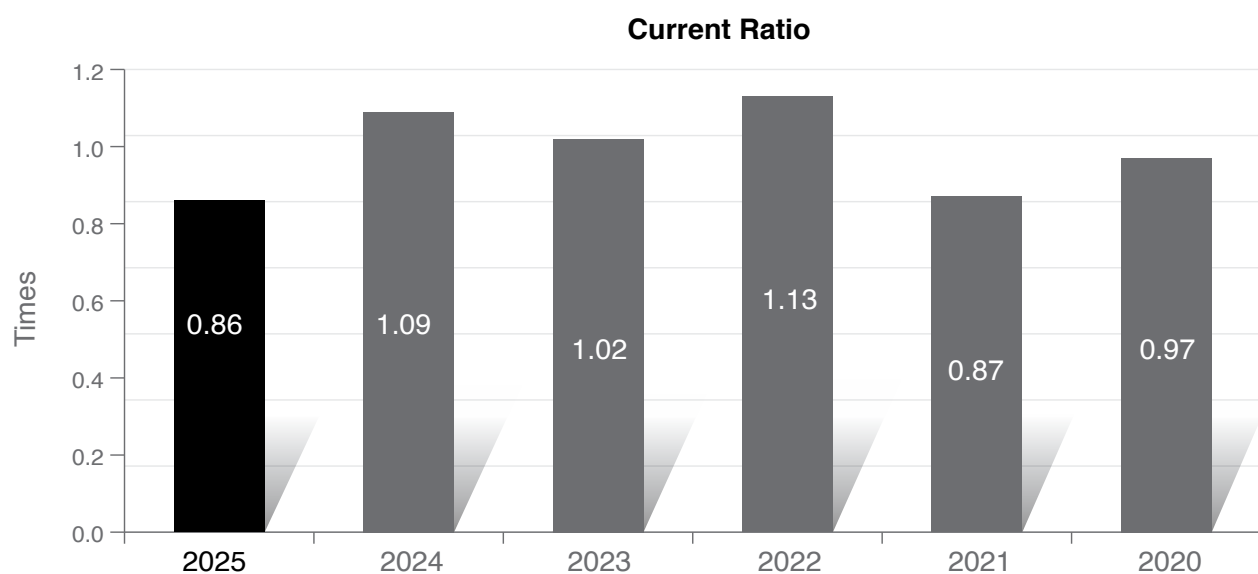
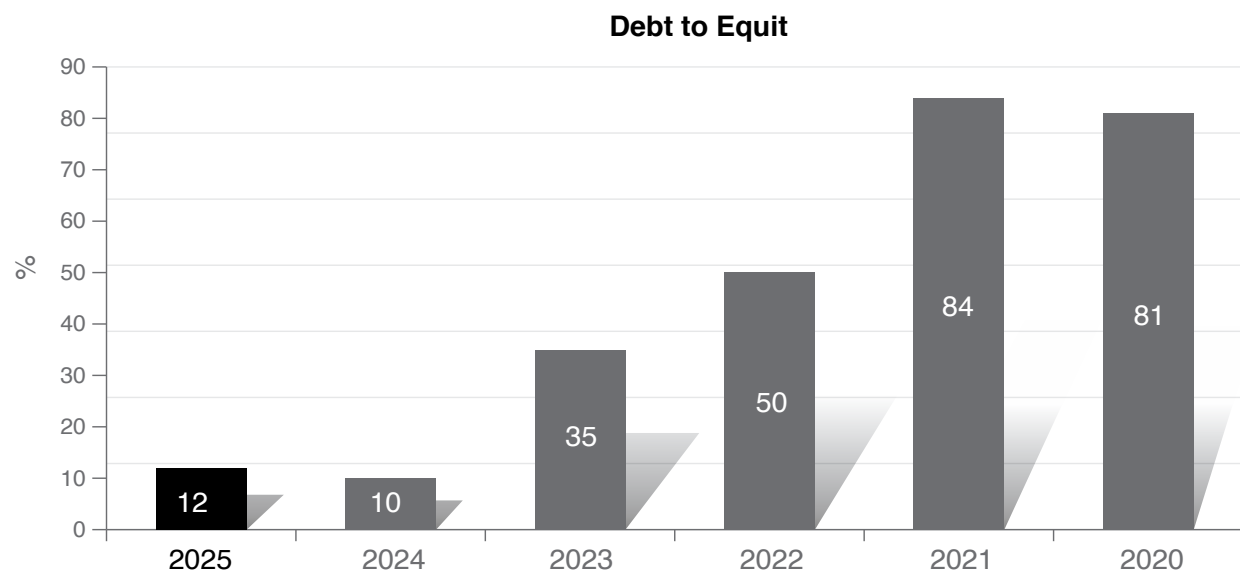
Retained in Business  
Depreciation  
Amortization on Intangible Asstes  
Notional Markup on Loan from Sponsors  
Loss for the year

2025		2024	
Rs '000	(%)	Rs '000	(%)
6,203,661		7,833,091	
(4,953,090)		(5,819,323)	
27,804		51,089	
1,278,375	100%	2,064,857	100%
472,543	37%	385,097	18%
922,728		1,194,614	
66,298		83,203	
989,026	77%	1,277,817	62%
175,501	14%	220,898	11%
233,317		236,485	
91		91	
7,565		130,830	
(599,668)		(186,362)	
(358,695)	-28%	181,044	9%
1,278,375	100%	2,064,856	100%









# VERTICAL ANALYSIS

## PROFIT & LOSS ACCOUNT

	2025		2024	
	Rs '000	%	Rs '000	%
Sales - net	5,280,932	100%	6,638,477	100%
Cost of sales	(5,309,665)	-101%	(6,180,364)	-93%
Gross profit / (loss)	(28,733)	-1%	458,113	7%
Operating expenses	(321,571)	-6%	(209,543)	-3%
Operating profit / (loss)	(350,304)	-7%	248,569	4%
Financial charges	(183,065)	-3%	(351,728)	-5%
Loss before taxation	(533,369)	-10%	(103,159)	-2%
Loss after taxation	(599,667)	-11%	(186,362)	-3%

## BALANCE SHEET

### Assets

Property, plant and equipment	2,361,650	45%	2,921,484	55%
Other non-current assets	138,161	3%	152,464	3%
Current Assets	2,022,589	38%	2,253,835	42%
Assets - Held for Sale	494,341	10%	-	

### Total Assets

5,016,741	100%	5,327,783	100%
-----------	------	-----------	------

### Equity & Laibilities

Share capital & reserves	2,272,065	45%	2,923,913	55%
Non-current liabilities	383,616	8%	332,846	6%
Current liabilities	2,361,059	47%	2,071,024	39%

### Total Equity and Liabilities

5,016,741	100%	5,327,783	100%
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# HORIZONTAL ANALYSIS

## PROFIT & LOSS ACCOUNT

	2025		2024	
	Rs '000	%	Rs '000	%
Sales - net	5,280,932	-26%	6,638,477	5%
Cost of sales	(5,309,665)	-14%	(6,180,364)	6%
Gross profit	(287,332)	-163%	458,113	-7%
Operating expenses	(321,571)	53%	(209,543)	-2%
Operating profit	(350,304)	-241%	248,569	-11%
Financial charges	(183,065)	152%	(351,728)	2%
Loss before taxation	(533,369)	417%	(103,159)	57%
Loss after taxation	(599,667)	222%	(186,362)	-2%

## BALANCE SHEET

### Assets

Property, plant and equipment	2,361,650	-19%	2,921,484	-34%
Other non-current assets	138,161	-9%	152,464	1120%
Current Assets	2,022,589	-10%	2,253,835	-17%
Assets - Held for Sale	494,341	10%	-	

### Total Assets

5,016,741	-15%	5,327,783	-26%
-----------	------	-----------	------

### Equity & Laibilities

Share capital & reserves	2,272,065	-22%	2,923,913	-1%
Non-current liabilities	383,616	15%	332,846	-78%
Current liabilities	2,361,059	14%	2,071,024	-22%

### Total Equity and Liabilities

5,016,741	-6%	5,327,783	-26%
-----------	-----	-----------	------

2023		2022		2021		2020	
Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%
6,340,624	100%	4,181,647	100%	2,902,559	100%	2,158,386	100%
(5,849,026)	-92%	(3,928,730)	-94%	(2,944,958)	-101%	(2,357,089)	-109%
491,597	8%	252,917	6%	(42,399)	-1%	(198,703)	-9%
(212,848)	-3%	(160,146)	-4%	(175,354)	-6%	(217,727)	-10%
278,749	4%	92,771	2%	(217,753)	-8%	(416,430)	-19%
(344,285)	-5%	(263,168)	-6%	(326,963)	-11%	(353,011)	-16%
(65,536)	-1%	(170,396)	-4%	(544,716)	-19%	(769,441)	-36%
(189,912)	-3%	(168,169)	-4%	(564,978)	-19%	(692,679)	-32%
4,430,917	62%	2,988,530	56%	3,028,233	61%	2,884,732	61%
12,493	0%	5,432	0%	182,415	4%	185,098	4%
2,713,195	38%	2,313,493	44%	1,765,083	35%	1,643,658	35%
-		-		-		-	
7,156,604	100%	5,307,455	100%	4,975,731	100%	4,713,488	100%
2,951,691	41%	1,613,816	30%	549,316	11%	571,294	12%
1,538,582	21%	1,641,496	31%	2,408,284	48%	2,449,405	52%
2,666,331	37%	2,052,143	39%	2,018,131	41%	1,692,789	36%
7,156,604	100%	5,307,455	100%	4,975,731	100%	4,713,488	100%

2023		2022		2021		2020	
Rs '000	%	Rs '000	%	Rs '000	%	Rs '000	%
6,340,624	52%	4,181,647	44%	2,902,559	34%	2,158,386	-25%
(5,849,026)	49%	(3,928,730)	33%	(2,944,958)	25%	(2,357,089)	-17%
491,597	94%	252,917	-697%	(42,399)	-79%	(198,703)	-3850%
(212,848)	33%	(160,146)	-9%	(175,354)	-19%	(217,727)	65%
278,749	200%	92,771	-143%	(217,753)	-48%	(416,430)	229%
(344,285)	31%	(263,168)	-20%	(326,963)	-7%	(353,011)	58%
(65,536)	-62%	(170,396)	-69%	(544,716)	-29%	(769,441)	120%
(189,912)	13%	(168,169)	-70%	(564,978)	-18%	(692,679)	123%
4,430,917	48%	2,988,530	-1%	3,028,233	5%	2,884,732	-5%
12,493	130%	5,432	-97%	182,415	-1%	185,098	68%
2,713,195	17%	2,313,493	31%	1,765,083	7%	1,643,658	12%
-		-		-		-	
7,156,604	35%	5,307,455	7%	4,975,731	6%	4,713,488	2%
2,951,691	83%	1,613,816	194%	549,316	-4%	571,294	-44%
1,538,582	-6%	1,641,496	-32%	2,408,284	-2%	2,449,405	70%
2,666,331	30%	2,052,143	2%	2,018,131	19%	1,692,789	-22%
7,156,604	35%	5,307,455	7%	4,975,731	6%	4,713,488	2%



# SIX YEAR KEY OPERATING AND FINANCIAL DATA

	2025	2024	2023	2022	2021	2020
	Rupees in thousands					
<b>Trading results</b>						
Sales	5,280,932	6,638,477	6,340,624	4,181,647	2,902,559	2,158,386
Gross (loss) / profit	(28,733)	458,113	491,597	252,917	(42,399)	(198,703)
Loss before taxation	(533,369)	(103,159)	(65,536)	(170,396)	(544,716)	(769,441)
Loss after taxation	(599,667)	(186,362)	(189,912)	(168,169)	(564,978)	(692,679)
<b>Financial position</b>						
Total capital employed	3,256,759	3,256,759	4,490,273	3,255,312	2,957,600	3,020,699
Property, plant and equipment	2,361,650	2,921,484	4,430,917	2,988,530	3,028,233	2,884,732
Shareholder equity	2,272,065	2,923,913	2,951,691	1,613,816	549,316	571,294
Long term liabilities	383,616	332,846	1,538,582	1,641,496	2,408,284	2,449,405
Deferred taxation	-	-	-	-	176,482	174,091
<b>Others</b>						
Number of employees (at year end)	170	181	194	188	206	264
Capital expenditure	116,337	246,381	240,402	155,471	48,308	97,497
Contribution to national exchequer	296,932	298,477	285,771	119,945	135,183	213,959
<b>Ratios</b>						
Gross (loss) / profit	-0.54%	6.90%	7.75%	6.05%	-1.46%	-9.21%
Loss before taxation	-10.10%	-1.55%	-1.03%	-4.07%	-18.77%	-35.65%
Loss after taxation	-11.36%	-2.81%	-3.00%	-4.02%	-19.46%	-32.09%
Return on equity	-26.39%	-6.37%	-6.43%	-10.42%	-102.85%	-121.25%
Return on capital employed	-18.41%	-5.72%	-4.23%	-5.17%	-19.10%	-22.93%
Current ratio	0.86 : 1	1.09 : 1	1.02 : 1	1.13 : 1	0.87 : 1	0.97 : 1
Debt / equity ratio	12 : 88	10 : 90	35 : 65	50 : 50	84 : 16	81 : 19
Inventory days	34	36	46	58	66	83
Receivable days	69	73	74	77	75	81
<b>Others</b>						
Loss per share - (Rs.)	(3.00)	(0.93)	(0.95)	(1.13)	(7.01)	(8.59)
Break-up value per share (Rs.)	11.36	14.62	14.76	9.23	6.81	7.09
Market Value (Rs.)	13.10	12.99	8.80	8.79	17.66	11.89
Price earning ratio	N / A	N / A	N / A	N / A	N / A	N / A



# CHAIRMAN'S REVIEW

For the year ended June 30, 2025

I hereby present the Annual Report of Merit Packaging Limited for the year ended June 30, 2025. Pakistan's economy is stabilizing after a crisis of high inflation and low reserves. Backed by the IMF, inflation is now easing and reserves are recovering. Despite this, major challenges persist, like a large fiscal deficit and high debt. The country's narrow tax base and reliance on external funds create ongoing vulnerability. In the packaging industry, intense competition is driving up costs. This pressure, alongside lower demand, is shrinking profit margins. The Company is striving to maintain its market share amidst these tough conditions.

## Review of financial performance

The Company faced a dual blow from declining demand and shrinking margins. Its revenue fell sharply from PKR 6.64 billion to PKR 5.28 billion, reversing prior progress. This resulted in a gross loss of 0.54% (PKR 28.73 million), down from a profit of PKR 458 million. The company also shifted from an operating profit of PKR 249 million to a loss of PKR 350 million. A net loss of PKR 600 million was recorded, a steep increase in loss from the PKR 186 million last year. Loss per share also rose significantly, from PKR 0.93 to PKR 3.00. Increased competition and reduced demand reversed its history of consistent top-line growth.

## Board's Function, Decision-Making, and Evaluation

I am pleased to report that the Board of Directors has effectively fulfilled its responsibilities, playing a crucial role in guiding the Company's strategic initiatives. The Board focused on critical risk areas and actively shaped the Company's strategic direction. With a strong commitment to corporate governance, the Board remains dedicated to preserving and enhancing stakeholder interests. Each Director, including the Independent Directors, actively participated in decision-making processes. Additionally, the Board completed its annual self-evaluation in accordance with the Code of Corporate Governance.

## Acknowledgment

I want to express my gratitude to our shareholders, customers, bankers, and staff for their confidence and assistance throughout these difficult circumstances. I also wish to convey my appreciation to the members of the Board, the CEO, and all employees for their dedication and support to our organization.



**Iqbal Ali Lakhani**  
Chairman

Karachi: September 19, 2025



## چیئرمین کا جائزہ برائے مالی سال اختتامیہ 30 جون 2025

بذریعہ ہذا میری جانب سے میریٹ پیکیجنگ لمیٹڈ کی سالانہ رپورٹ برائے مالی سال اختتامیہ 30 جون، 2025 پیش کی جا رہی ہے۔ پاکستان کی معیشت مہنگائی کی بلند سطح اور زرمبادلہ کے کم ذخائر کے بحران کے بعد استحکام کی جانب گامزن ہے۔ آئی ایم ایف کی معاونت سے مہنگائی میں کمی آئی ہے اور ذخائر میں بہتری آ رہی ہے۔ تاہم، بڑے مالیاتی خسارے اور بلند قرض جیسے بڑے مسائل اب بھی درپیش ہیں۔ ملک کا محدود ٹیکس نیٹ اور بیرونی مالی معاونت پر انحصار مسلسل غیر یقینی صورتحال کو جنم دیتا ہے۔ پیکیجنگ انڈسٹری میں سخت مقابلہ لاگت میں اضافے کا باعث بن رہا ہے۔ اس دباؤ کے ساتھ ساتھ طلب میں کمی سے منافع کے مارجن بھی کم ہو رہے ہیں۔ کمپنی ان مشکل حالات میں اپنا مارکیٹ شیئر برقرار رکھنے کی بھرپور کوشش کر رہی ہے۔

### مالی کارکردگی کا جائزہ

کمپنی کو گرتی ہوئی طلب اور سکڑتے ہوئے منافع کے دہری مسائل کا سامنا رہا۔ کمپنی کی آمدن 6.64 ارب روپے سے کم ہو کر 5.28 ارب روپے ہو گئی، جس سے گزشتہ ترقی کا سلسلہ رک گیا۔ اس کے نتیجے میں 0.54% (28.73 ملین روپے) کا مجموعی خسارہ ہوا، جبکہ پچھلے سال 458 ملین روپے کا منافع حاصل ہوا تھا۔ کمپنی کا کاروباری منافع 249 ملین روپے سے تبدیل ہو کر 350 ملین روپے کے خسارے میں چلا گیا۔ اس سال 600 ملین روپے کا خالص خسارہ ریکارڈ کیا گیا، جو کہ گزشتہ سال کے 186 ملین روپے کے مقابلے میں نمایاں اضافہ ہے۔ فی حصص خسارہ بھی نمایاں طور پر 0.93 روپے سے بڑھ کر 3.00 روپے ہو چکا ہے۔ بڑھتے ہوئے مقابلے اور کم ہوتی ہوئی طلب نے کمپنی کی مسلسل آمدن میں ترقی کو الٹ دیا ہے۔

### بورڈ کا کردار، فیصلہ سازی اور جائزہ

مجھے یہ بتاتے ہوئے خوشی ہو رہی ہے کہ بورڈ آف ڈائریکٹرز نے اپنی ذمہ داریاں مؤثر انداز سے ادا کی ہیں اور کمپنی کی حکمت عملی کے اقدامات میں اہم کردار ادا کیا ہے۔ بورڈ نے اہم خطرات پر توجہ مرکوز رکھی اور کمپنی کی اسٹریٹجک سمت کا تعین کیا۔ کارپوریٹ گورننس سے وابستگی کے ساتھ، بورڈ شراکت داروں کے مفادات کے تحفظ اور بہتری کے لیے پرعزم ہے۔ ہر ڈائریکٹر، بشمول غیر جانبدار ڈائریکٹرز، نے فیصلہ سازی کے عمل میں بھرپور حصہ لیا۔ مزید برآں، بورڈ نے کارپوریٹ گورننس کے ضابطہ اخلاق کے مطابق اپنا سالانہ از خود جائزہ بھی مکمل کر لیا ہے۔

### اظہار تشکر

میں ان مشکل حالات میں ہمارے حصص یافتگان، صارفین، بینکاروں، اور عملے کی اعتماد اور معاونت پر تہہ دل سے شکر گزار ہوں۔ میں بورڈ کے اراکین، سی ای او، اور تمام ملازمین کی محنت اور ادارے سے وابستگی پر بھی اپنی تہہ دل سے تشکر کا اظہار کرتا ہوں۔



اقبال علی لاکھانی  
چیئرمین

کراچی: 19 ستمبر، 2025

# DIRECTORS REPORT TO THE MEMBERS

For the year ended June 30, 2025

The Board of Directors of Merit Packaging Limited presents the Annual Report along with the Company's Audited Financial Statements for the year ended June 30, 2025.

This Directors' Report has been prepared in accordance with Section 227 of the Companies Act, 2017, Listed Companies (Code of Corporate Governance) Regulations 2019, and will be submitted to the members at the 45th Annual General Meeting to be held on October 24, 2025.

## PRINCIPLE ACTIVITIES

For principal activity of the Company please refer to Note 1 of the Financial Statements.

## BUSINESS AND ECONOMIC ENVIRONMENT

Pakistan's economy is currently in a period of stabilization, but it faces significant structural challenges. Following a period of economic crisis marked by soaring inflation, a depreciating currency, and critically low foreign exchange reserves, the country has implemented stabilization measures. With the help of programs from the International Monetary Fund (IMF), Pakistan has seen some improvements, including a reduction in inflation and a moderate increase in foreign reserves. While this has eased immediate pressures, the underlying issues of a persistent fiscal deficit, high public debt, and a narrow tax base remain. The economy's dependence on external financing and remittances, coupled with a low investment rate, makes it vulnerable to external shocks.

The current year saw immense competition in packaging industry putting pressure both in the shape of rising cost, reduced demand, lower margins, and plethora of undocumented players. The Company is striving to maintain its market share in the industry.

## FINANCIAL PERFORMANCE

As mentioned earlier, the packaging industry saw decline in demand and margin creating dual impact on the Company. This year the Company declined in sales as its revenue reduced from PKR 6.64 billion to PKR 5.28 billion. The Company posted a gross loss of 0.54%, falling to a gross loss of PKR 28.73 million in FY25 from a gross profit of PKR 458 million in FY24.

The Company incurred an Operating Loss for FY25 of PKR 350 million as compared to Operating Profit of PKR 249 million in FY24. The Company incurred a net loss of PKR 600 million in FY 25 as compared to PKR 186 million in FY24. The company's loss per share increased from PKR 0.93 to PKR 3.00.

This year, as mentioned above, increased competition, and decline in demand, significantly curtailed its revenue and quantity sold.

	2025	2024
	PKR in millions	
• Revenue	5,280.93	6,638.48
• Gross (loss) / profit	(28.73)	458.11
• Operating (loss) / profit	(350.30)	248.58
• Loss after tax	(599.67)	(186.36)

The revenue of the Company decreased by 20 % which is PKR 1,357.54 million lower than last year. The finance cost of the Company reduced by 48% due to falling interest rates and repayment of sponsor loan earlier this year.

During the year under review, the Company entered into an agreement to dispose off its Flexible Packaging Unit. The Board of Directors, after due consideration of the Company's pressing liabilities and its constrained financial position, resolved to take appropriate measures to optimize the business portfolio and reallocate

resources more efficiently. It was noted that the Gravure business segment old machinery requires significant investment in the near future. In light of the above, the Board determined that the most prudent course of action would be to divest the Gravure business segment. The proceeds from the sale are to be utilized for the optimization and strengthening of the Offset business.

## **DIVIDEND PAYOUT**

Due to loss after tax, no dividend has been declared.

## **EARNINGS PER SHARE**

The basic Loss per Share of the Company was PKR 3.00 (2024: PKR 0.93).

## **CORPORATE SOCIAL RESPONSIBILITY**

At Merit Packaging Limited, we are more than just a company; we are a community-focused organization committed to driving positive social change. In line with our dedication to corporate social responsibility, we actively engage in various initiatives aimed at improving the quality of life for those residing near our manufacturing facilities and in surrounding areas. The company is steadfast in its support for individuals in need, particularly during emergencies and natural disasters. With a vision to create a better environment, a stronger economy, and a more prosperous Pakistan, we remain committed to supporting reputable charitable organizations and impactful social projects. Further details on our CSR activities during the year can be found in the CSR section of the Annual Report.

## **SAFETY, SECURITY, HEALTH, AND ENVIRONMENT**

The safety and well-being of our employees, along with the preservation of the environment, are our top priorities. Through strong leadership commitment, we safeguard our workforce, assets, and surroundings by maintaining a comprehensive control framework and cultivating a robust SSHE (Safety, Security, Health, and Environment) culture across our operations. Additionally, we are committed to addressing environmental challenges by setting ambitious sustainability goals to reduce our long-term environmental impact.

Our production facilities adhere to industry safety standards, overseen by a dedicated department that ensures compliance with best practices. This department also regularly conducts fire and safety training for our staff. Thanks to the Company's unwavering commitment to strict SSHE protocols, no significant accidents were reported during the year.

## **CORPORATE AND FINANCIAL REPORTING FRAMEWORK**

- The financial statements prepared by the management of the Company present its state of affairs fairly, the result of its operations, cash flows, and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements, and any departure therefrom has been adequately disclosed and explained.
- The system of internal controls is sound in design and has been effectively implemented and monitored.
- There are no significant doubts about the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of Corporate Governance.
- Key operating and financial data for the last six (6) years in a summarized form is annexed.



- There is nothing outstanding against your Company on account of taxes, duties, levies, and charges except for those which occur in the normal course of business.
- The Company maintains Provident and Gratuity Fund accounts for its employees. Stated below are the values of the investments of the funds as of June 30, 2025.
- Provident Fund                      PKR 127.808 million
- Gratuity Fund                      PKR 91.622 million

## RELATED PARTY TRANSACTIONS

All related party transactions, during the year 2025, were placed before the Audit Committee and the Board for their review and approval. These transactions were duly reviewed by the Audit Committee and approved by the Board in their respective meetings. All these transactions were executed at an arm's length transaction and are in line with the policy with related parties approved by the Board. The Company also maintains a full record of all such transactions, along with the terms and conditions.

## BOARD OF DIRECTORS

The total number of Directors on the board is 7. Its composition is as follows:

Male Directors                      6

Female Director                      1

A. Independent Directors                      2

- Mr. Sheikh Asim Rafiq
- Mr. Ahmed Munaf

B. Non-Executive Directors                      5

- Mr. Iqbal Ali Lakhani – Chairman
- Mr. Amin Mohammed Lakhani
- Ms. Anushka Lakhani
- Mr. Aftab Ahmad
- Mr. Farrukh Shauket Ansari

C. Female Director                      1

- Ms. Anushka Lakhani

- During the year, 6 meetings of the Board of Directors were convened. The attendance record of each director is as follows:

Name of Director	Meetings Attended
Mr. Iqbal Ali Lakhani	6
Mr. Amin Mohammed Lakhani	5
Ms. Anushka Lakhani	4
Mr. Aftab Ahmad	6
Mr. Farrukh Shauket Ansari	6
Mr. Ahmed Munaf	6
Mr. Sheikh Asim Rafiq	6

- During the year, 5 meetings of the Audit Committee were convened. The attendance record of each member is as follows:

Name of Director	Meetings Attended
Mr. Sheikh Asim Rafiq	5
Mr. Amin Mohammed Lakhani	4
Mr. Farrukh Shaukat Ansari	5

- During the year, 1 meeting of the Human Resource and Remuneration Committee was convened. The attendance record of each member is as follows:

Name of Director	Meetings Attended
Mr. Amin Mohammed Lakhani	1
Mr. Sheikh Asim Rafiq	1
Mr. Aftab Ahmad	1
Mr. Amir Ahmed Chapra	1

## DIRECTORS' REMUNERATION

The significant features and key elements of Directors' Remuneration are as follows:

- Independent and Non-Executive Directors are only entitled to receive fixed fees in lieu of remuneration of the Board and the Committee meetings.
- The Board is authorized to determine the remuneration of its Directors for attending meetings of the Board and Committee.
- The detail of Directors' remuneration is disclosed in Note 45 of the Financial Statements for the year ended June 30, 2025.

## PERFORMANCE EVALUATION OF BOARD OF DIRECTORS AND BOARD COMMITTEES

The Company carries out an annual evaluation of the Board of Directors, its Committees, and Individual Directors as part of the Code of Corporate Governance. A strict level of confidentiality is exercised by the Company Secretary upon receipt of completed questionnaires. The contents of the report are evaluated and areas that require improvement are identified.

## STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Company has fully complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019. Statement of Compliance is provided under the relevant section of the report.

## RISK MANAGEMENT

The Company encounters various legal, regulatory, and operational risks. To manage these effectively, an Internal Controls and Risk Management Framework is in place, ensuring that appropriate risk mitigation plans are implemented and functioning well. Any significant issues are promptly escalated to senior management and the Board.

The Board of Directors maintained vigilant oversight of the socio-economic environment and the related internal and external risks that could potentially impact the Company's secure and seamless operations. As protectors of stakeholder interests, the Directors diligently identified and addressed risks throughout the year. They assessed potential risks, evaluated their implications for the Company, and developed strategies to minimize their impact. These strategies were implemented across the Company, with the Audit Committee overseeing the process.

Strategic risks are managed by the Board of Directors with support from country leadership, while operational risks are handled by the leadership team. One of the most significant risks the Company faces is the pricing and availability of raw materials. Given the economic volatility, raw material prices can be unpredictable. To mitigate this risk, the Company has established strong relationships with key suppliers, enabling it to manage pricing effectively while ensuring a reliable supply of raw materials.

## INTERNAL AUDIT AND CONTROLS

The Company has established a robust internal audit and control system, offering independent assurance to the Board on the adequacy and effectiveness of internal controls. Aligned with the Company's risk governance structure, the Audit Committee approves the annual internal audit plan to ensure the Internal Audit function remains effective and independent. The Directors are confident that the internal control framework has been carefully designed and was effectively implemented and monitored throughout the year.

## SUBSEQUENT EVENTS

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

## PATTERN OF SHAREHOLDING

The pattern of shareholding along with categories of shareholders as of June 30, 2025, as required under section 227 of the Companies Act 2017 is presented on page 124 to 126 of the annual report.

## AUDITORS

The present external auditors, M/s BDO Ebrabim & Co., Chartered Accountants, have completed the annual audit for the year ended June 30, 2025. The auditors shall retire at the conclusion of the Annual General Meeting on October 24, 2025, and being eligible, have offered themselves for reappointment for the year 2025.

## FUTURE PROSPECTS

The future of Pakistan's economy is on a slow recovery path, following a period of crisis. The recent IMF program has stabilized the currency and reduced inflation, but long-term growth hinges on difficult structural reforms. Persistent challenges include a high fiscal deficit, a contracting manufacturing sector, and political instability. The economy remains vulnerable to external shocks. The Company will focus on its Offset Business by expanding its customer base increase operational efficiencies.

## ACKNOWLEDGEMENT

The management would like to express its gratitude to all customers, financial institutions, staff Members, suppliers, and shareholders who have been associated with the Company for their continued support and cooperation. We are grateful to the sponsors for their continued support and guidance in testing situations especially in terms of the financial support they extended from time to time to the company in the shape of the right shares and interest-free sponsors' loans. This support from our sponsors has helped the Company pave the way for future profitability.

**On behalf of the Board of Directors**



**Iqbal Ali Lakhani**  
Chairman



**Farrukh Shauket Ansari**  
Director

Karachi: September 19, 2025



## ترتیب حصص داری

30 جون 2025 تک کمپنی کے شیئرز ہولڈرز اور ان کی اقسام کی تفصیل، جیسا کہ کمپنیز ایکٹ 2017 کی دفعہ 227 کے تحت درکار ہے، سالانہ رپورٹ کے صفحہ 124 سے 126 پر دی گئی ہیں۔

## آڈیٹرز

موجودہ آڈیٹرز، میسرز بی ڈی اوابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے مالی سال 30 جون 2025 کا سالانہ آڈٹ مکمل کر لیا ہے۔ یہ آڈیٹرز سالانہ اجلاس عام اکتوبر 2025 کے اختتام پر ریٹائر ہو جائیں گے اور آئندہ سال کے لیے دوبارہ تقرری کے اہل ہونے کے ناطے اپنی خدمات دوبارہ پیش کی ہیں۔

## مستقبل کا لائحہ عمل

پاکستانی معیشت بحران کے بعد سست روی سے بحالی کی جانب گامزن ہے۔ تازہ ترین آئی ایم ایف پروگرام کے باعث کرنسی کو استحکام ملا ہے اور مہنگائی میں کمی آئی ہے، لیکن مستقل ترقی کا انحصار بنیادی اصلاحات پر ہے۔ اہم مسائل میں بڑا مالیاتی خسارہ، سکڑتی ہوئی صنعتی پیداوار، اور سیاسی عدم استحکام شامل ہیں، جبکہ معیشت اب بھی بیرونی دباؤ کے لیے کمزور ہے۔ کمپنی مستقبل میں اپنی توجہ تھریڈز پر مرکوز رکھے گی، اور کسٹمر بیز میں توسیع اور آپریشنل انیشیاتیویٹیز \* بڑھانے کے اقدامات کرے گی۔

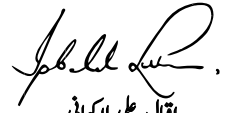
## اظہار تشکر

انتظامیہ ان تمام صارفین، مالیاتی اداروں، عملے، سپلائرز، اور شیئرز ہولڈرز کا تہہ دل سے شکریہ ادا کرتی ہے جنہوں نے کمپنی کے ساتھ وابستگی اور تعاون جاری رکھا۔ ہم اسپانسرز کے بھی شکر گزار ہیں جنہوں نے مشکل حالات میں مالی معاونت، رائٹ شیئرز اور بلا سود قرضوں کی صورت میں کمپنی کی مدد کی۔ اس مدد نے کمپنی کو مستقبل میں منافع بخش راستے کی طرف گامزن ہونے میں اہم کردار ادا کیا۔

بورڈ آف ڈائریکٹرز کی جانب سے



فرخ ہوسن  
ڈائریکٹر



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چیئرمین

کراچی: 19 ستمبر، 2025

ڈائریکٹرز کے نام	اجلاسوں میں حاضری
جناب امین محمد لاکھانی	1
جناب شیخ عاصم رفیق	1
جناب آفتاب احمد	1
جناب عامر احمد چچاپرا	1

## ڈائریکٹرز کا مشاہرہ

ڈائریکٹرز کی معاوضہ سے متعلق اہم خصوصیات اور عوامل درج ذیل ہیں:

- غیر جانبدار اور غیر انتظامی ڈائریکٹرز کو صرف بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے عوض مقررہ فیس ادا کی جاتی ہے۔
- بورڈ کو یہ اختیار حاصل ہے کہ وہ اپنے اراکین کی بابت بورڈ اور کمیٹی اجلاسوں میں شرکت کے لیے معاوضہ مقرر کرے۔
- ڈائریکٹرز کے معاوضے کی تفصیلات مالی سال اختتامیہ 30 جون 2025 کے مالیاتی گوشواروں کے نوٹ نمبر 46 میں بیان کی گئی ہیں۔

## بورڈ اور اس کی کمیٹیوں کی کارکردگی کا جائزہ

کمپنی، کارپوریٹ گورننس کے ضابطہ اخلاق کے تحت، ہر سال بورڈ آف ڈائریکٹرز، اس کی کمیٹیوں، اور انفرادی ڈائریکٹرز کی کارکردگی کا جائزہ لیتی ہے۔ مکمل رازداری کے ساتھ، کمپنی سیکریٹری موصول شدہ سوالنامے کا تجزیہ کرتا ہے۔ اس رپورٹ کے مندرجات کا بغور جائزہ لیا جاتا ہے اور بہتری کے ممکنہ پہلوؤں کی نشاندہی کی جاتی ہے۔

## کارپوریٹ گورننس کے ضابطہ اخلاق پر عملدرآمد کا بیان

کمپنی نے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تمام تقاضوں پر مکمل عملدرآمد کیا ہے۔ عملدرآمد کا باقاعدہ بیان سالانہ رپورٹ کے متعلقہ حصے میں شامل ہے۔

## خطرات کا انتظام

کمپنی کو مختلف قانونی، ریگولیٹری، اور کاروباری خطرات کا سامنا رہتا ہے۔ ان سے نمٹنے کے لیے کمپنی نے ایک مضبوط اندرونی کنٹرول اور رسک مینجمنٹ فریم ورک قائم کیا ہے، جو خطرات کو کم از کم کرنے کے اقدامات اور ان کے نفاذ کو یقینی بناتا ہے۔ کسی بھی اہم معاملے کی فوری اطلاع اعلیٰ انتظامیہ اور بورڈ کو دی جاتی ہے۔

بورڈ آف ڈائریکٹرز نے کی جانب سے حفاظت اور مستحکم آپریشنز کو یقینی بنانے کے لیے سماجی و اقتصادی ماحول اور اندرونی و بیرونی خطرات پر گہری نظر رکھی جاتی ہے۔ بطور تمام شراکت داروں کے محافظ، ڈائریکٹرز نے ممکنہ خطرات کی نشاندہی کی، ان کے ممکنہ اثرات کا جائزہ لیا، اور ان کے اثرات کو کم کرنے کی حکمت عملیاں تیار کیں۔ ان حکمت عملیوں پر کمپنی بھر میں عملدرآمد ہوا، جبکہ آڈٹ کمیٹی نے اس پورے عمل کی نگرانی کی۔

اسٹریٹجک خطرات کو بورڈ آف ڈائریکٹرز اور ملک کی قیادت کے تعاون سے سنبھالتے ہیں۔ جبکہ کاروباری خطرات کو لیڈرشپ ٹیم م سنبھالتی ہے۔ کمپنی کو سب سے زیادہ اہم لاحق خطرہ خام مال کی قیمت اور دستیابی ہے۔ معاشی غیر یقینی صورتحال کے باعث خام مال کی قیمتوں میں اتار چڑھاؤ رہتا ہے۔ اس خطرے سے نمٹنے کے لیے کمپنی نے اہم سپلائرز کے ساتھ مضبوط تعلقات قائم کیے ہیں، جس سے قیمتوں کے انتظام اور فراہمی میں تسلسل برقرار رکھنے میں مدد ملتی ہے۔

## اندرونی آڈٹ اور نگرانی

کمپنی نے ایک مؤثر اندرونی آڈٹ اور کنٹرول سسٹم قائم کیا ہے، جو بورڈ کو اندرونی کنٹرولز کی کارکردگی اور اس کے مؤثر ہونے کے بارے میں شفافیت کے ساتھ یقین دہانی فراہم کرتا ہے۔ یہ نظام کمپنی کے رسک گورننس ڈھانچے کے مطابق کام کرتا ہے، اور آڈٹ کمیٹی سالانہ انٹرنل آڈٹ پلان کی منظوری دیتی ہے تاکہ ان افعال کی خود مختاری اور مؤثریت برقرار رہے۔ ڈائریکٹرز کو اس بات کا یقین ہے کہ یہ فریم ورک احتیاط سے ڈیزائن کیا گیا اور سال بھر مؤثر طریقے سے لاگو اور مانعہ کیا گیا۔

## مابعد واقعات

مالی سال کے اختتامیہ 30 جون 2025 کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت کو متاثر کرنے والا کوئی قابل ذکر واقعہ یا معاہدہ پیش نہیں آیا۔

## متعلقہ فریقین کے ساتھ لین دین

مالی سال 2025 کے دوران تمام متعلقہ فریقین کے ساتھ ہونے والے لین دین آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز کے سامنے منظوری کے لیے پیش کیے گئے۔ ان تمام لین دین کا آڈٹ کمیٹی نے مکمل جائزہ لیا، اور بورڈ نے اپنے اجلاسوں میں ان کی منظوری دی۔ لین دین یہ تمام معاملات مارکیٹ میں مروجہ ضوابط کی بنیاد پر کیے گئے اور بورڈ کی منظور کردہ متعلقہ فریقین کی پالیسی کے مطابق تھے۔ کمیٹی ان تمام لین دین کا مکمل ریکارڈ رکھتی ہے، جس میں شرائط و ضوابط بھی شامل ہیں۔

## بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز کے کل ارکان کی تعداد سات (7) ہے۔ اس کی تفصیل درج ذیل ہے:

مرد ڈائریکٹرز 6

خاتون ڈائریکٹر 1

الف: غیر جانبدار ڈائریکٹرز 2

جناب شیخ عاصم رفیق

جناب احمد مناف

ب - غیر انتظامی ڈائریکٹرز 5

جناب اقبال علی لاکھانی 96- چیئرمین

جناب امین محمد لاکھانی

جناب آفتاب احمد

محترمہ انوشکا لاکھانی

جناب فاروق شوکت انصاری

ج خاتون ڈائریکٹر 1

☆ محترمہ انوشکا لاکھانی

## بورڈ آف ڈائریکٹرز کے اجلاس

سال کے دوران بورڈ آف ڈائریکٹرز کے چھ (6) منعقد ہوئے۔ ہر ڈائریکٹر کی حاضری درج ذیل ہے:

ڈائریکٹرز کے نام	اجلاسوں میں حاضری
جناب اقبال علی لاکھانی	6
جناب امین محمد لاکھانی	5
محترمہ انوشکا لاکھانی	4
ناب آفتاب احمد	6
جناب فاروق شوکت انصاری	6
جناب احمد مناف	6
جناب شیخ عاصم رفیق	6

سال کے دوران آڈٹ کمیٹی کے پانچ (5) اجلاس منعقد ہوئے۔ ہر رکن کی حاضری درج ذیل ہے:

ڈائریکٹرز کے نام	اجلاسوں میں حاضری
جناب شیخ عاصم رفیق	5
جناب امین محمد لاکھانی	4
جناب فاروق شوکت انصاری	5

سال کے دوران انسانی وسائل و ادائیگیوں کی کمیٹی کا ایک (1) اجلاس منعقد ہوا۔ ہر رکن کی حاضری درج ذیل ہے:



## ڈیویڈنڈ کی ادائیگی

سال کے اختتام پر کمپنی کو ٹیکس کے بعد خسارے کا سامنا رہا، اس لیے کسی ڈیویڈنڈ (منافع) کا اعلان نہیں کیا گیا۔

## آمدن فی حصص

کمپنی کا فی حصص خسارہ 3.00 روپے رہا، (0.93 روپے بمطابق مالی سال 2024)۔

## کارپوریٹ سماجی ذمہ داری

میریٹ پیکجنگ لمیٹڈ صرف ایک کاروباری ادارہ نہیں بلکہ ہم اپنی سماجی و فلاحی ذمہ داری کا بھی مکمل ادراک رکھتے ہیں اور مثبت معاشرتی تبدیلی کے لیے پُر عزم ہیں۔ ہم اپنی ٹیکنیکل کے قرب و جوار میں رہنے والے افراد کے معیار زندگی کو بہتر بنانے کے لیے مختلف فلاحی اقدامات میں سرگرم عمل رہتے ہیں۔ کمپنی ہنگامی حالات اور قدرتی آفات کے دوران ضرورت مندوں کی مدد کے لیے ہمیشہ پیش پیش رہی ہے۔ ہماری جانب سے ایک بہتر ماحول، مضبوط معیشت، اور خوشحال پاکستان کے خواب کی تکمیل کیلئے معروف فلاحی اداروں اور سماجی منصوبوں کی مسلسل حمایت اور حمایت جاری رہتی ہے۔ زیر نظر مالی سال کے دوران کارپوریٹ سماجی ذمہ داریوں (CSR) کی تفصیلات سالانہ رپورٹ کے متعلقہ حصے میں دیکھی جاسکتی ہیں۔

## محفوظ ماحول، حفاظت، صحت اور ماحولیات

ہمارے ملازمین کی سلامتی، صحت و بہبود اور ماحول کے تحفظ کو کمپنی کی اولین ترجیحات میں شامل رکھا گیا ہے۔ مضبوط قیادت اور مربوط نظام کے ذریعے ہم اپنے کارکنان، اثاثوں، اور ماحول کی حفاظت کرتے ہیں، اور پوری کمپنی میں سیفٹی، سکیورٹی، صحت اور ماحولیات کی مضبوط ثقافت کو فروغ دینے کو کوشش کی جاتی ہے۔ ہماری جانب سے ماحولیاتی مسائل سے نمٹنے کے لیے طویل المدتی استحکام کے اہداف مقرر کر کے اپنی ذمہ داری نبھائی جا رہی ہے۔

کمپنی کی پیداواری تنصیبات صنعت کے حفاظتی معیار کے مطابق چلائی جاتی ہیں، اور ایک مخصوص محکمہ اس بات کو یقینی بناتا ہے کہ تمام حفاظتی تقاضے پورے کئے جائیں۔ یہ محکمہ باقاعدگی سے عملے کو آگ بجھانے اور سیفٹی سے متعلق تربیت بھی فراہم کرتا ہے۔ کمپنی کی ایس ایس ایچ ای پالیسیوں پر مکمل عمل درآمد کے باعث، پورے سال کے دوران کوئی قابل ذکر حادثہ رونما نہیں ہوا۔

## کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

- کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے کمپنی کی مالی حالت، کاروباری نتائج، نقد کی تریلات، اور لیکویڈیٹی میں تبدیلی کو درست طور پر پیش کرتے ہیں۔
- کمپنی کے حسابات کیلئے باقاعدہ درست اور مناسب کھاتے مقرر ہیں۔
- مالیاتی گوشوارے مرتب کرتے وقت مناسب اکاؤنٹنگ پالیسیوں کو مسلسل لاگو کیا گیا ہے، اور حسابی تخمینے معقول اور محتاط فیصلے کی بنیاد پر کیے گئے ہیں۔
- مالیاتی گوشواروں کی تیاری میں پاکستان میں نافذ العمل بین الاقوامی مالیاتی رپورٹنگ معیارات (IFRS) کو مد نظر رکھا گیا ہے، اور اگر ان سے کوئی انحراف ہوا تو اسے واضح طور پر بیان اور وضاحت کی گئی ہے۔
- کمپنی کے داخلی کنٹرول کا نظام موزوں طور پر ڈیزائن کیا گیا ہے اور مؤثر طریقے سے نافذ کیا گیا ہے، نیز اس کی مسلسل نگرانی کی جاتی ہے۔
- کمپنی کے اپنے کاروبار کو ہمیشگی کی بنیاد پر جاری رکھنے میں کوئی شک و شبہ کی گنجائش نہیں ہے۔
- کارپوریٹ گورننس کے بہترین اصولوں سے کوئی قابل ذکر انحراف نہیں کیا گیا۔
- گزشتہ چھ (6) سال کے کلیدی کاروباری اور مالیاتی اعداد و شمار کا خلاصہ ضمیمے میں شامل ہے۔
- کمپنی پر ٹیکسز، ڈیوٹیز، لیویز، یا دیگر چارجز کی مد میں کوئی بقایا جات نہیں ہیں، سوائے ان کے جو کاروبار کے معمول کے مطابق لاگو ہوتے ہیں۔
- کمپنی اپنے ملازمین کے لیے پراویڈنٹ فنڈ اور گریجویٹ فنڈ اکاؤنٹس رکھتی ہے۔ 30 جون 2025 تک ان فنڈز میں سرمایہ کاری کی تفصیلات درج ذیل ہیں:

• پراویڈنٹ فنڈ: 127.808 ملین روپے

• گریجویٹ فنڈ: 91.622 ملین روپے

## ڈائریکٹرز رپورٹ برائے ممبران

### برائے مالی سال اختتامیہ 30 جون 2025

میریٹ پیکیجنگ لیٹڈ کے بورڈ آف ڈائریکٹرز انتہائی مسرت کے ساتھ کمپنی کی سالانہ رپورٹ مع آڈٹ شدہ مالیاتی گوشوارے برائے مالی سال اختتامیہ 30 جون 2025 پیش کر رہے ہیں۔ زیرِ نظر ڈائریکٹرز رپورٹ کمپنیز ایکٹ 2017 کی دفعہ 227 اور لسٹڈ کمپنیز (کارپوریٹ گورننس کے ضابطہ اخلاق) ریگولیشنز 2019 کے تحت مرتب کی گئی ہے، اور اسے 45 ویں سالانہ اجلاس عام میں پیش کیا جائے گا، جو کہ 24 اکتوبر 2025 کو منعقد کیا جائے گا۔

### بنیادی سرگرمیاں

براہ کرم کمپنی کی بنیادی سرگرمیوں کے لیے مالیاتی گوشواروں کے نوٹ نمبر 1 ملاحظہ کریں۔

### کاروباری اور معاشی ماحول

پاکستان کی معیشت اس وقت استحکام کے ایک مرحلے سے گزر رہی ہے، لیکن اسے کئی اہم بنیادی ساختی مسائل درپیش ہیں۔ حالیہ معاشی بحران، جس میں بے قابو مہنگائی، کرنسی کی قدر میں کمی، اور زرمبادلہ کے نہایت کم ذخائر شامل تھے، کے بعد ملک نے کئی استحکام کیلئے کئی اقدامات کیے ہیں۔ بین الاقوامی مالیاتی فنڈ (IMF) کے پروگراموں کی مدد سے مہنگائی میں کچھ کمی اور زرمبادلہ کے ذخائر میں معمولی بہتری دیکھنے میں آئی ہے۔ اگرچہ اس سے فوری دباؤ میں کچھ نرمی آئی ہے، تاہم مالی خسارے کا تسلسل، عوامی قرضوں کی بلند سطح، اور محدود ٹیکس نیٹ جیسے بنیادی مسائل بدستور موجود ہیں۔ معیشت کا بیرونی مالی امداد اور ترسیلات زر پر انحصار، نیز سرمایہ کاری کی کم شرح، اسے بیرونی دباؤ کے متاثرہ میں کمزور بناتے ہیں۔ رواں سال پیکیجنگ انڈسٹری میں سخت مقابلے نے قیمتوں میں اضافے، طلب میں کمی، منافع کے کم ہوتے مارجن، اور غیر رجسٹرڈ شدہ کاروباری سرگرمیوں میں اضافے کی صورت میں دباؤ ڈالا۔ کمپنی ان مشکل حالات میں اپنا مارکیٹ شیئر برقرار رکھنے کے لیے کوشاں ہے۔

### مالی کارکردگی

جیسا کہ اوپر ذکر کیا گیا ہے، پیکیجنگ انڈسٹری کو اس سال طلب اور منافع کے مارجن میں کمی جیسے دوہرے دباؤ کا سامنا رہا، جس کا کمپنی پر براہ راست اثر پڑا۔ اس سال کمپنی کی فروخت میں نمایاں کمی دیکھنے میں آئی، اور اس کی آمدن 6.64 ارب روپے سے کم ہو کر 5.28 ارب روپے ہو چکی ہے۔ کمپنی کو مالی سال 2025 میں مجموعی طور پر 0.54 فیصد خسارہ ہوا، جو کہ 28.73 ملین روپے کے مجموعی خسارے کے برابر ہے، جبکہ گزشتہ سال (مالی سال 2024) میں 458 ملین روپے کا مجموعی منافع حاصل ہوا تھا۔

مالی سال 2025 میں کمپنی کو کاروباری خسارہ 350 ملین روپے ہوا، جبکہ گزشتہ سال 249 ملین روپے کا کاروباری منافع حاصل ہوا تھا۔ کمپنی کا خالص خسارہ مالی سال 2025 میں 600 ملین روپے ریکارڈ کیا گیا ہے، جو کہ گزشتہ سال کے 186 ملین روپے کے مقابلے میں نمایاں اضافہ ہے۔ فی حصص خسارہ بھی بڑھ کر 3.00 روپے ہو چکا ہے، جبکہ گزشتہ سال یہ 0.93 روپے تھا۔

جیسا کہ اوپر بیان کیا گیا، بڑھتے ہوئے مقابلے اور طلب میں کمی نے کمپنی کی آمدن اور فروخت کی مقدار کو نمایاں طور پر متاثر کیا ہے۔

2024	2025	
6,638.48	5,280.93	آمدن
458.11	(28.73)	خام (نقصان)/منافع
248.58	(350.30)	آپریٹنگ (نقصان) / منافع
(186.36)	(599.67)	نقصان بعد از ٹیکس

کمپنی کی آمدن میں 20 فیصد کمی واقع ہوئی، جو کہ گزشتہ سال کے مقابلے میں 1,357.54 ملین روپے کم ہے۔ تاہم، کمپنی کے مالیاتی اخراجات میں 48 فیصد کمی ہوئی ہے، جس کی بنیادی وجہ شرح سود میں کمی اور رواں سال کے آغاز میں اسپانسر قرض کی واپسی تھی۔

زیرِ نظر مالی سال کے دوران، کمپنی نے اپنے پیکڈ پیکیجنگ یونٹ کی فروخت کے لیے ایک معاہدہ کیا۔ بورڈ آف ڈائریکٹرز نے کمپنی کی فوری واجبات اور محدود مالی وسائل کو مد نظر رکھتے ہوئے کاروباری پورٹ فولیو کو بہتر بنانے اور وسائل کو مؤثر طریقے سے دوبارہ مختص کرنے کے لیے مناسب اقدامات کا فیصلہ کیا۔ یہ بات نوٹ کی گئی کہ گراویور (Gravure) برنس یونٹ کی پرانی مشینری کے لیے مستقبل قریب میں بھاری سرمایہ کاری درکار ہے۔ اس صورتحال کے پیشِ نظر، بورڈ نے اس کاروباری حصے کو فروخت کرنے کو ایک محتاط اور درست فیصلہ قرار دیا۔ اس فروخت سے حاصل ہونے والی رقم آفسیٹ (Offset) برنس کو مضبوط بنانے اور بہتر بنانے کے لیے استعمال کی جائے گی۔

# STATEMENT OF COMPLIANCE WITH LISTED COMPANIES

## (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

### FOR THE YEAR ENDED JUNE 30, 2025

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

1. Total number of Directors is seven as per the following:

- |           |   |
|-----------|---|
| a. Male   | 6 |
| b. Female | 1 |

2. The composition of the Board is as follows:

Independent Directors	Mr. Sheikh Asim Rafiq
	Mr. Ahmed Munaf
Other Non-executive Directors	Mr. Iqbal Ali Lakhani – Chairman
	Mr. Amin Mohammed Lakhani
	Ms. Anushka Lakhani
	Mr. Aftab Ahmad
	Mr. Farrukh Shauket Ansari
Executive Director	--
Female Directors	Ms. Anushka Lakhani

- The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this Company.
- 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.
- The board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that a complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
- All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
- The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board.
- The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- All the Directors of the Company have completed or are exempted from the requirement of the Directors' Training program.
- The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. Mr. Mansoor Ahmed was assigned the responsibilities of Company Secretary of the Company in addition to his responsibilities in other group companies.



11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board except for the annual accounts which are signed by the director on behalf of the Company in the absence of the CEO.

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

Audit Committee	Mr. Sheikh Asim Rafiq – Chairman
	Mr. Amin Mohammed Lakhani – Member
	Mr. Farrukh Shauket Ansari – Member
HR and Remuneration Committee	Mr. Sheikh Asim Rafiq - Chairman
	Mr. Amin Mohammed Lakhani – Member
	Mr. Aftab Ahmad – Member
	Mr. Amir Ahmed Chapra – Member

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

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

- |                                  |                      |
|----------------------------------|----------------------|
| a. Audit Committee               | 4 quarterly meetings |
| b. HR and Remuneration Committee | 1 annual meeting     |

15. The board has set up an effective internal audit function comprising of personnel who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

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

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

18. We confirm that all other requirements of Regulations 3, 6, 7, 8, 10(6), 27, 32, 33 and 36 of the Regulations have been complied with.

19. We confirm that the Company has complied with respect to all the material requirements of the regulations.



**Iqbal Ali Lakhani**  
Chairman



**Farrukh Shauket Ansari\***  
Director

Karachi: September 19, 2025

\*Signed by the Director on behalf of the Company in the absence of the CEO.



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Karachi-74200  
Pakistan

# INDEPENDENT AUDITOR'S REVIEW REPORT

## TO THE MEMBERS OF MERIT PACKAGING LIMITED

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Merit Packaging Limited for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2025.

KARACHI  
DATED: 02 OCT 2025  
UDIN: CR202510166JMebKPYtT

**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**  
Engagement Partner: Tariq Feroz Khan

**BDO Ebrahim & Co. Chartered Accountants**

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# FINANCIAL STATEMENTS

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# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MERIT PACKAGING LIMITED

## Report on the Audit of the Financial Statements

### Opinion

We have audited the annexed financial statements of Merit Packaging Limited (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies, information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows together with the notes 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, 2025 and of the loss, other comprehensive loss, its cash flows and the changes in equity for the year then ended.

### Basis for Opinion

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

### Key Audit Matters

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

The following are the Key audit matters:

S. No	Key audit matters	How the matter was addressed in our audit
1.	<b>Non-current assets classified as held for sale</b>	
	<p>The Board of Directors, in its meeting held on June 03, 2025, and the shareholders, in their Extraordinary General Meeting on June 27, 2025, approved the disposal of the aforementioned property. Accordingly, as disclosed in Note 20 to the accompanying financial statements, the Company has classified assets amounting to Rs. 494.340 million as held for sale.</p> <p>We identified asset classified as held for sale as key audit matter due to its financial magnitude and judgment and estimates involved in the assessment of the fair value of these assets.</p>	<p>Our audit work includes a number of procedures, among others:</p> <ul style="list-style-type: none"> <li>• Our audit procedures to assess the classification of plant and machinery, including related electric installation as non-current assets held for sale, amongst others, include the following:</li> <li>• Reviewed underlying evidence including but not limited to board of directors / shareholders' approval related to decision to sell the assets rather than to use them;</li> <li>• We evaluated the conditions as per International Financial Reporting Standard (IFRS) 5 - 'Non-current Assets Held for Sale and Discontinued Operations', for classifying the assets held for sale;</li> <li>• Reviewed the fair valuation reports of independent valuer immediately prior to the date of transfer of such assets; and</li> <li>• Assessed the adequacy of the presentation and disclosures in the accompanying financial statements in respect of the assets classified as held for sale in accordance with approved financial and reporting standards.</li> </ul>

### 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 auditor's report thereon.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements by 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



## Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows and together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) in our opinion, no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI  
DATED: 02 OCT 2025  
UDIN: AR202510166Wm5dZHxtE



**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**

# STATEMENT OF FINANCIAL POSITION

As at June 30, 2025

As at June 30, 2025		Note	2025	2024
(Rupees)				
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment				
Operating fixed assets	6	2,349,700,653	2,805,924,011	
Capital work in progress	7	11,949,395	115,560,403	
		2,361,650,048	2,921,484,414	
Right-of-use asset	8	125,851,534	140,062,322	
Intangible assets	9	60,928	152,310	
Long-term deposits	10	12,249,187	12,249,187	
		2,499,811,697	3,073,948,235	
<b>CURRENT ASSETS</b>				
Stores and spares	11	97,482,688	114,458,557	
Stock-in-trade	12	545,652,000	452,569,120	
Trade debts	13	792,650,635	1,196,428,201	
Loans and advances	14	39,752,529	28,842,424	
Advances, trade deposits and short-term prepayments	15	71,608,952	86,904,401	
Other receivables	16	23,675,667	17,748,043	
Tax refund due from Government	17	322,094,873	266,477,044	
Taxation - net	18	127,015,061	69,096,960	
Cash and bank balances	19	2,657,049	21,309,718	
		2,022,589,454	2,253,834,468	
Assets classified as held for sale	20	494,340,500	-	
		5,016,741,651	5,327,782,703	
<b>TOTAL ASSETS</b>				
<b>EQUITY AND LIABILITIES</b>				
<b>SHARE CAPITAL AND RESERVES</b>				
Rs. 10/- each	21	2,000,000,000	2,000,000,000	
Issued, subscribed and paid-up capital	21	1,999,584,270	1,999,584,270	
Capital reserves				
Surplus on revaluation of plant and machinery	22	942,873,017	973,961,544	
Equity portion of loan - associated company		691,148,871	789,949,781	
Share premium reserve		298,325,000	298,325,000	
Revenue reserves				
General reserves		106,800,000	106,800,000	
Accumulated losses		(1,766,665,825)	(1,244,708,033)	
		2,272,065,333	2,923,912,562	
<b>NON-CURRENT LIABILITIES</b>				
Sub-ordinated loan	23	250,000,000	143,634,453	
Long-term financing	24	-	46,823,699	
Lease liability	25	133,616,819	142,388,067	
		383,616,819	332,846,219	
<b>CURRENT LIABILITIES</b>				
Trade and other payables	27	1,445,040,158	1,295,863,527	
Mark-up accrued	28	21,951,915	36,397,482	
Short-term borrowings	29	841,327,248	640,311,702	
Current portion of long-term financing	24	46,823,699	93,647,402	
Current portion of lease liability	25	5,787,336	4,674,666	
Un-claimed dividend		129,143	129,143	
		2,361,059,499	2,071,023,922	
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,016,741,651</b>	<b>5,327,782,703</b>	

## CONTINGENCIES AND COMMITMENTS

30

The annexed notes from 1 to 54 form an integral part of these financial statements.



**Iqbal Ali Lakhani**  
Director



**Farrukh Shauket Ansari\***  
Director



**Umair Ahmed**  
Chief Financial Officer

\*Signed by the Director on behalf of the Company in the absence of the CEO.

# STATEMENT OF PROFIT OR LOSS

For the year ended June 30, 2025

	Note	2025	2024
		(Rupees)	
Revenue - net	31	5,280,932,621	6,638,477,368
Cost of sales	32	(5,309,665,888)	(6,180,364,067)
Gross (loss) / profit		(28,733,267)	458,113,301
General and administrative expenses	33	(214,405,073)	(148,641,398)
Selling and distribution expenses	34	(123,938,498)	(96,575,398)
Other income	35	27,803,856	51,089,167
Other operating expenses	36	(11,031,716)	(15,416,293)
		(321,571,431)	(209,543,922)
Operating (loss) / profit		(350,304,697)	248,569,379
Financial charges	37	(183,065,358)	(351,728,400)
Loss before taxation and levy		(533,370,055)	(103,159,021)
Levy	38	(66,297,470)	(83,203,401)
Loss before taxation		(599,667,526)	(186,362,422)
Taxation		-	-
Loss for the year		(599,667,526)	(186,362,422)
Loss per share - basic and diluted	39	(3.00)	(0.93)

The annexed notes from 1 to 54 form an integral part of these financial statements.



**Iqbal Ali Lakhani**  
Director



**Farrukh Shauket Ansari\***  
Director



**Umair Ahmed**  
Chief Financial Officer

\*Signed by the Director on behalf of the Company in the absence of the CEO.



# STATEMENT OF COMPREHENSIVE INCOME

For the year ended June 30, 2025

	Note	2025	2024
		(Rupees)	
Loss for the year		(599,667,526)	(186,362,422)
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to statement of profit or loss:			
Actuarial gain/(loss) on remeasurement of post employment benefit plans	40.1.2	7,193,627	(8,984,833)
Surplus on revaluation of fixed assets		39,427,580	-
		46,621,207	(8,984,833)
Total comprehensive loss for the year		(553,046,319)	(195,347,255)

The annexed notes from 1 to 54 form an integral part of these financial statements.

  
**Iqbal Ali Lakhani**  
 Director

  
**Farrukh Shauket Ansari\***  
 Director

  
**Umair Ahmed**  
 Chief Financial Officer

\*Signed by the Director on behalf of the Company in the absence of the CEO.

# STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2025

	Issued, subscribed and paid-up capital	Capital Reserves			Revenue Reserves			Total	
		Surplus on revaluation of plant and machinery	Share Premium Reserve	Equity portion of loan from associated company	Sub Total	General Reserves	Accumulated losses		Sub Total
(Rupees)									
<b>Balance as at July 01, 2023 (restated)</b>	1,999,584,270	2,198,988,791	298,325,000	622,381,448	5,119,279,509	106,800,000	(2,274,388,025)	(2,167,588,025)	2,951,691,484
Total comprehensive income for the year ended June 30, 2024	-	-	-	-	-	-	-	-	-
Loss for the year	-	-	-	-	-	-	(8,984,833)	(8,984,833)	(8,984,833)
Other comprehensive loss	-	-	-	-	-	-	(195,347,255)	(195,347,255)	(195,347,255)
Transaction with owners	-	-	-	167,568,333	167,568,333	-	-	-	167,568,333
Equity portion of loan - note 23 & 24	-	-	-	-	-	-	-	-	-
Transferred to accumulated losses on account of :	-	(75,987,112)	-	-	(75,987,112)	-	75,987,112	75,987,112	-
Incremental depreciation - note 22	-	(1,149,040,135)	-	-	(1,149,040,135)	-	1,149,040,135	1,149,040,135	-
Disposal of during the year- note 22	-	(1,225,027,247)	-	-	(1,225,027,247)	-	1,225,027,247	1,225,027,247	-
<b>Balance as reported at June 30, 2024</b>	1,999,584,270	973,961,544	298,325,000	789,949,781	4,061,820,595	106,800,000	(1,244,708,033)	(1,137,908,033)	2,923,912,562
Total comprehensive income for the year ended June 30, 2025	-	-	-	-	-	-	-	-	-
Loss for the year	-	39,427,580	-	-	39,427,580	-	7,193,627	7,193,627	(599,667,526)
Other comprehensive income	-	39,427,580	-	-	39,427,580	-	(592,473,899)	(592,473,899)	46,621,207
Transaction with owners	-	-	-	(98,800,910)	(98,800,910)	-	-	-	(553,046,319)
Equity portion of loan - note 23 & 24	-	-	-	-	-	-	-	-	(98,800,910)
Transferred to accumulated losses on account of :	-	(70,089,050)	-	-	(70,089,050)	-	70,089,050	70,089,050	-
Incremental depreciation - note 22	-	(427,057)	-	-	(427,057)	-	427,057	427,057	-
Disposal during the year - note 22	-	(70,516,107)	-	-	(70,516,107)	-	70,516,107	70,516,107	-
<b>Balance as at June 30, 2025</b>	1,999,584,270	942,873,017	298,325,000	691,148,871	3,931,931,158	106,800,000	(1,766,665,825)	(1,659,865,825)	2,272,065,334

The annexed notes from 1 to 54 form an integral part of these financial statements.



**Iqbal Ali Lakhani**  
Director



**Farrukh Shauket Ansari\***  
Director



**Umair Ahmed**  
Chief Financial Officer

\*Signed by the Director on behalf of the Company in the absence of the CEO.

# STATEMENT OF CASH FLOWS

For the year ended June 30, 2025

	Note	2025	2024
(Rupees)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	41	311,631,787	416,936,506
Taxes paid - net		(124,215,568)	(98,300,858)
Financial charges paid		(158,508,268)	(230,011,854)
Long-term deposits		-	-
Net cash generated from operating activities		28,907,951	88,623,794
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure made during the year	7.1	(116,337,313)	(246,381,120)
Proceeds from sale of property, plant and equipment		408,549	1,554,691,000
Net cash (used in) / generated from investing activities		(115,928,764)	1,308,309,880
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long-term financing - sponsors		-	(1,200,000,000)
Repayment of long-term financing - financial institution		(93,647,402)	(144,898,741)
Payment against lease liability		(39,000,000)	-
Net cash used in financing activities		(132,647,402)	(1,344,898,741)
Net (decrease)/increase in cash and cash equivalents		(219,668,215)	52,034,933
Cash and cash equivalents at beginning of the year		(619,001,984)	(671,036,917)
Cash and cash equivalents at end of the year	43	(838,670,199)	(619,001,984)

The annexed notes from 1 to 54 form an integral part of these financial statements.



**Iqbal Ali Lakhani**  
Director



**Farrukh Shauket Ansari\***  
Director



**Umair Ahmed**  
Chief Financial Officer

\*Signed by the Director on behalf of the Company in the absence of the CEO.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2025

## 1 NATURE AND STATUS OF THE COMPANY

- 1.1** Merit Packaging Limited ("the Company") was incorporated on January 28, 1980 in Pakistan as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange. The Company is mainly engaged in the manufacture and sale of printing and packaging materials.
- 1.2** The Company incurred loss for the year ended June 30, 2025 amounting to Rs. 599.668 million (2024: Rs. 186.422 million) and its accumulated losses stood as at June 30, 2025 amounted to Rs. 1,766.666 million (2024: Rs. 1,244.708 million).

## 2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The geographical Location and addresses of the Company's business units / immovable assets are as under:

Business Unit	Address
- Registered office	Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi, Pakistan.
- Factory	Plot No. 17-B, Sector 29, Korangi Industrial Township, Karachi, Pakistan.

## 3. BASIS OF PREPARATION

### 3.1 Statement of compliance

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

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

Where provisions of and directives issued under the Act differ from the IFRS Standards, the provisions of and directives issued under the Act, are followed.

### 3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for revaluation of certain property, plant and equipment at fair value and recognition of certain employees retirement benefits at present value.

### 3.3 Functional and presentation currency

The financial statements are presented in Pakistani rupees ("the Rupees"), which is the Company's functional and presentation currency.

The preparation of these financial statements in conformity with approved accounting standards requires the management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historic experience and other factors including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

## 4. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

- 4.1** New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.



	<b>Effective date (annual periods beginning on or after)</b>
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

#### **4.2 New accounting standards, amendments and interpretations that are not yet effective**

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	<b>Effective date (annual periods beginning on or after)</b>
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - The amendment clarify when a currency is exchangeable into another currency; and how a Company estimates a spot rate when a currency lacks exchangeability.	January 01, 2025
IFRS 17 Insurance Contract establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard. The objective of standard is to ensure that an entity provides relevant information that faithfully represents those contracts. The SECP has notified the timeframe for adoption of IFRS 17 that shall be adopted by January 01, 2027.	January 01, 2027

The management anticipates that the adoption of the above standards and amendments in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

Other than the aforementioned standards and amendments, IASB has also issued the following new standards which have not yet been adopted locally by the Securities and Exchange Commission of Pakistan.

	<b>Effective date (annual periods beginning on or after)</b>
IFRS 1 First time adoption of International Financial Reporting Standards	July 01, 2009
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

## **5. MATERIAL ACCOUNTING POLICIES INFORMATION**

The accounting policies adopted in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

### **5.1 Property, plant and equipment**

#### **5.1.1 Operating fixed asset**

These are stated at cost less accumulated depreciation and impairment losses, if any, except for leasehold land, building on leasehold land and plant and machinery which are stated at revalued amount less accumulated depreciation and impairment losses, if any.

Depreciation is charged using the straight line method and reducing balance method at the specified rates as disclosed in note 6 of the financial statements, whereby the cost or revalued amount of an asset less estimated residual value, if not insignificant, is written off over its estimated useful life.

The asset's residual values and useful lives are reviewed at each financial year end and adjusted if impact on depreciation is significant. Full month's depreciation is charged on addition except in case of revaluation where revaluation is conducted in the last reporting month the impact of depreciation on the revalued amount is not recognised given the fact that the amount is immaterial. Whereas, no depreciation is charged in the month of disposal or deletion of assets.

Incremental depreciation charged for the year on revalued assets is transferred from surplus on revaluation of property, plant and equipment to retained earnings during the year.

Maintenance costs and normal repairs are charged to statement of profit or loss as and when incurred. Major renewals and improvements are capitalized when it is probable that respective future economic benefits will flow to the Company and the cost of the item can be measured reliably and the assets so replaced, if any, are retired.

Gains and losses on disposal of property, plant and equipment are taken to the statement of profit or loss, and the related surplus on revaluation is transferred directly to retained earnings.

#### **5.1.2 Leased**

##### **a) Right of use assets**

The right-of-use asset is initially measured at the amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using straight line method from the date of commencement date to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

##### **b) Lease liability**

The lease liability is initially measured at the present value of the future lease payments over the lease term, discounted using the specific incremental borrowing rate. Subsequently, lease liabilities are measured at amortized cost using the effective interest rate method.

It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

### **5.1.3 Capital work-in-progress**

Capital work-in-progress are stated at cost and consists of expenditure incurred, advances made and other costs directly attributable to operating fixed assets in the course of their construction and installation. Cost also includes applicable borrowing costs. Transfers are made to relevant operating fixed assets category as and when assets are available for use intended by the management.

## **5.2 Intangible assets**

Intangible assets are recognized when it is probable that the expected future economic benefits will flow to the Company. Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses, if any. Cost of the intangible asset (i.e. computer softwares) includes purchase cost and directly attributable expenses incidental to bring the asset for its intended use.

Expenditure which enhances the performance of computer software beyond its original specification and useful life is recognized as a capital improvement and added to the original cost of the software.

Amortization is provided on a straight line basis at the rates disclosed in note 8 to the financial statements. Amortization on addition to intangible assets is charged from the month of addition while no amortization is charged for the month of disposal or deletion of assets. Costs associated with maintaining computer softwares are recognized as an expense as and when incurred.

## **5.3 Stores and spares**

Stores and spares are stated at cost which is determined by using weighted average method except for goods in transit which are valued at cost comprising invoice value plus other charges paid thereon. Adequate provision is made for slow moving and obsolete items on periodic basis.

Spare parts of capital nature which can be used only in connection with an item of property, plant and equipment are classified as operating fixed assets under "Plant and machinery" category and are depreciated over a time period not exceeding the useful life of the related assets.

## **5.4 Stock-in-trade**

Stock-in-trade are stated at lower of weighted average cost and net realizable value, except for goods in transit which are stated at cost. Cost of work-in-process and finished goods comprises cost of direct material, labor and appropriate portion of manufacturing overheads. Adequate provision is made for slow moving and obsolete items on periodic basis.

Net realizable value signifies the estimated selling price in the ordinary course of business less cost necessary to be incurred to make the sale.

## **5.5 Trade debts and other receivables**

Trade debts and other receivables are carried at original invoice amount being the fair value of the consideration to be received in future. An estimated allowance for expected credit losses is made against trade debts on the basis of lifetime expected credit loss model whereas debts considered irrecoverable are written off.

## **5.6 Taxation**

### **5.6.1 Current**

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Current tax is the expected tax payable on the taxable income for the year based on taxable profits, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

### **5.6.2 Deferred**

Deferred tax is accounted for using the Balance Sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available in future years to utilize deductible temporary differences, unused tax losses and tax credits. Deferred tax is not recognized on temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The carrying amount of deferred tax asset is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax is calculated based on tax rates that have been enacted or substantively enacted up to the statement of financial position date and are expected to apply to the periods when the differences reverse.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

## **5.7 Levy**

Minimum tax, final tax and super-tax not based on taxable profits are recognized as a levy in the profit or loss account. Any excess of expected income tax paid or payable for the year under Income Tax 2001 (the Ordinance) over the amount designated as a levy is then recognized as current income tax expense in the profit or loss account.

## **5.8 Surplus on revaluation of property, plant and equipment**

Any revaluation increase arising on the revaluation of land, buildings, leasehold improvements and plant and machinery is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset.

Previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land, buildings, leasehold improvements and plant and machinery is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset.

The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation to the extent of incremental depreciation charged (net of deferred tax) is transferred to Accumulated Profit / (Loss).

## **5.9 Borrowings and its cost**

Borrowings are recognized initially at fair value net of transaction cost incurred.

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalized as part of the cost of that asset.

## **5.10 Trade and other payables**

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

## **5.11 Provisions**

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and amount of that obligation can be measured reliably. Provisions are not recognised for future operating losses. Provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimates.



## **5.12 Impairment losses**

The Company assesses at each reporting date whether there is any indication that assets other than stores and spares, stock in trade and deferred tax assets may be impaired. If such an indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss, if any.

Where carrying values exceed the estimated recoverable amount, assets are written down to the recoverable amounts and the resulting impairment loss is recognized as expense in the statement of profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

## **5.13 Contingencies**

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

## **5.14 Financial instruments**

### **5.14.1 Financial assets**

The Company classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. All the financial assets of the Company as at statement of financial position date are carried at amortized cost.

#### **Amortized cost**

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at fair value through profit or loss:

- (i) it is held with in a business model whose objective is to hold assets to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is initially measured at fair value plus transaction costs that are directly attributable to its acquisition.

#### **Impairment**

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowance at an amount equal to lifetime ECLs under simplified approach and 12 months life time under general approach.

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

### **5.14.2 Financial liabilities**

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respect of carrying amounts is recognized in the statement of profit or loss.

### **5.15 Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

### **5.16 Foreign currency translation**

Transactions in foreign currencies are translated into Pak rupees at the exchange rates prevailing at the date of transactions. Monetary assets and liabilities in foreign currencies are translated into Pak rupees at the rates of exchange prevailing at the reporting date. Foreign exchange differences are recognized in the statement of profit or loss.

### **5.17 Employee benefits**

#### **5.17.1 Defined benefit plan**

The Company has a gratuity scheme for all its permanent employees who attain the minimum qualification period for entitlement to gratuity. The Gratuity Fund is maintained by a trust created and duly approved. Contributions to the fund are made based on actuarial recommendations. The most recent actuarial valuation was carried out at June 30, 2025 using the projected unit credit method (refer note 40). The remeasurement gains/losses as per actuarial valuation done at financial year end are recognized immediately in other comprehensive income and all other expenses are recognized in accordance with IAS 19 "Employee Benefits" in the statement of profit or loss.

#### **5.17.2 Defined contribution plan**

The Company operates a recognized provident fund scheme covering all permanent employees. Equal contributions are made to the Fund by the Company and the employees in accordance with the rules of the scheme.

#### **5.17.3 Leave encashment**

The liability in respect of leave encashment of employees is accounted for in the period in which the absences accrue.

### **5.18 Revenue recognition**

Revenue comprises of the fair value of the consideration received or receivable from the sale of goods and services in the ordinary course of the Company's activities. Revenue from sale of goods is shown net of sales tax and sales discounts, if any. Revenue is recognized when it is probable that the economic benefits associated with the transactions will flow to the Company and the amount of revenue can be measured reliably. The revenue arising from different activities of the Company is recognized on the following basis:

#### **Revenue from contracts with customers**

##### **Sale of goods**

Sale of goods is recognized when the Company has transferred control of the products to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

### **Contract assets**

Contract assets arise when the Company performs its performance obligations by transferring goods to a customer before the customer pays its consideration or before payment is due.

### **Contract liabilities**

Contract liability is the obligation of the Company to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Company performs its performance obligations under the contract.

### **Others**

- Scrap sales are recognized on delivery to customers at realized amounts.
- Profit on bank deposit is accrued on time proportion basis by reference to the principal outstanding and the applicable rate of return.

## **5.19 Cash and cash equivalents**

For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand and balance with banks. Cash and cash equivalents also include bank overdrafts / short term financing that are repayable on demand and form an integral part of the Company's cash management.

## **5.20 Asset classified as held for sale**

The Company classifies non-current assets as held for sale if the carrying amount is to be recovered principally through a sale transaction rather than through continuing use, the sale is considered highly probable within one year from the reporting date and the asset is available for immediate sale in the present condition. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Assets classified as held for sale are presented separately in the statement of financial position. An impairment loss is recognized for any initial or subsequent writedown of the asset to fair value less cost to sell. A gain is recognized for any subsequent increase in fair value less cost to sell of an asset, but not in excess of any cumulative impairment loss previously recognized. Assets are not depreciated or amortized while these are classified as held for sale.

## **5.21 Dividend and appropriation to reserves**

Dividend and appropriation to reserves are recognized in the financial statements in the period in which these are approved.

## **5.22 Share capital**

Share capital is classified as equity and recognized at the face value. Incremental costs directly attributable to the issue of new shares are shown as a deduction in equity.

## **5.23 Earnings / loss per share**

The Company presents earnings / loss per share data for its ordinary shares. Basic earnings / loss per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the period.

## **5.24 Related parties transactions**

Transactions with related parties are carried out at the mutually agreed terms as approved by the Board.

## **5.25 Segment reporting**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Company's other components. The Company has only one reportable segment.

## **5.26 Significant accounting judgements and critical accounting estimates / assumptions**

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates, assumptions and judgments are continually evaluated and are based on historic experience and other factors including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

### **5.26.1 Property, plant and equipment**

The estimates for revalued amounts, if any, of different classes of property, plant and equipment, are based on valuation performed by external and internal professional valuers and recommendation of technical teams of the Company. The said recommendations also include estimates with respect to residual values and depreciable life. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding affect on the depreciation charge and impairment.

Depreciation is charged on property, plant, and equipment, except land, capitalized during the year from the month the asset is available for use up to the month immediately preceding the disposal.

### **5.26.2 Stores, spares and stock in trade**

The Company has made estimates for realizable amount of slow moving and obsolete stores, spares and stock-in-trade to determine provision for slow moving and obsolete items. Any future change in estimated realizable amounts might affect carrying amount of stores, spares and stock-in-trade with corresponding affect on amounts recognized in statement of profit and loss as provision/reversal.

### **5.26.3 Trade debts and other receivables**

An estimated provision is made on the basis of lifetime expected credit loss model as explained in note 13 & 16 whereas debts considered irrecoverable are written off.

### **5.26.4 Defined benefit plan**

Certain actuarial assumptions have been adopted as disclosed in note 40 to these financial statements for valuation of present value of defined benefit obligation and fair value of plan assets. Any changes in these assumptions in future years might affect actuarial gains / losses recognized in those years with corresponding effect on carrying amount of defined benefit plan liability / asset.

### **5.26.5 Contingencies**

The assessment of the contingencies inherently involves the exercise of significant judgement as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

### **5.26.6 Provision for taxation**

The Company takes into account the current income tax law and decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the tax authorities at the assessment stage and where the Company considers that it's view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.



## 6. OPERATING FIXED ASSETS

The following is the statement of operating fixed assets:

Description	Leasehold land	Building / Improvements on leasehold land	Plant and machinery (note 6.2)	Cylinders and dies	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Electrical installation	Total
	(Rupees)									
<b>Net carrying value basis year ended June 30, 2025</b>										
Opening net book value	-	-	2,651,865,234	-	22,876,890	4,773,150	40,660,034	13,149,242	72,599,461	2,805,924,011
Addition (at cost) - note 7.1	-	83,914,301	116,294,906	-	6,532,497	-	8,185,150	3,202,900	1,818,567	219,948,321
Written off - note 6.7	-	-	(1,059,441)	-	-	(781,106)	(3,674)	(8,387)	-	(1,852,608)
Disposal (NBV) - note 6.7	-	-	-	-	-	(203,298)	-	-	-	(203,298)
Revaluation surplus - note 6.3	-	-	39,080,816	-	-	-	-	-	346,764	39,427,580
Classified as held for sale	-	-	(489,992,796)	-	-	-	-	-	(4,347,704)	(494,340,500)
Depreciation charged - note 6.4	-	(6,109,944)	(188,536,484)	-	(2,704,533)	(433,750)	(4,472,343)	(4,957,838)	(11,987,962)	(219,202,853)
<b>Closing net book value (refer note 6.1)</b>	-	77,804,357	2,127,652,236	-	26,704,853	3,354,996	44,369,168	11,385,917	58,429,126	2,349,700,653
<b>Gross carrying value basis year ended June 30, 2025</b>										
Cost / revalued amount	-	83,914,301	3,210,701,965	6,180,629	39,807,289	14,226,217	63,755,805	31,962,755	104,817,547	3,555,366,508
Accumulated depreciation	-	(6,109,944)	(1,072,378,879)	(6,180,629)	(13,102,436)	(10,871,221)	(19,386,637)	(20,576,838)	(46,328,221)	(1,194,934,805)
Accumulated impairment	-	-	(10,670,850)	-	-	-	-	-	(60,200)	(10,731,050)
<b>Closing net book value (refer note 6.1)</b>	-	77,804,357	2,127,652,236	-	26,704,853	3,354,996	44,369,168	11,385,917	58,429,126	2,349,700,653
<b>Net carrying value basis year ended June 30, 2024</b>										
Opening net book value	1,112,222,150	341,605,248	2,744,299,093	-	6,388,543	5,303,499	27,950,946	11,685,421	43,393,688	4,292,848,588
Addition (at cost) - note 7.1	-	84,253,562	106,453,267	-	18,089,554	-	16,363,813	5,739,291	37,989,153	268,888,641
Disposal (NBV) - note 6.7	(1,112,222,150)	(408,183,129)	-	-	-	-	-	(99,889)	-	(1,520,505,168)
Depreciation charged - note 6.4	-	(17,675,681)	(198,887,126)	-	(1,601,207)	(530,349)	(3,654,725)	(4,175,581)	(8,783,380)	(235,308,051)
<b>Closing net book value (refer note 6.1)</b>	-	-	2,651,865,234	-	22,876,890	4,773,150	40,660,034	13,149,242	72,599,461	2,805,924,011
<b>Gross carrying value basis year ended June 30, 2024</b>										
Cost / revalued amount	-	-	3,824,006,097	6,180,629	33,274,792	17,942,017	56,309,614	29,793,941	110,107,810	4,077,614,900
Accumulated depreciation	-	-	(1,158,844,942)	(6,180,629)	(10,397,902)	(13,168,867)	(15,649,580)	(16,644,699)	(37,448,149)	(1,258,334,768)
Accumulated impairment	-	-	(13,295,921)	-	-	-	-	-	(60,200)	(13,356,121)
<b>Closing net book value (refer note 6.1)</b>	-	-	2,651,865,234	-	22,876,890	4,773,150	40,660,034	13,149,242	72,599,461	2,805,924,011
Depreciation rate (% per annum)	-	10	7	40	10	10	10	4 - 50	4 - 50	

**6.1** The cost of fully depreciated assets which are still in use as at June 30, 2025 is Rs. 140.589 million (2024: Rs. 183.685 million) having written down value of Rs. Nil (2024: Rs. Nil).

**6.2** Plant and machinery includes capital spares amounting to Rs. 289.896 million (2024: Rs. 318.065 million) having written down value of Rs. 136.590 million (2024: Rs. 157.728 million).

**6.3** This amount represents revaluation surplus on plant and machinery including related electrical installation pertaining to Gravure division which is classified as held for sale.

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

	Note	2025	2024
		(Rupees)	
Cost of sales	32	212,218,999	230,009,719
General and administrative expenses	33	6,658,954	4,905,321
Selling and distribution expenses	34	324,900	393,011
		<u>219,202,853</u>	<u>235,308,051</u>

**6.5** The Company had revalued its plant and machinery on September 01, 2004, June 25, 2009, June 30, 2012, May 27, 2016, July 2, 2018, June 1, 2021 by an independent valuer M/s. Akbani & Javed Associates and on June 27, 2023 by an independent valuer M/s Joseph Lobo (Private) Limited on the basis of market value.

The incremental value of the building / improvement on leasehold land and plant and machinery so revalued are being depreciated over the remaining useful lives of these assets at the date of revaluation.

At the time of latest revaluation, estimated forced sales value of revalued assets was Rs. 3,358.501 million.

In the absence of current prices in an active market, the fair value of property and machine are determined by taking into account the following factors:

- Make, model, country of origin etc.;
- Operational capacity;
- Present physical condition;
- Resale prospects; and
- Obsolescence.

The valuation is considered to be level 3 in the fair value hierarchy due to the above unobservable inputs used in the valuation. Most significant input in this valuation is the current replacement cost which is adjusted for factors above.

**6.6** Had there been no revaluation, the net book value of the specific classes of property, plant and equipment would have been as follows:

	2025	2024
	(Rupees)	
Plant and machinery	1,613,011,061	1,683,100,111
	<u>1,613,011,061</u>	<u>1,683,100,111</u>

**6.7** The aggregate net book value of operating fixed assets disposed/written off during the year have not exceeded Rs. 5 million, therefore, particulars of such assets have not been disclosed.

## **7. CAPITAL WORK-IN-PROGRESS**

	Note	2025	2024
This comprises of:		(Rupees)	
Civil works		2,403,395	115,560,403
Plant and machinery		9,546,000	-
	7.1	<u>11,949,395</u>	<u>115,560,403</u>

### **7.1 Movement of carrying amount**

As at July 01	115,560,403	138,067,924
Additions (at cost)	116,337,313	246,381,120
Transfer to operating fixed assets	(219,948,321)	(268,888,641)
As at June 30	<u>11,949,395</u>	<u>115,560,403</u>

	Note	2025	2024
		(Rupees)	
<b>8. RIGHT-OF-USE ASSETS</b>			
Right of use assets		125,851,534	140,062,324
<b>Movement during the year</b>			
As at July 01		140,062,324	-
Additions		-	141,239,318
Written off		(96,599)	-
Depreciation charged	32	(14,114,191)	(1,176,994)
As at June 30		125,851,534	140,062,324
<b>Depreciation rate (% per annum)</b>		10	10
<b>8.1</b>	The depreciation charge for the year amounting to Rs; 14,114,191 (2024: Rs; 1,176,994) is allocated to cost of sales.		
<b>9. INTANGIBLE ASSETS</b>	<b>Note</b>	<b>2025</b>	<b>2024</b>
		(Rupees)	
<b>Net carrying value basis</b>			
Opening book value		152,310	243,695
Amortisation charge	9.1	(91,382)	(91,385)
Closing net book value		60,928	152,310
<b>Gross carrying value basis</b>			
Cost		6,932,800	6,932,800
Accumulated amortisation		(6,871,872)	(6,780,490)
Net book value		60,928	152,310
<b>Amortisation rate (% per annum)</b>		20	20
<b>9.1</b>	The amortisation for the year amounting to Rs; 91,382 (2024: Rs; 91,385) is allocated to general and administrative expenses.		
<b>10. LONG-TERM DEPOSITS</b>	<b>Note</b>	<b>2025</b>	<b>2024</b>
		(Rupees)	
Power and fuel		12,225,237	12,225,237
Others		23,950	23,950
	10.1	12,249,187	12,249,187
<b>10.1</b>	These deposits do not carry any interest or markup and are not recoverable within one year.		
<b>11. STORES AND SPARES</b>	<b>Note</b>	<b>2025</b>	<b>2024</b>
		(Rupees)	
<b>Stores</b>			
In hand		114,711,600	92,637,682
In transit		-	6,240,907
		114,711,600	98,878,589
<b>Spares</b>			
In hand		17,062,087	10,411,538
In transit		-	6,466,414
		17,062,087	16,877,952
		131,773,687	115,756,541
Provision for slow moving and obsolete store and spares	11.1	(34,290,999)	(1,297,984)
		97,482,688	114,458,557
<b>11.1 Provision for slow moving and obsolete stores and spares comprises:</b>			
Balance at beginning of the year		1,297,984	709,947
Addition during the year	11.2	34,290,999	1,297,984
Reversal made during the year		(1,297,984)	(709,947)
		32,993,015	588,037
Balance at end of the year		34,290,999	1,297,984

- 11.2** It includes an amount of Rs. 32.316 million relates to stores and spares of the Gravure unit, which has been shut down.

12. STOCK-IN-TRADE	Note	2025	2024
		(Rupees)	
Raw materials		377,645,451	414,297,303
Packing materials		34,119,995	20,267,005
		411,765,446	434,564,308
Provision for slow moving and obsolete stock in trade	12.1	(716,116)	(1,219,680)
		411,049,330	433,344,628
Work-in-process	32	56,285,511	11,663,076
Finished goods	12.2	78,317,159	7,561,416
		545,652,000	452,569,120
12.1 Provision for slow moving and obsolete stock in trade comprises:			
Balance at beginning of the year		1,219,680	1,328,632
Addition during the year		716,116	1,219,680
Reversal made during the year		(1,219,680)	(1,328,632)
		(503,564)	(108,952)
Balance at end of the year		716,116	1,219,680

- 12.2** The net realisable value of the finished goods was lower than its cost as at year end which resulted in a write down amounting to Rs. 6.59 million.

13. TRADE DEBTS	Note	2025	2024
		(Rupees)	
Unsecured - considered good			
Due from associated companies			
Others	13.1	389,496,716	507,894,787
		403,153,919	688,533,414
		792,650,635	1,196,428,201
Considered doubtful		48,680,709	48,680,709
Allowance for expected credit losses		(48,680,709)	(48,680,709)
		792,650,635	1,196,428,201
13.1 This comprises amounts receivable from:			
Century Paper and Board Mills Limited		41,319,213	25,458,583
Colgate-Palmolive (Pakistan) Limited		341,192,186	480,884,929
Caraway (Private) Limited		-	154,932
SIZA Foods (Private) Limited		6,985,317	1,396,343
		389,496,716	507,894,787
13.2 The aging analysis of balances due from related parties are as follows:			
Not past due		122,391,917	479,097,260
Past due 1-30 days		198,688,542	19,929,316
Past due 30-90 days		47,439,174	619,485
Past due over 90 days		20,977,083	8,248,726
		389,496,716	507,894,787

- 13.3** The maximum amount due from related parties at the end of any month during the year was Rs. 609.872 million (2024: Rs. 714.384 million).

14.	LOANS AND ADVANCES	Note	2025	2024
			(Rupees)	
	Unsecured, considered good			
	Advances			
	-to employees	14.1	9,657,663	574,500
	-to suppliers	14.2 & 14.3	30,094,866	28,267,924
	-to chief executive officer		4,000,000	-
			43,752,529	28,842,424
	Provision for doubtful		(4,000,000)	-
			39,752,529	28,842,424



- 14.1** This includes an amounts of Rs. 5.166 million paid to a Marketing Executive for marketing activities in Nairobi, Kenya.
- 14.2** This represents amount paid as advances to suppliers for future supplies of goods.
- 14.3** The amount of Rs. 9.473 million has been written off due to non- recoverability of related goods/services.

**15. ADVANCES, TRADE DEPOSITS AND SHORT TERM PREPAYMENTS**

	Note	2025	2024
		(Rupees)	
Security deposits	15.1	1,458,000	1,458,000
Prepayments	15.2	3,853,482	2,243,000
Minimum tax - levy	38	66,297,470	83,203,401
		<u>71,608,952</u>	<u>86,904,401</u>

- 15.1** This represents short term deposits in the normal course of business and does not carry any interest or mark-up.
- 15.2** This includes prepaid insurance premium of Rs. 1.550 million (2024: Rs. 1.550 million) to M/s Century Insurance Company Limited, an associated company.

**16. OTHER RECEIVABLES**

	Note	2025	2024
		(Rupees)	
Unsecured-considered good			
Due from associated company		86,340	64,431
Receivable from gratuity fund	40.1.1	23,588,632	17,683,612
Others		695	-
		<u>23,675,667</u>	<u>17,748,043</u>

**17. TAX REFUND DUE FROM GOVERNMENT**

Sales tax and special excise duty	17.1	322,094,873	266,477,044
		<u>322,094,873</u>	<u>266,477,044</u>

- 17.1** It includes sales tax refunds due from the government amounting to Rs. 156 million pertaining to financial years from 2013 to 2020. These refunds are in the process of appeal, Based on the opinion from a tax advisor, the management is confident that these refunds are expected to be recovered in due course.

	Note	2025	2024
		(Rupees)	
Advance tax		60,531,036	62,894,466
Income tax refund	18.1	66,484,025	6,202,494
		<u>127,015,061</u>	<u>69,096,960</u>

- 18.1** The income tax assessments of the Company have been finalised upto Tax Year 2024 (accounting year ended June 30, 2024).

**19. CASH AND BANK BALANCES**

	Note	2025	2024
		(Rupees)	
Cash in hand		1,257,395	1,060,387
Cash at bank - current account			
Islamic mode		915,214	358,820
Conventional mode		484,440	484,440
		<u>1,399,654</u>	<u>843,260</u>
Cash at bank - saving account	19.1	-	19,406,071
		<u>2,657,049</u>	<u>21,309,718</u>

- 19.1** This carry mark-up ranging from 7.47% to 11.10% (2024: 12.1% to 18.3%) per annum.

**20. ASSETS CLASSIFIED AS HELD FOR SALE**

	Note	2025	2024
		(Rupees)	
Plant and machinery	20.1	489,992,796	-
Electrical installation		4,347,704	-
		<u>494,340,500</u>	<u>-</u>

- 20.1** During the year ended June 30, 2025 the Company classified its plant and machinery, including related electric installation, with a carrying amount of Rs. 494.340 million, being the fair value of assets classified as held for sale, with the objective to make further investment in offset printing segment. In terms of requirements of IFRS 5, the company determined the fair values immediately before their transfer to assets held for sale on the basis of a fair valuation carried out on May 02, 2025 by Joseph Lobo (Pvt.) Limited. The excess of the revalued amount over the carrying amount has been recognized as revaluation surplus as disclosed in note 6.3.

The Board of Directors in its meeting held on June 03, 2025 approved the disposal of above asset and later the shareholders in its extra-ordinary general meeting dated June 27, 2025 has approved the same. Accordingly, subsequent to the year end, the Company entered into an Asset Sale Agreement with Kompas Pakistan (Private) Limited which inter alia caters the purchase of potential customers and goodwill of the business. The proceeds from the disposal are intended to be utilized for the optimization and strengthening of the Offset segment.

## 21. AUTHORIZED SHARE CAPITAL

2025	2024		2025	2024
Number of shares			(Rupees)	
200,000,000	200,000,000	Ordinary shares of Rs. 10/- each	2,000,000,000	2,000,000,000

## ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2025	2024		2025	2024
Number of shares			(Rupees)	
197,105,580	197,105,580	Fully paid in cash	1,971,055,800	1,971,055,800
2,852,847	2,852,847	Issued as bonus shares fully paid	28,528,470	28,528,470
199,958,427	199,958,427		1,999,584,270	1,999,584,270
163,034,000	163,034,000	Shares held by associated companies	1,630,340,000	1,630,340,000

- 21.1** The Company has one class of ordinary shares which carry no rights to fixed income. The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meeting of the Company. All shares rank equally with regard to the Company's residual assets.

## 22 SURPLUS ON REVALUATION OF PLANT AND MACHINERY

Balance as at July 01  
Surplus on revaluation arising during the year  
Transfer to accumulated losses on account of disposal during the year  
Transfer to accumulated losses on account of incremental depreciation charged during the year

Balance as at June 30

2025	2024
(Rupees)	
973,961,544	2,198,988,791
39,427,580	-
(427,057)	(1,149,040,135)
(70,089,050)	(75,987,112)
(31,088,527)	(1,225,027,247)
942,873,017	973,961,544

- 22.1** The revaluation surplus on plant and machinery is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

## 23. SUBORDINATED LOAN - UNSECURED

From associated undertakings:

Opening balance

Notional markup

Loans matured during the year

Loans extended during the year

Notional markup

Equity portion of loan

Note

2025	2024
(Rupees)	
143,634,453	238,767,487
-	11,232,513
-	(250,000,000)
143,634,453	-
-	250,000,000
7,564,637	8,604,107
98,800,910	(114,969,654)
250,000,000	143,634,453

23.1

- 23.1** During the year ended June 30, 2024, the sponsors had extended the interest free loan amounting to Rs. 250 million. The loan is obtained to meet the working capital requirements, financing the capital expenditure and for funding business activities. This loan was discounted at current market rate ranging from 22.60% to 22.84% per annum and the difference between the principal amount and the fair value was recorded in equity.

Effective from October 1, 2024, the waiver of markup on the loan was revoked, and the loan was converted into an interest-bearing facility. As a result, the loan, with a carrying value of Rs. 151.2 million the unwinding effect of Rs. 16.2 million on the date of revised agreement, was increased by Rs. 98.8 million, and the corresponding adjustment has been reflected in equity. The interest rate applicable to the restructured loan is based on the three-month KIBOR plus a 0.5% spread, payable on a quarterly basis. The loan tenure remains unchanged at three years.

This loan shall remain sub-ordinated to the financing facilities extended by the banks to the Company. The loan shall not be repaid until the entire amount of financing facilities and any payments due in respect of financing facilities or any other finance extended / provided by the banks to the Company, have been paid in full by the Company to the banks and the banks have notified to the sponsors of such payments; and / or the banks otherwise give any permission in writing to the Company to make full or part of the payments due under the long term financing to the associated undertakings.

## 24. LONG TERM FINANCING

Note

### Secured

#### From banking companies

Islamic mode  
Dubai Islamic Bank Pakistan Limited  
Less: Current portion shown under current liabilities

24.1

### Unsecured

#### From associated undertakings

As at July 01  
Notional markup  
Equity component on restructuring of loan during the year  
Paid during the year  
As at June 30

	2025	2024
	(Rupees)	
	46,823,699	140,471,101
	(46,823,699)	(93,647,402)
	-	46,823,699
	-	1,141,605,321
	-	110,993,358
	-	(52,598,679)
	-	(1,200,000,000)
	-	-
	-	46,823,699

- 24.1** This loan has been obtained from banking companies for the purpose of financing capital expenditure and secured against first pari passu charge on specific property, plant and equipments of the Company. The effective rate of mark-up was 13.08% to 23.03% (2024: 22.18% to 24.39%) payable quarterly.

## 25. LEASE LIABILITY

Present value of lease payments:  
-against assets under right-of-use assets

Less: Current portion shown under current liabilities

### Movement of lease liabilities

As at July 01  
Additions  
Written off  
Finance cost  
Payments made during the year  
As at June 30

	2025	2024
	(Rupees)	
	139,404,155	147,062,733
	(5,787,336)	(4,674,666)
	133,616,819	142,388,067
	147,062,733	-
	-	144,415,122
	(96,599)	-
	31,438,021	2,647,611
	(39,000,000)	-
	139,404,155	147,062,733

This represents sale and lease back arrangement with a related party. SIZA Services (Private) Limited for factory land and building. The term of lease is for a period of ten years at KIBOR + 1.6%. The purpose of such transaction is to allow the company to maintain continuous operations.

## 25.1 Maturity analysis-contractual cash flow

Within one year  
Over one year to 5 years  
Over 5 years  
Total lease liability

Current portion of lease liability  
Non current portion of lease liability

2025		
(Rupees)		
Minimum lease payments	Interest	Net Present value
36,000,000	30,212,664	5,787,336
144,000,000	103,315,135	40,684,865
141,000,000	48,068,046	92,931,954
321,000,000	181,595,845	139,404,155
36,000,000	30,212,664	5,787,336
285,000,000	151,383,181	133,616,819
321,000,000	181,595,845	139,404,155

Within one year  
Over one year to 5 years  
Over 5 years  
Total lease liability

Current portion of lease liability  
Non current portion of lease liability

2024		
(Rupees)		
Minimum lease payments	Interest	Net Present value
36,000,000	31,325,334	4,674,666
144,000,000	111,137,188	32,862,812
180,000,000	70,474,745	109,525,255
360,000,000	212,937,267	147,062,733
36,000,000	31,325,334	4,674,666
324,000,000	181,611,933	142,388,067
360,000,000	212,937,267	147,062,733

## 26. DEFERRED TAXATION

The Company has accumulated tax losses and unabsorbed tax depreciation till June 30, 2025 of Rs. 776.704 million and Rs. 2,384.418 million respectively. The Company has not recognized the deferred tax asset of Rs. 159.421 million as management expects that the company will remain under minimum tax for foreseeable future.

## 27. TRADE AND OTHER PAYABLES

Creditors  
Accrued liabilities  
Advances from customers  
Provision for compensated absences  
Minimum tax - levy  
Others

Note

2025	2024
(Rupees)	
1,361,243,311	1,174,978,456
14,741,543	37,630,376
51,197	51,197
2,726,936	-
66,277,074	83,203,401
97	97
1,445,040,158	1,295,863,527

27.1 This includes an amount payable to associated companies amounting to Rs. 862.739 million (2024: Rs. 634.463 million).

## 28. MARK-UP ACCRUED

Mark-up accrued on:  
Short-term borrowings  
Long term financing

Note

2025	2024
(Rupees)	
20,907,235	30,990,962
1,044,680	5,406,520
21,951,915	36,397,482

## 29. SHORT-TERM BORROWINGS

Running finance

29.1

841,327,248	640,311,702
-------------	-------------

29.1 The Company has short term running finance facilities from various banks under mark-up arrangements in aggregate amount of Rs. 920 million (2024: Rs. 945 million) having mark-up at rates ranging from 12.33% to 24.23% (2024: 22.41% to 24.66%) per annum calculated on a daily utilization basis and payable quarterly. The unutilized balance at the end of the year was Rs. 79 million (2024: Rs. 305 million).



The Company also has a facility for opening letters of credit under mark-up arrangements as at June 30, 2025 amounting to Rs. 470 million (June 30, 2024: Rs. 445 million) including sublimit of running finance amounting to Rs. 375 million (June 30, 2024: Rs. 350 million) from various commercial banks. This facility remains unutilized as at reporting date (i.e., June 30, 2025).

These arrangements are secured by pari passu hypothecation charge on stores and spares, stock-in-trade and trade debts.

### 30. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2025 (2024: None).

### 31. REVENUE

	2025	2024
	(Rupees)	
Gross sales		
Local sales	6,052,146,908	7,837,924,219
Export sales	160,943,220	2,719,408
	6,213,090,128	7,840,643,627
Less:		
Sales tax	(922,728,287)	(1,194,613,810)
Sales return	(9,429,220)	(7,552,449)
	(932,157,507)	(1,202,166,259)
	5,280,932,621	6,638,477,368

#### 31.1 Disaggregation of revenue:

In the following table, revenue is disaggregated by geographical markets:

	Note	2025	2024
		(Rupees)	
<b>Geographical market:</b>			
-Pakistan		5,119,989,401	6,635,757,960
-Kenya		160,943,220	2,719,408
		5,280,932,621	6,638,477,368

### 32. COST OF SALES

Materials consumed	32.1	3,933,624,167	4,757,372,292
Packing material consumed	32.2	121,705,545	142,517,831
Stores and spares consumed		233,102,611	193,119,175
Salaries, wages and other benefits	32.3	341,018,151	276,780,369
Outsourced services		15,439,859	11,085,600
Power and fuel		289,084,586	299,479,858
Depreciation	6.4 & 8	226,333,190	231,186,713
Rent, rates and taxes		13,498,574	27,830,653
Repairs and maintenance		178,431,186	158,773,181
Vehicle running expenses		9,851,046	8,831,644
Insurance		20,086,777	22,077,137
Printing and stationery		5,315,555	6,009,872
Communication charges		2,807,536	3,765,900
Travelling and conveyance		3,575,803	5,067,540
Fees and subscription		3,211,839	581,624
Software license and implementation fee		17,031,325	688,388
Other expenses		10,926,316	6,099,981
Manufacturing cost		5,425,044,066	6,151,267,758
Opening work-in-process		11,663,076	33,173,969
Closing work-in-process	12	(56,285,511)	(11,663,076)
		(44,622,435)	21,510,893
Cost of goods manufactured		5,380,421,631	6,172,778,651
Opening stock of finished goods		7,561,416	15,146,832
Closing stock of finished goods	12	(78,317,159)	(7,561,416)
		(70,755,743)	7,585,416
		5,309,665,888	6,180,364,067

		2025	2024
		(Rupees)	
<b>32.1</b>	<b>Material consumed</b>		
	Balance at the beginning of the year	414,297,303	695,001,424
	Purchases during the year	3,896,972,315	4,476,668,171
	Balance at the end of the year	(377,645,451)	(414,297,303)
		3,933,624,167	4,757,372,292
<b>32.2</b>	<b>Packing material consumed</b>		
	Balance at the beginning of the year	20,267,005	21,980,956
	Purchases during the year	135,558,535	140,803,880
	Balance at the end of the year	(34,119,995)	(20,267,005)
		121,705,545	142,517,831
<b>32.3</b>	Salaries and other benefits include Rs. 4.374 million (2024: Rs. 3.916 million) in respect of staff retirement benefits.		
<b>33.</b>	<b>GENERAL AND ADMINISTRATIVE EXPENSES</b>	<b>Note</b>	<b>2025</b> <b>2024</b>
			(Rupees)
	Salaries and other benefits	33.1	119,444,895 97,899,115
	Depreciation	6.4	6,658,954 4,905,321
	Amortisation	9.1	91,382 91,385
	Rent, rates and taxes		5,277,674 2,339,820
	Repairs and maintenance		9,536,699 6,777,305
	Vehicle running expenses		11,981,746 8,553,541
	Insurance		3,930,014 1,547,394
	Printing and stationery		679,731 450,862
	Communication charges		7,308,754 4,873,707
	Travelling and conveyance		9,212,255 7,923,596
	Fees and subscription		1,645,390 1,791,934
	Software license and implementation fee		22,996,152 1,138,835
	Service fee to associated company		3,600,215 3,513,558
	Electricity charges		176,977 188,701
	Others		11,864,235 6,646,324
			214,405,073 148,641,398
<b>33.1</b>	Salaries and other benefits include Rs. 1.289 million (2024: Rs. 2.790 million) in respect of staff retirement benefits.		
<b>34.</b>	<b>SELLING AND DISTRIBUTION EXPENSES</b>	<b>Note</b>	<b>2025</b> <b>2024</b>
			(Rupees)
	Salaries and other benefits	34.1	12,080,163 10,417,939
	Depreciation	6.4	324,900 393,011
	Repairs and maintenance		151,950 731,783
	Vehicle running expenses		1,215,641 1,852,846
	Insurance		829,442 80,433
	Printing and stationery		35,672 111,781
	Communication charges		1,704,422 1,274,559
	Travelling and conveyance		163,786 1,611,655
	Software license and implementation fee		6,556,509 254,420
	Cartage outward		100,039,553 78,943,221
	Others		836,460 903,750
			123,938,498 96,575,398
<b>34.1</b>	Salaries and other benefits include Rs. 0.313 million (2024: Rs. 0.199 million) in respect of staff retirement benefits.		
<b>35.</b>	<b>OTHER INCOME</b>		<b>2025</b> <b>2024</b>
			(Rupees)
	<b>Income from financial assets</b>		
	Profit on saving accounts		1,262,665 2,283,523
	Exchange gain - net		6,260,160 -
			7,522,825 2,283,523
	<b>Income from non - financial assets</b>		
	Scrap sales		20,281,031 17,794,726
	Gain on disposal of operating fixed assets		- 31,010,918
			20,281,031 48,805,644
			27,803,856 51,089,167

36. OTHER OPERATING EXPENSES	Note	2025	2024
		(Rupees)	
Legal and professional charges		7,209,361	13,335,404
Auditors' remuneration:			
Statutory audit		650,000	650,000
Special reports and sundry services		425,000	425,000
Out-of-pocket expenses		250,000	230,000
		1,325,000	1,305,000
Director fees		850,000	775,000
Loss on disposal of operating fixed assets		1,647,355	889
		11,031,716	15,416,293
<b>37. FINANCIAL CHARGES</b>			
Mark-up / interest on:			
Sub-ordinated loan		26,174,247	24,802,976
Long-term financing		23,380,937	152,711,802
Short-term borrowings		99,900,504	169,374,126
Finance lease charges		31,438,021	2,647,611
		180,893,709	349,536,515
Bank charges and commission		2,171,649	2,191,885
		183,065,358	351,728,400
<b>38. LEVY</b>			
Minimum tax differential	38.1	66,297,470	83,203,401
		66,297,470	83,203,401

**38.1** This represents portion of minimum tax paid under section 113 of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

39 LOSS PER SHARE - BASIC AND DILUTED		2025	2024
Loss for the year (Rupees)		(599,667,526)	(186,362,422)
Weighted average number of ordinary shares outstanding during the year (Number of shares)		199,958,427	199,958,427
Loss per share - basic and diluted (Rupees)		(3.00)	(0.93)

#### 40 RETIREMENT BENEFIT

##### 40.1 Defined benefit plan

The scheme provides for terminal benefits for all its permanent employees who qualify for the scheme at varying percentages of last drawn basic salary. The percentage depends on the number of service years with the Company. Annual charge is based on actuarial valuation carried out as at June 30, 2025, using the Projected Unit Credit Actuarial Cost Method.

The Company faces the following risks on account of gratuity:

**Salary Increase Risk** - the risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

**Longevity Risks** - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

**Withdrawal Risk** - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

**Investment Risks** - The risk arises when the actual performance of the investments is lower than expectation and thus creating a shortfall in the funding objectives.

		Note	2025	2024	
			(Rupees)		
<b>40.1.1 Asset / (liability) recognised in statement of financial position</b>					
Fair value of plan assets	40.1.3		91,621,962	81,342,571	
Present value of defined benefit obligation	40.1.4		(68,033,330)	(63,658,959)	
Closing net asset	16		23,588,632	17,683,612	
<b>40.1.2 Movement of the asset / (liability) recognized in the statement of financial position</b>					
		Note	2025	2024	
			(Rupees)		
Opening net asset / (liability)			17,683,612	26,452,240	
(Charge) / income for the year	40.1.5		(1,288,607)	216,205	
Remeasurement gain / (loss) recognized in other comprehensive income	40.1.6		7,193,627	(8,984,833)	
Closing net asset / (liability)			23,588,632	17,683,612	
<b>40.1.3 Movement in the fair value of plan assets</b>					
Balance as at July 01			81,342,571	72,107,509	
Interest income on plan assets	40.1.5		11,998,029	11,136,462	
Remeasurement - Actuarial (loss) / gain	40.1.6		(1,718,638)	5,249,474	
Contribution by the employer			-	-	
Benefits paid	40.1.4		-	(7,150,874)	
Balance as at June 30	40.1.1		91,621,962	81,342,571	
<b>40.1.4 Movement in the present value of defined benefit obligation</b>					
Balance as at July 01			(63,658,959)	(45,655,269)	
Current service cost	40.1.5		(3,896,940)	(4,082,284)	
Interest cost	40.1.5		(9,389,696)	(6,837,973)	
Remeasurement - Actuarial gain /(loss)	40.1.6		8,912,265	(14,234,307)	
Benefits paid	40.1.3		-	7,150,874	
Balance as at June 30	40.1.1		(68,033,330)	(63,658,959)	
<b>40.1.5 Expenses / (Income) recognised in statement of profit or loss</b>					
Current service cost	40.1.4		3,896,940	4,082,284	
Interest cost	40.1.4		9,389,696	6,837,973	
Interest income on plan assets	40.1.3		(11,998,029)	(11,136,462)	
Expense / Income for the year	40.1.2		1,288,607	(216,205)	
<b>40.1.6 Remeasurement gains/(losses) recognized in other comprehensive income</b>					
Remeasurement gains / (losses) on defined benefit obligation	40.1.4		8,912,265	(14,234,307)	
Remeasurement (loss) / gain on plan assets	40.1.3		(1,718,638)	5,249,474	
	40.1.2		7,193,627	(8,984,833)	
<b>40.1.7 Composition of the fair value of plan assets</b>					
		2025	2024		
		Rupees	Percentage	Rupees	Percentage
Debt		14,224,682	16%	12,630,331	15%
Equity and Mutual fund		69,585,478	76%	35,033,178	43%
Cash with banks		1,663,457	2%	22,742,578	28%
Others		6,148,345	7%	11,450,308	14%
		91,621,962		81,856,395	



#### 40.1.8 Principal actuarial assumptions

Following were the significant actuarial assumptions used in the valuation:

Valuation discount rate per annum  
Valuation discount rate - Statement of profit and loss  
Expected rate of return on plan assets per annum  
Expected rate of increase in salary per annum (short term)  
Expected rate of increase in salary per annum (long term)

2025	2024
Percentage	
11.75%	14.75%
14.75%	16.25%
11.75%	14.75%
11.75%	14.75%
11.75%	14.75%

Mortality Rates  
Retirement Assumption

SLIC 2001 - 2005  
Age 60

SLIC 2001 - 2005  
Age 60

#### 40.1.9 Sensitivity analysis

Current liability  
+1% discount rate  
-1% discount rate  
+1% salary increase rate  
-1% salary increase rate

2025	
Rupees	Percentage
68,033,330	
64,318,378	-5.460%
72,249,489	6.197%
72,263,925	6.218%
64,238,554	-5.578%

#### 40.1.10 Maturity Profile

	Undiscounted payments
Year 2026	7,889,762
Year 2027	13,443,015
Year 2028	10,140,254
Year 2029	8,770,379
Year 2030	5,760,196
Year 2031	4,462,779
Year 2032	10,972,892
Year 2033	9,105,497
Year 2034	13,416,190
Year 2035	7,548,267
Year 2036 onwards	475,213,093

The average duration of the defined benefit obligation is 6 years.

**40.1.11** The charge in respect of defined benefit plan for the year ending June 30, 2026 is estimated to be Rs. 1.225 million.

#### 40.2 Defined contribution plan

The Company has contributory provident fund scheme for benefit of all its permanent employees under the title of "Merit Packaging Limited - Employees Contributory Provident Fund Trust". The fund is maintained by the Trustees and all decisions regarding investments and distribution of income etc. are made by the Trustees. According to the Trustees, investments out of provident fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the rules made thereunder.

#### 41. CASH GENERATED FROM OPERATIONS

Note

Loss before taxation  
Adjustment for non-cash items and other items:  
Gain on disposal of property, plant and equipment  
Loss disposal of property, plant and equipment  
Financial charges  
Depreciation  
Amortisation  
Minimum tax differential

(Loss) / profit before working capital changes  
Working capital changes

2025	2024
(Rupees)	
(599,667,526)	(186,362,422)
-	(31,010,918)
1,647,355	889
183,065,358	351,728,400
233,317,044	236,485,045
91,382	91,385
66,297,470	83,203,401
484,418,609	640,498,202
(115,248,917)	454,135,780
426,880,704	(37,199,274)
311,631,787	416,936,506

41.1

**41.1 Working capital changes**

(Increase) / decrease in current assets:

Stores and spares

Stock-in-trade

Trade debts

Loans and advances

Advances, trade deposits and short-term prepayments

Other receivables

Tax refund due from Government

Increase / (decrease) in current liabilities:

Trade and other payables

2025	2024
(Rupees)	
16,975,869	(48,295,686)
(93,082,880)	311,405,429
403,777,566	247,123,492
(10,910,105)	(225,169)
15,295,449	(51,088,213)
1,266,003	1,317,264
(55,617,829)	20,899,045
277,704,073	481,136,162
149,176,631	(518,335,435)
426,880,704	(37,199,274)

**42. RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES**

Description	2025			
	Liabilities			
	Subordinated Loan	Long Term Financing	Lease Liabilities	Total
	(Rupees)			
Balance as at July 1, 2024	143,634,453	140,471,101	147,062,733	431,168,287
Impact of notional mark up written off	7,564,637	-	31,438,021	39,002,658
Equity component on rescheduling	98,800,910	-	-	98,800,910
Repayment of long-term financing / Repayment of lease	-	(93,647,402)	(39,000,000)	(132,647,402)
Balance as at June 30, 2025	250,000,000	46,823,699	139,404,155	436,227,854

Description	2024			
	Liabilities			
	Subordinated Loan	Long Term Financing	Lease Liabilities	Total
	(Rupees)			
Balance as at July 1, 2023	238,767,487	1,426,975,163	-	1,665,742,650
Impact of notional mark up	24,802,976	110,993,358	2,347,611	138,443,945
Additions	-	-	144,145,122	144,145,122
Written off	-	-	-	-
Equity component on rescheduling	(114,969,654)	(52,598,679)	-	(167,568,333)
Repayment of long-term financing	-	(1,344,898,741)	-	(1,344,898,741)
Balance as at June 30, 2024	148,600,809	140,471,101	147,062,733	436,134,643

**43. CASH AND CASH EQUIVALENTS:**

Note

Cash and bank balances

Short-term borrowings

2025	2024
(Rupees)	
2,657,049	21,309,718
(841,327,248)	(640,311,702)
(838,670,199)	(619,001,984)

**44. TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise of related group companies, local associated companies, staff retirement funds, directors and key management personnel.

Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

Nature of transaction	Nature of Relation	Basis of Relation	2025	2024
			(Rupees)	
Sale of goods, services and reimbursement of expenses				
Colgate Palmolive Pakistan Limited	Associated company	Common Director	2,192,331,312	2,921,699,481
Century Paper & Board Mills Limited	Associated company	Common Director	133,347,739	166,173,335
Caraway (Private) Limited	Associated company	Common Director	9,516,914	8,173,538
SIZA Foods (Pvt) Ltd	Associated company	Common Director	12,259,822	1,396,341
Purchase of goods, services and reimbursement of expenses				
Century Paper & Board Mills Limited	Associated company	Common Director	2,620,529,605	2,942,264,199
Century Insurance Company Limited	Associated company	Common Director	55,344,639	26,418,891
Princeton Travels (Private) Limited	Associated company	Common Director	413,289	2,800,332
Lakson Business Solutions Limited	Associated company	Common Director	866,145	3,727,445
SIZA Services (Private) Limited	Associated company	Common Director		
		and 24.20% shares held	45,805,170	3,475,740
Cyber Internet Services (Private) Limited	Associated company	Common Director	5,324,928	2,706,744
Sybird (Private) Limited	Associated company	Common Director	1,750,098	42,734
Rent & other allied charges				
Hassanali & Gulbano Lakhani Foundation	Associated company	Trustee	451,794	376,627
Insurance claim				
Century Insurance Company Limited	Associated company	Common Director	-	2,141,006
Loan repayment				
SIZA (Private) Limited	Associated company	Common Director		
		and 24.90% shares held	-	750,000,000
SIZA Commodities (Pvt.) Limited	Associated company	Common Director		
		and 11.24% shares held	-	450,000,000
Sale of land and building				
SIZA Services (Private) Limited	Associated company	Common Director		
		and 24.20% shares held	-	1,554,592,000
Advances & reimbursements Advances	Key Management Personnel	-	4,000,000	-
Reimbursement of expenses	Key Management Personnel	-	181,572	-
Others				
Remuneration and other benefits	Key Management Personnel	-	32,419,687	28,894,069
Contribution to Staff Retirement Benefit Plans	Employees Fund	-	12,458,327	7,122,293

#### 44.1 Year end balances

	2025	2024
	(Rupees)	
Receivable from associated companies	389,496,716	507,894,787
Payable to associated companies	862,738,651	634,463,019
Sub-ordinated loan	250,000,000	143,634,453

44.2 There are no transactions with key management personnel other than under their terms of employment.

#### 45. REMUNERATION OF CHIEF EXECUTIVE AND EXECUTIVES

The aggregate amounts charged in the financial statements for remunerations, including all benefits to Chief Executive and Executives of the Company were as follows:

	2025			
	Chief Executive	Executives	Total	Non - Executives Directors
	(Rupees)			
Managerial remuneration	11,062,400	12,425,298	23,487,698	-
House rent	4,963,908	1,225,880	6,189,788	-
Bonus	1,907,087	2,136,498	4,043,585	-
Retirement benefits	993,292	904,896	1,898,188	-
Motor vehicle expenses	748,502	3,287,776	4,036,278	-
Medical allowances	1,103,092	1,225,880	2,328,972	-
Directors fee	-	-	-	850,000
Total	20,778,281	21,206,228	41,984,509	850,000
Number of persons	1	6	7	3

	2024			
	Chief Executive	Executives	Total	Non - Executives Directors
	(Rupees)			
Managerial remuneration	9,796,854	10,881,731	20,678,585	-
House rent	4,404,390	4,871,699	9,276,089	-
Bonus	1,702,701	1,864,928	3,567,629	-
Retirement benefits	881,394	717,810	1,599,204	-
Motor vehicle expenses	757,896	2,467,211	3,225,107	-
Medical allowances	978,756	1,082,603	2,061,359	-
Directors fee	-	-	-	775,000
Total	18,521,991	21,885,982	40,407,973	775,000
Number of persons	1	6	7	3

**45.1** The current and corresponding year figures include remunerations of Company's Executives whose basic salary exceeds twelve hundred thousand rupees in a financial year.

**45.2** The company also provides vehicles for use of Chief Executive and certain Executives.

#### **46. CAPACITY AND PRODUCTION**

Printing is a service industry involving the processing of printing material on a mix of different size machines having 1 to 9 colour units. The paper and board used is dependent on the customers' requirements ranging from 215 gsm to 370 gsm of a large variety of products involving several processes during and post printing. Due to many variables and complexities involved, the capacity is not determinable.

#### **47. FINANCIAL INSTRUMENTS BY CATEGORY**

##### **Financial assets as per statement of financial position**

##### **Amortized cost**

Long-term deposits	12,249,187	12,249,187
Trade debts	792,650,635	1,196,428,201
Short-term deposits	1,458,000	1,458,000
Other receivables	23,674,972	17,748,043
Cash and bank balances	2,657,049	21,309,718
	832,689,843	1,249,193,149

	2025	2024
	(Rupees)	
	12,249,187	12,249,187
	792,650,635	1,196,428,201
	1,458,000	1,458,000
	23,674,972	17,748,043
	2,657,049	21,309,718
	832,689,843	1,249,193,149

##### **Financial liabilities as per statement of financial position**

##### **Amortized cost**

Subordinated loan	250,000,000	143,634,453
Long term financing including current portion	46,823,699	140,471,101
Long term lease liability including current portion	139,404,155	147,062,733
Trade and other payables	1,445,040,158	1,295,863,527
Mark-up accrued	21,951,915	36,397,482
Short term borrowings	841,327,248	640,311,702
	2,744,547,175	2,403,740,998

#### **48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

##### **48.1 Risk management policies**

The Company's objective in managing risks is the creation and protection of share holders' value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk (which includes interest rate risk and other price risk) arising from the financial instruments it holds.

The Company finances its operations through equity, borrowings and management of working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk.

##### **48.2 Credit risk**

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail to perform as contracted and arises principally from trade and other receivables. The Company's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines and regulatory requirements.



## Exposure to credit risk

The carrying amounts of the financial assets represent the maximum credit exposures before any credit enhancements. The carrying amounts of financial assets exposed to credit risk at reporting date are as under:

	2025	2024
	(Rupees)	
Trade debts	792,650,635	1,196,428,201
Other receivables	23,675,667	8,979,415
Bank balances	1,399,654	20,249,331
Long term deposit	12,249,187	12,249,187
	<u>829,975,143</u>	<u>1,237,906,134</u>
The aging of trade receivable at the reporting date is:		
Not past due	339,652,939	966,021,735
Past due 1-30 days	320,839,225	178,510,471
Past due 31-60 days	50,238,585	49,043,306
Past due 61-90 days & above	81,919,886	2,852,689
	<u>792,650,635</u>	<u>1,196,428,201</u>

All the trade debtors at statement of financial position date are domestic parties.

To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties. Sales made to certain customers are secured through letters of credit.

The exposure to banks is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis. The ratings of banks ranges from A to AAA.

## Concentration of credit risk

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 affected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

## Impaired assets

Impairment on account of trade debts amounts to Rs. 48.68 (2024: Rs. 48.68).

## 48.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company's approach to managing 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 stress conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements, if any:

	2025					
Carrying Amount	Contractual Cash Flows	Six months or less	Six to Twelve months	One to two years	Two to five years	Over five years
(Rupees in thousands)						
Subordinated loan	250,000	250,000	-	-	-	250,000
Long term financing	46,824	46,824	46,824	-	-	-
Lease liability	139,501	139,501	2,738	3,048	7,167	33,506
Trade and other payables	1,445,168	1,445,168	1,445,168	-	-	-
Mark-up accrued	21,952	21,952	21,952	-	-	-
Short term borrowings	841,327	841,327	841,327	-	-	-
	<u>2,744,772</u>	<u>2,744,772</u>	<u>2,358,009</u>	<u>3,048</u>	<u>7,167</u>	<u>283,506</u>
						<u>93,042</u>

	2024						
	Carrying Amount	Contractual Cash Flows	Six months or less	Six to Twelve months	One to two years	Two to five years	Over five years
	(Rupees in thousands)						
Subordinated loan	143,634	250,000	-	-	-	250,000	-
Long term financing	140,471	140,471	46,824	46,824	46,824	-	-
Lease liability	147,063	147,063	4,820	2,418	5,687	26,584	107,553
Trade and other payables	1,295,864	1,295,864	1,295,864	-	-	-	-
Mark-up accrued	36,397	36,397	36,397	-	-	-	-
Short term borrowings	640,312	640,312	640,312	-	-	-	-
	2,403,741	2,510,107	2,024,217	49,242	52,511	276,584	107,553

#### 48.4 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will effect the Company's income or the value of its holdings of financial instruments.

##### 48.4.1 Currency risk

Foreign currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The Company's exposure to foreign currency risk is as follows:

	2025	2024
	(Rupees in thousands)	
Foreign bills receivable - USD	8,672	-
Foreign bills receivable - GBP	67,478	-
Foreign bills payable	-	-
Net exposure	76,150	-

The following significant exchange rates have been applied:

	Average rate		Reporting date rate	
	2025	2024	2025	2024
	(Rupees)		(Rupees)	
Rs per USD	279.94	248.11	283.60	278.85
Rs per GBP	363.46	-	388.97	-

At reporting date, if the PKR had strengthened by 10% against the US Dollar with all other variables held constant, post-tax loss for the year would have been lower / higher by the amount shown below, mainly as a result of net foreign exchange gain / loss on net foreign currency exposure at reporting date.

##### 48.4.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from sub-ordinated loan, long term loans and short term borrowings. At the statement of financial position date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

	2025		2024	
	Effective rate		Carrying amount	
	(In percent)		(Rupees in thousands)	
<b>Financial liabilities</b>				
Variable rate instruments				
Long term loans	13.35%	21.99%	46,825	140,471
Sub-ordinated loan	21.68%	22.40%	250,000	143,634
Short term borrowings	13.17%	23.53%	841,327	640,312

### Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have decreased / (increased) loss for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2024.

	Profit and loss	
	100 bp increase	100 bp decrease
As at June 30, 2025		
Cash flow sensitivity -		
Variable rate financial liabilities (Rs' 000)	(11,382)	11,382
As at June 30, 2024		
Cash flow sensitivity -		
Variable rate financial liabilities (Rs' 000)	(9,244)	9,244

The sensitivity analysis prepared is not necessarily indicative of the effects on (loss) / profit for the year and assets / liabilities of the Company.

## 49. CAPITAL RISK MANAGEMENT

The Company's objectives when maintaining capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders through the optimization of the debt and equity balance.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares or adjust the amount of dividends paid to shareholders.

The Company management believes on maintaining appropriate mix of debt and equity capital and monitors capital on the basis of the net debt to equity ratio. The net debt is defined as long and short term borrowings offset by cash and bank balances. The equity includes ordinary share capital and reserves.

The Company is not subject to any externally imposed capital requirements.

The proportion of debt to equity at the year end is:

Total long term loans - note 23 & 24  
Total equity  
Total capital  
Gearing ratio

2025	2024
(Rupees in thousands)	
296,824	284,106
2,272,065	2,923,913
2,568,889	3,208,019
11.55%	8.86%

## 50. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

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

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset either directly that is, derived from prices.
- Level 3: Inputs for the asset or liability that are not based on observable market data ( that is unadjusted) inputs.

There are no transfers during the reporting date. (2024: None)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

As of the reporting date, none of the financial instruments of the Company are carried at fair value.

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

**51. NUMBER OF EMPLOYEES**

Number of employees as at June 30  
Average number of employees during the year

2025	2024
No. of employees	
170	181
176	190

**52. DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorized for issue on September 19, 2025 by the Board of Directors of the Company.

**53. CORRESPONDING FIGURES**

These corresponding figures have been reclassified and rearranged where necessary to facilitate comparison, however there has been no significant reclassification.

**54. GENERAL**

Figures have been rounded off to the nearest rupee, unless otherwise stated.



**Iqbal Ali Lakhani**  
Director



**Farrukh Shauket Ansari\***  
Director



**Umair Ahmed**  
Chief Financial Officer

\*Signed by the Director on behalf of the Company in the absence of the CEO.



# PATTERN OF SHAREHOLDING

held by the shareholders as at June 30, 2025

Incorporation Number K-206/5831  
CUIN Registration NO. 0007464

Shareholding				
No. of Shareholders	From	To		Total Number of Shares held
511	1	100	Shares	9,993
291	101	500	Shares	104,387
243	501	1,000	Shares	218,463
499	1,001	5,000	Shares	1,432,538
192	5,001	10,000	Shares	1,589,580
75	10,001	15,000	Shares	990,095
59	15,001	20,000	Shares	1,088,293
42	20,001	25,000	Shares	1,002,930
23	25,001	30,000	Shares	672,629
19	30,001	35,000	Shares	628,481
17	35,001	40,000	Shares	656,765
9	40,001	45,000	Shares	382,383
25	45,001	50,000	Shares	1,235,479
2	50,001	55,000	Shares	104,042
10	55,001	60,000	Shares	598,004
8	60,001	65,000	Shares	504,990
4	65,001	70,000	Shares	277,000
9	70,001	75,000	Shares	663,500
1	75,001	80,000	Shares	80,000
3	80,001	85,000	Shares	251,000
2	85,001	90,000	Shares	180,000
1	90,001	95,000	Shares	95,000
13	95,001	100,000	Shares	1,294,000
1	100,001	105,000	Shares	100,500
1	110,001	115,000	Shares	111,126
3	115,001	120,000	Shares	360,000
3	120,001	125,000	Shares	373,000
3	125,001	130,000	Shares	383,127
1	135,001	140,000	Shares	136,132
2	140,001	145,000	Shares	283,708
3	145,001	150,000	Shares	450,000
1	150,001	155,000	Shares	155,000
1	155,001	160,000	Shares	157,500
2	165,001	170,000	Shares	337,835
2	170,001	175,000	Shares	345,854
1	190,001	195,000	Shares	190,428
4	195,001	200,000	Shares	798,861
1	210,001	215,000	Shares	215,000
1	220,001	225,000	Shares	224,360
1	235,001	240,000	Shares	235,708
2	245,001	250,000	Shares	500,000
1	260,001	265,000	Shares	261,000
1	290,001	295,000	Shares	294,889

Shareholding				
No. of Shareholders	From	To		Total Number of Shares held
1	320,001	325,000	Shares	325,000
1	340,001	345,000	Shares	341,950
1	345,001	350,000	Shares	346,448
1	370,001	375,000	Shares	375,000
1	395,001	400,000	Shares	400,000
3	495,001	500,000	Shares	1,500,000
1	500,001	505,000	Shares	501,093
1	515,001	520,000	Shares	520,000
1	520,001	525,000	Shares	521,614
1	585,001	590,000	Shares	587,500
1	660,001	665,000	Shares	664,593
1	1,225,001	1,230,000	Shares	1,229,000
1	1,995,001	2,000,000	Shares	2,000,000
1	3,025,001	3,030,000	Shares	3,029,185
1	4,605,001	4,610,000	Shares	4,609,464
1	22,465,001	22,470,000	Shares	22,466,260
1	42,385,001	42,390,000	Shares	42,386,185
1	48,390,001	48,395,000	Shares	48,391,907
1	49,785,001	49,790,000	Shares	49,789,648
2,114	Total			199,958,427

## CATEGORIES OF SHAREHOLDERS

Categories of Shareholders	Shares Held	Percentage
Directors, Chief Executive Officer, and their spouse and minor children	452,306	0.23
Associated Companies, undertakings and related parties	163,042,109	81.54
NIT and ICP	4,609,464	2.30
Banks, Development Financial Institutions, Non Banking Financial Institutions	385	0.00
Insurance Companies	NIL	-
Modarabas and Mutual Funds	500,000	0.25
Shareholders holding 10 %	163,034,000	81.53
General Public		
a. Local	28,346,149	14.18
b. oreign	NIL	-
Others	3,008,014	1.50

NOTE: Some of the shareholders are reflected in more than one category.

# DETAILS OF PATTERN OF SHAREHOLDING

For the Year Ended June 30, 2025

Shareholders' category		Number of shares held
<b>i. ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES</b>		
1. SIZA (Private) Limited		49,789,648
2. SIZA Services (Pvt.) Limited		48,391,907
3. SIZA Commodities (Pvt.) Limited		22,466,260
4. Premier Fashions (Pvt.) Limited		42,386,185
5. Sultan Ali Lakhani		597
6. Zulfiqar Ali Lakhani		100
7. Shaista Sultan Ali Lakhani		334
8. Fatima Lakhani		674
9. Babar Ali Lakhani		2,710
10. Bilal Ali Lakhani		580
11. Danish Ali Lakhani		977
12. Natasha Lakhani		2,137
<b>ii. MODARABAS AND MUTUAL FUNDS</b>		
1. CDC – Trustee National Investment (Unit) Trust		4,609,464
2. CDC – Trustee Golden Arrow Stock Fund		500,000
<b>iii. DIRECTORS, THEIR SPOUSES AND MINOR CHILDREN</b>		
1. Iqbal Ali Lakhani	Director	126,985
2. Amin Mohammed Lakhani	Director	126,142
3. Anushka Lakhani	Director	36,341
4. Aftab Ahmad	Director	124,000
5. Farrukh Shauket Ansari	Director	1,240
6. Ahmed Munaf	Director	35,971
7. Sheikh Asim Rafiq	Director	500
8. Ronak Iqbal Lakhani W/o. Iqbal Ali Lakhani		443
9. Saira Amin Lakhani W/o. Amin Mohammed Lakhani		684
<b>iv. EXECUTIVES</b>		NIL
<b>v. PUBLIC SECTOR COMPANIES AND CORPORATIONS</b>		NIL
<b>vi. BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCE COMPANIES, INSURANCE COMPANIES, TAKAFUL MODARABAS AND PENSION FUNDS:</b>		62,932
<b>vii. SHAREHOLDERS HOLDING 5% OR MORE [Other than those reported at i(1), i(2), i(3) and i(4)]</b>		NIL
<b>viii. INDIVIDUALS AND OTHER THAN THOSE MENTIONED ABOVE</b>		31,291,616
		199,958,427

Note: Some of the shareholders are reflected in more than one Category.

# FORM OF PROXY

I/We \_\_\_\_\_

of \_\_\_\_\_

a member of M E R I T P A C K A G I N G L I M I T E D

here by appoint \_\_\_\_\_

of \_\_\_\_\_

or failing him \_\_\_\_\_

of \_\_\_\_\_

to act as my/our proxy and to vote for me/us and on my/our behalf at the Annual General Meeting of the Shareholders of the Company to be held on October 24, 2025 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

Folio No.	CDC Participant ID No.	CDC Account/ Sub-Account No.	No. of shares held	Signature

Witness 1  
Signature \_\_\_\_\_  
Name \_\_\_\_\_  
CNIC No. \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_

Witness 2  
Signature \_\_\_\_\_  
Name \_\_\_\_\_  
CNIC No. \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_

## Notes:

1. The Proxy must be a member of the Company.
2. The signature must tally with the specimen signature/s registered with the Company.
3. If a proxy is granted by a member who has deposited his/her shares into Central Depository Company of Pakistan Limited, the proxy must be accompanied with participant's ID number and account/sub-account number alongwith attested photocopies of Computerized National Identity Card (CNIC) or the Passport of the beneficial owner. Representatives of corporate members should bring the usual documents required for such purpose.
4. The instrument of Proxy properly completed should be deposited at the Registered Office of the Company situated at Lakson Square, Building No. 2, Sarwar Shaheed Road, Karachi not less than 48 hours before the time of the meeting excluding holidays.



# پراکسی فارم

مختار نامہ (پراکسی فارم)

میں / ہم \_\_\_\_\_ ساکن  
 \_\_\_\_\_  
 بحیثیت رکن (ممبر) میرٹ پیکیجنگ لمیٹڈ مقرر کرتا / کرتی ہوں / کرتے ہیں مسلّمی / مسماہ \_\_\_\_\_ ساکن  
 \_\_\_\_\_  
 کو یا ان کی غیر حاضری میں مسلّمی / مسماہ \_\_\_\_\_ ساکن  
 \_\_\_\_\_

کو جو خود بھی میرٹ پیکیجنگ لمیٹڈ کا رکن ہے کہ وہ بطور میرا / ہمارا مختار نامہ (پراکسی) میرٹ پیکیجنگ لمیٹڈ کے سالانہ اجلاس عام میں جو 24 اکتوبر 2025 کو منعقد ہو رہا ہے یا اس کے کسی ملتوی شدہ اجلاس میں کرے اور وہ میری / ہماری جگہ میری / ہماری طرف سے حق رائے دہی استعمال کرے۔

مورخہ \_\_\_\_\_ 2025 کو میرے ہمارے دستخط سے جاری ہوا۔

فولیو نمبر	سی ڈی سی کھاتہ نمبر	حصص کی تعداد
		دستخط

گواہ نمبر ۱ \_\_\_\_\_ دستخط  
 نام \_\_\_\_\_  
 کمپیوٹرائزڈ قومی شناختی کارڈ نمبر \_\_\_\_\_  
 پتہ \_\_\_\_\_  
 گواہ نمبر ۲ \_\_\_\_\_ دستخط  
 نام \_\_\_\_\_  
 کمپیوٹرائزڈ قومی شناختی کارڈ نمبر \_\_\_\_\_  
 پتہ \_\_\_\_\_  
 ہدایات:

- ۱۔ مختار (پراکسی) کمپنی کا رکن (ممبر) ہونا ضروری ہے۔
- ۲۔ ممبر (رکن) کے دستخط، نمونہ شدہ دستخط / اندارج شدہ دستخط سے مماثلت ہونا ضروری ہے۔
- ۳۔ سی ڈی سی اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈر کو مختار نامہ (پراکسی فارم) کے ہمراہ کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی مصدقہ منسلک کرنا ضروری ہے۔ کارپوریٹ ادارے کے نمائندوں کو معمول کے مطابق دستاویزات ساتھ لانا ضروری ہے۔
- ۴۔ مختار نامہ (پراکسی فارم) مکمل پُر شدہ کمپنی کے رجسٹرڈ آفس میں اجلاس کے مقرر وقت سے کم از کم ۴۸ گھنٹے قبل جمع کرانا ضروری ہے چھٹیوں کے علاوہ۔



## MERIT PACKAGING LIMITED

Registered Office: Lakson Squire, Building No. 2, Sarwar Shaheed Road, Karachi-74200

Contact: +92 21 3840 0000 | Website: [www.meritpack.com](http://www.meritpack.com)

### Ballot Paper for Voting Through Post

For poll to be held at the 45th Annual General Meeting of Merit Packaging Limited on Friday, October 24, 2025 at 3:30 p.m. at ICAP Auditorium, Chartered Accountants Avenue, Block 8, Clifton, Karachi, as well as through electronic means/video-link facility.

Contact Details of Chairman, where ballot paper may be sent:

**Business Address:** The Chairman, Merit Packaging Limited, Lakson Square, Building No.2, Sarwar Shaheed Road Karachi-74200, Pakistan.

**Attention:** Company Secretary Designated email address: [chairman@meritpack.com](mailto:chairman@meritpack.com)

Name of shareholder/joint shareholders	
Registered address of shareholder(s)	
Number of shares held (October 16, 2025)	
Folio number / CDC Account	
CNIC No./Passport No. (in case of foreigner) (Copy to be attached)	
Additional information and enclosures (Incase of representative of body corporate, corporation and Federal Government.)	

#### INSTRUCTION FOR POLL

1. Please indicate your Vote by ticking (✓) the relevant box.

2. In case both the boxes are marked as (✓), your ballot paper shall be treated as "Rejected".

I/we hereby exercise my/our vote in respect of the below resolutions through ballot by conveying my/our assent or dissent to the resolution(s) by placing tick (✓) mark in the appropriate box below.

Special Business/Resolution	No. of Ordinary shares for which vote cast	I/We assent to the Special Resolution (FOR)	I/We dissent to the Special Resolution (AGAINST)
a) <b>"RESOLVED THAT</b> the transactions carried out in normal course of business with associated companies/related parties as disclosed in Note No. 44 of the audited financial statements for the year ended June 30, 2025 be and are hereby ratified and approved."			
b) <b>"RESOLVED THAT</b> the Chief Executive Officer of the Company be and is hereby authorized to approve all the transactions carried out and to be carried out in normal course of business with associated companies/related parties during the ensuing year ending June 30, 2026 and in this connection the Chief Executive Officer be and is hereby also authorized to take any and all necessary actions and sign/execute any and all such documents/indentures as may be required in this regard on behalf of the Company."			

Signature of shareholder(s)

Place

Date

Stamp in case of Corporate Shareholder

#### NOTES/PROCEDURE FOR SUBMISSION OF BALLOT PAPER:

- Duly filled and signed original postal ballot should be sent to the Chairman, at above-mentioned postal or email address.
- Copy of CNIC/Passport (in case of foreigner) should be enclosed with the postal ballot form.
- Postal ballot forms should reach chairman of the meeting on or before October 23, 2025 during working hours (i.e. by 5:00 p.m.). Any postal ballot received after this date, will not be considered for voting.
- Signature on postal ballot should match the signature on CNIC/Passport (in case of foreigner).
- Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot papers will be rejected.
- In case of representative of Body Corporate and Corporation, postal ballot must be accompanied with copy of CNIC of authorized person, along with a duly attested copy of Board Resolution, Power of Attorney, or Authorization Letter in accordance with Section(s) 138 or 139 of the Companies Act, 2017, as applicable, unless these have already been submitted alongwith the Proxy Form. In case of foreign body corporate, all documents must be attested from the Counsel General of Pakistan having jurisdiction over the member.
- Ballot paper has also been placed on the website of the Company [www.meritpack.com](http://www.meritpack.com). Members may download the ballot paper from the website or use original/photocopy as published in newspapers.



## میرٹ پیکیجنگ لمیٹڈ

رجسٹرڈ آفس: ٹیکس اسکوائر بلڈنگ نمبر 2، سرو شہید روڈ، کراچی۔ 74200  
رابطہ: +92 21 38400000 ویب سائٹ: www.meritpack.com

### بیلٹ پیپر برائے ووٹنگ بذریعہ ڈاک

برائے ووٹنگ بابت انتخابات بموقع 45 واں سالانہ اجلاس عام برائے میرٹ پیکیجنگ لمیٹڈ جو کہ الیکٹرانک ذرائع روڈ پوائنٹ سہولت کے ذریعہ بھی ہوگا۔ بروز جمعہ، 24 اکتوبر 2025 کو بوقت سہ پہر 03:30 بجے بمقام آئی سی اے پی آڈیٹوریم، چارٹرڈ اکاؤنٹنٹس ایونیو، بلاک 8 کانٹینر، کراچی۔  
چیز مین کا متعلقہ ای میل ایڈریس جس پر باقاعدہ شدہ بیلٹ پیپر بھیجے جاسکتے ہیں:  
برنس ایڈریس: میرٹ پیکیجنگ لمیٹڈ، ٹیکس اسکوائر بلڈنگ نمبر 2، سرو شہید روڈ، کراچی۔ 74200۔ پاکستان۔  
برائے توجہ: کمپنی سیکریٹری  
ای میل ایڈریس: chairman@meritpack.com

شیر ہولڈر / جوائنٹ شیر ہولڈر کا نام	
شیر ہولڈر (ز) کا رجسٹرڈ ایڈریس	
تحویل میں موجود شیرز کی تعداد (بتاریخ 16 اکتوبر 2025)	
فولیو نمبر اسی ڈی سی اکاؤنٹ نمبر	
CNIC/ پاسپورٹ نمبر (غیر ملکی ہونے کی صورت میں کاپی منسلک کی جائے)	
اضافی معلومات اور متعلقہ دستاویزات (باڈی کارپوریٹ، کارپوریشن یا فیڈرل گورنمنٹ کے نمائندے کی صورت میں)	

پول کے لیے ہدایات
1. براہ کرم متعلقہ باکس پر (✓) کا نشان لگا کر اپنے ووٹ کی نشاندہی کریں۔
2. اگر دونوں خانوں پر (✓) کا نشان لگایا گیا ہے، تو آپ کے بیلٹ پیپر کو "مسترد" سمجھا جائے گا۔
میں/ ہم ذیل کی قراردادوں کے سلسلے میں اپنی رضامندی/ اختلاف کا اظہار بیلٹ پیپر کے متعلقہ خانے میں (✓) کا نشان لگا کر کرتے ہیں۔

نمبر شمار	قرارداد کا عنوان اور متن	آرڈینری شیرز کی تعداد کہ جن کی بنیاد پر ووٹ ڈالا گیا	میں رہم قرارداد کے حق میں ہیں (رضامند)	میں رہم قرارداد کے حق میں نہیں ہیں (خلاف)
1.	(الف) "قرارداد جاتا ہے کہ منسلکہ کمپنیوں/متعلقہ فریقوں کے ساتھ کاروباری معمول کی سرگرمیوں کے دوران کیے گئے لین دین، جیسا کہ 30 جون 2025 کو ختم ہونے والے مالی سال کے آڈٹ شدہ مالیاتی گوشواروں کے نوٹ نمبر 44 میں بیان کیا گیا ہے، کی توثیق اور منظوری دی جاتی ہے۔" (ب) "قرارداد جاتا ہے کہ کمپنی کے چیف ایگزیکٹو آفیسر کو اختیار دیا جاتا ہے کہ وہ منسلکہ کمپنیوں/متعلقہ فریقوں کے ساتھ معمول کی کاروباری سرگرمیوں کے دوران کیے گئے اور کیے جانے والے تمام لین دین 30 جون 2026 کو ختم ہونے والے مالی سال تک منظور کریں، اور اس سلسلے میں چیف ایگزیکٹو آفیسر کو یہ بھی اختیار دیا جاتا ہے کہ وہ کمپنی کی جانب سے تمام ضروری اقدامات کریں اور ایسے تمام دستاویزات/ معاہدوں پر دستخط یا عمل درآمد کریں۔"			

دستخط شیر ہولڈر	جگہ	تاریخ	کارپوریٹ شیر ہولڈر ہونے کی صورت میں مہر
نوٹ: بیلٹ پیپر جمع کرانے کا طریقہ کار			
1. باضابطہ طور پر مکمل کردہ، دستخط شدہ اور بجنل بیلٹ پیپر، چیز مین کے اوپر دیے گئے پوسٹل یا ای میل ایڈریس پر بھیجے ہوئے۔			
2. بیلٹ پیپر فارم کے ساتھ CNIC/ پاسپورٹ (غیر ملکی ہونے کی صورت میں) کی کاپی منسلک کی جائیگی۔			
3. پوسٹل بیلٹ فارم اجلاس کے چیز مین کے پاس اوقات کار کے دوران 23 اکتوبر 2025 (شام 5:00 بجے تک) یا اس سے قبل پہنچ جانا چاہیے۔ اس وقت اور تاریخ کے بعد موصول ہونے والے پوسٹل بیلٹ ووٹنگ کے لئے کارآمد نہیں ہوں گے۔			
4. پوسٹل بیلٹ پیپر پر موجود دستخط/ CNIC/ پاسپورٹ (غیر ملکی ہونے کی صورت میں) پر موجود دستخط جیسے ہونے چاہئیں۔			
5. نامکمل، دستخط کے بغیر، غلط، خراب، پھٹے ہوئے، کٹے ہوئے یا مٹائے ہوئے یا مٹا کر لکھے ہوئے بیلٹ پیپر زمنسوخ سمجھے جائیں گے۔			
6. باڈی کارپوریٹ یا کارپوریشن کے نمائندے کی صورت میں پوسٹل بیلٹ پیپر کے ساتھ مجاز شخص کے CNIC کی کاپی، بورڈ کی تصدیق شدہ کاپی، پاور آف اٹارنی، مختار نامہ وغیرہ کی تصدیق شدہ کاپی (جیسی ضرورت ہو اس کے تحت) کمپنیز ایکٹ 2017 کے سیکشن 138 یا 139 کے تحت منسلک ہونا ضروری ہے۔ غیر ملکی کارپوریٹ باڈی ہونے کی صورت میں تمام دستاویزات ممبران کے قانونی اختیار کے دائرے میں آنے والے کنسل جزل آف پاکستان سے تصدیق شدہ ہونا لازمی ہیں۔			
7. بیلٹ پیپر کمپنی کی ویب سائٹ https://www.meritpack.com پر موجود ہیں۔ ممبران ویب سائٹ سے بیلٹ پیپر ڈاؤن لوڈ کر سکتے ہیں یا اخبارات میں شائع کردہ اصل یا اسکی فوٹو کاپی بھی استعمال کی جاسکتی ہے۔			

