



**First Quarterly Report (Un-Audited)**  
**September 30, 2025**



## **DIRECTOR'S REPORT**

The Board of Directors of SG Allied Businesses Limited is pleased to present the First Quarterly Financial Statements of the Company for the period ended **September 30, 2025**.

### **FUTURE OUTLOOK**

ALHAMDOLILLAH, the performance of the company during the first quarter under review has been on track of growth. The Company has reported the Profit in current period September 30, 2025 as business activities of SG Allied Businesses Limited is growing, management is hopeful of increased sale of the company in future.

During the period, under review, the Company has suffered a profit of Rs. 189,345 whereas, for the corresponding period the Profit was Rs. 2,744,087. The accumulated loss as on September 30, 2025 stood at Rs. 789.992 million.

### **FINANCIAL RESULTS**

Financial results show a continuous upward trend in sales from vertical farming, Mushrooms Production and cold storage earnings and renting of warehouse. Company has further launched mushroom project of white button mushrooms successfully and as a result white button mushroom production has started. It is planned to enhance production and one more hydroponic room for mushroom production will be added soon.

It is further added that the Company has started purchasing power from K-E electric instead of its associated company M/s SG Power Limited. As a result, the Company has been able to achieve increase its production and resultantly achieve increase in sales. New Products like Hydroponic fodder, edible flowers, more variety of Micro green will further result in increased sale as Company now has large network of sale markets and restaurants.

### **ACKNOWLEDGEMENT.**

The directors of our Company offer their sincere gratitude to the shareholders for their support and assistance. The directors also thank employees of the Company for their dedication and hard work and hope to get the same cooperation from them in future.

Karachi October 29, 2025

On behalf of the Board of  
Directors

A handwritten signature in blue ink, appearing to read 'Sohail Ahmed'.

**Sohail Ahmed**  
**Chief Executive**

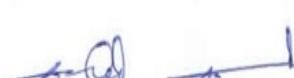
# SG ALLIED BUSINESSES LIMITED

## Statement of Financial Position

As at September 30, 2025

ASSETS	Note	Un-Audited	Audited
		Sep-25	Jun-25
<b>Non-Current Assets</b>			(Amounts in PKR)
Property, plant and equipment	5	1,424,401,351	1,407,999,100
Investment property	6	61,893,646	58,798,963
Long term deposits		95,714	95,714
Total Non-Current Assets		1,486,390,711	1,466,893,777
<b>Current Assets</b>			
Stock in trade	7	3,907,119	5,458,780
Loans, advances, prepayments and other receivables	8	60,437,304	53,777,305
Cash and bank balances	9	631,498	280,418
Total Current Assets		64,975,921	59,516,503
<b>Total Assets</b>		<b>1,551,366,632</b>	<b>1,526,410,280</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Authorized share capital			
15,000,000 (2024:15,000,000) Ordinary shares of Rs.10 each		<b>150,000,000</b>	<b>150,000,000</b>
<b>Share capital</b>			
Issued, subscribed and paid-up capital	10	150,000,000	150,000,000
<b>Capital Reserves</b>			
Share premium		337,400,000	337,400,000
Surplus on revaluation of fixed assets	11	1,224,872,373	1,226,069,811
<b>Revenue Reserves</b>			
Accumulated (loss)		(789,992,905)	(791,379,687)
Total Equity		922,279,468	922,090,124
Loan from Directors - subordinated loan	12	347,439,096	325,901,754
		347,439,096	325,901,754
<b>Non-Current Liabilities</b>			
Deferred liabilities	13	63,701,311	64,190,405
Total Non Current Liabilities		63,701,311	64,190,405
<b>Current Liabilities</b>			
Creditors, accrued and other liabilities	14	123,616,473	119,897,712
Mark up on short term and long term loan	15	20,617,394	20,617,394
Loan from associated undertaking	16	71,422,097	71,422,097
Provision for taxation		2,290,794	2,290,794
Total Current Liabilities		217,946,758	214,227,997
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,551,366,632</b>	<b>1,526,410,280</b>
Contingencies and commitments	17	-	-

The annexed notes from 1 to 37 form an integral part of these financial statements.



Chief Executive



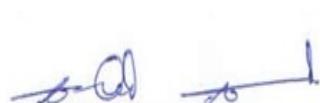
Director



Chief Financial Officer

**SG ALLIED BUSINESSES LIMITED**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Quarter ended on SEP 30, 2025**

		Un-Audited	Audited
		Sep-25	Sep-24
TURNOVER	Note	(Amounts in PKR)	
Sales	18	21,628,272	20,784,416
Less: Cost of sales	19	(8,553,617)	(3,491,136)
Gross Profit		13,074,655	17,293,280
OPERATING EXPENSES			
Administrative and selling expenses	20	(39,297,099)	(41,514,076)
Total Operating Expenses		(39,297,099)	(41,514,076)
Operating (loss)		(26,222,445)	(24,220,796)
Other income	21	26,927,565	24,572,128
Financial charges	22	(26,681)	(15,255)
Profit/(Loss) before Levy and Taxation		678,439	336,077
Levy	23	-	-
Profit/(Loss) before taxation		678,439	336,077
Taxation			
Taxation	24	(489,094)	2,408,010
Total Taxation		(489,094)	2,408,010
<b>(Loss) After Taxation</b>		<b>189,345</b>	<b>2,744,087</b>
OTHER COMPREHENSIVE INCOME			
Net Profit/(Loss) for the year		189,345	2,744,087
Remeasurement of staff retirement benefits-net of tax	13		-
<b>Total Comprehensive (Loss) For The Year</b>		<b>189,345</b>	<b>2,744,087</b>
(Loss) per Share - Basic and Diluted		0.01	0.18



Chief Executive



Director

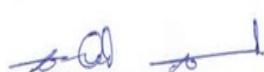


Chief Financial Officer

**SG ALLIED BUSINESSES LIMITED**  
**Statement of Changes in Equity**  
**For the month Ended September 2025**

Particulars	Share Capital	Capital Reserves		Revenue Reserve	Total
	Issued, Subscribed and Paid-up capital	Share Premium	Revaluation Surplus	Accumulated loss	
	(Amounts in PKR)				
Balance as at June 30, 2024	150,000,000	337,400,000	1,231,111,655	(782,202,292)	936,309,363
Comprehensive Income for the Year					
(Loss) for the year June 30, 2025	-	-	-	(15,169,556)	(15,169,556)
Other comprehensive income	-	-	-	950,317	950,317
Total comprehensive (loss) for the year	-	-	-	(14,219,239)	(14,219,239)
Transferred on account of incremental depreciation- net of tax	-		(5,041,843)	5,041,843	-
Balance as at June 30, 2025	150,000,000	337,400,000	1,226,069,812	(791,379,688)	922,090,124
Comprehensive Income for the Year					
Profit for the month Sept 30, 2025	-	-	-	189,345	189,345
Other comprehensive income	-	-	-	-	-
Total comprehensive (loss) for the year	-	-	-	189,345	189,345
Transferred on account of incremental depreciation-net of tax	-	-	(1,197,438)	1,197,438	-
<b>Balance as at September 30, 2025</b>	<b>150,000,000</b>	<b>337,400,000</b>	<b>1,224,872,374</b>	<b>(789,992,905)</b>	<b>922,279,469</b>

The annexed notes from 1 to 37 form an integral part of these financial statements.



Chief Executive



Director

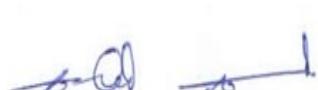


Chief Financial Officer

**SG ALLIED BUSINESSES LIMITED**  
**Statement of Cash Flows**  
**For the month Ended September 2025**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Un-Audited</b>	<b>Audited</b>
	<b>Sep-25</b>	<b>Sep-24</b>
	<b>(Amounts in PKR)</b>	
(Loss) before taxation	678,439	336,076
<b>Adjustment for non cash items:</b>		
Depreciation	3,461,875	3,242,441
Gratuity expense	-	-
Finance charges	26,681	15,255
Operating profit Before Working Capital Changes	4,166,995	3,593,772
<b>Changes in working capital</b>		
<b>(Increase) / decrease in current assets</b>		
Stock in trade	1,551,661	(4,809,481)
Loans, advances, prepayments and other receivables	(7,037,493)	(2,126,648)
<b>Increase / (decrease) in current liabilities</b>		
Creditors, accrued and other liabilities	320,941	(2,037,680)
Total Changes In Working Capital	(997,896)	(5,380,036)
Income tax paid	(489,094)	(1,587,232)
Financial charges paid	(26,681)	(15,255)
Total	(515,775)	(1,602,487)
Net Cash (Outflow) From Operating Activities	(1,513,671)	(6,982,524)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure	(17,444,249)	(457,800)
Addition in capital work in progress	(1,989,975)	-
Net Cash (Outflow) From Investing Activities	(19,434,224)	(457,800)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loan from Directors	21,537,342	7,462,862
Net cash inflow from financing activities	21,537,342	7,462,862
Net increase/(decrease) in cash and cash equivalents	589,447	22,539
Cash and cash equivalents at beginning of the year	42,052	19,513
<b>Cash and cash equivalents at end of the year</b>	<b>631,498</b>	<b>42,052</b>

The annexed notes from 1 to 37 form an integral part of these financial statements.



Chief Executive



Director



Chief Financial Officer

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

Note	LEGAL STATUS AND BUSINESS ACTIVITY OF THE COMPANY				
1	<p><b>1.1</b> S.G Allied Businesses Limited (the Company) is a public limited company incorporated in the year 1957 under the repealed Companies Act, 1913 (repealed with the enactment of the Companies Ordinance, 1984, and thereafter, with the enactment of the the Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange Limited.</p> <p>The principal activities of the company are warehousing, cold storage, farming of mushrooms and herbs. (The Company have no agriculture harvesting, no tree plantation, no living plant, and no biological assets.)</p> <p>Mushrooms and herbs are neither a tree plant nor living animal, nor agriculture cropping and neither biological assets. They are consumed in one season and have no future economic benefits.</p> <p>Mushrooms and herbs are a type of tiny herbs or fungus with soft non-woody stems and not agriculture produce. They grow easily from seeds, complete their life cycle in only one seasons that last for two to three months and have no branches.</p> <p>Geographical location and addresses of major business units including mills/plants of the Company are as under:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 5px;"><b>Karachi</b></th><th style="text-align: left; padding: 5px;"><b>Purpose</b></th></tr> </thead> <tbody> <tr> <td style="padding: 5px;">B-40, S.I.T.E., Karachi</td><td style="padding: 5px;">The registered office and rental purpose for cold storage and vertical farming.</td></tr> </tbody> </table>	<b>Karachi</b>	<b>Purpose</b>	B-40, S.I.T.E., Karachi	The registered office and rental purpose for cold storage and vertical farming.
<b>Karachi</b>	<b>Purpose</b>				
B-40, S.I.T.E., Karachi	The registered office and rental purpose for cold storage and vertical farming.				
1.2	<p><b>Going Concern:</b></p> <p>The accumulated loss of the Company has reached to Rs. (791.379) million as at June 30, 2025 (2024: Rs. 782.2 million). The current liabilities of the Company have exceeded it's current assets by Rs. 154.711 million (2024: 165.399 million). These conditions indicate the existence of a material uncertainty that may cast significant doubt on Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. The management has taken initiatives for the revival of the Company and developed new diversified business strategy, extended its business activities , providing cold storage facilities and dealing in mushrooms and herbs produces. The management believes that with the imporvement in the economic condition of the country, the Company's business will accelarate and generate enough funds to discharge the liabililites. Moreover, the sponsor Directors will provide the finance to the Company as and when needed. Thus, these financial statements have been prepared under the going concern assumptions.</p>				
Note	BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES				
2	<p>This interim financial information of the company for the half year ended December 31, 2017 is un-audited and has been prepared in accordance with the requirements of the International Accounting standard 34- 'Interim Financial Reporting' and provisions of and directives issued under the companies ordinance 1984 (the Ordinance). In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed. The figures for the half year ended December 31, 2017 have, however, been subjected to limited scope review by the auditors as required by the Code Of Corporate Governance. This interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30,2017.</p>				

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

<b>2.1 Statement of compliance</b>	<p>These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:</p> <ul style="list-style-type: none"> <li>- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;</li> <li>- Provisions of and directives issued under the Companies Act, 2017.</li> </ul> <p>Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.</p>
<b>2.2 Basis Of Measurement</b>	<p>These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.</p>
<b>2.3 Functional and presentation currency</b>	<p>These financial statements are presented in Pak Rupees (Rs/Rupees), which is the functional currency of the Company. Amounts presented in the financial statements have been rounded off to the nearest of Rs./Rupees, unless otherwise stated.</p>
<b>2.4 Key judgements and estimates</b>	<p>The preparation of financial statements in confirmation with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition it require management to exercise judgement in the process of applying the company's accounting policies. The area involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes and related primarily to;</p> <ul style="list-style-type: none"> <li>- Useful lives, residual values and depreciation method of Property, plant and equipment (refer note 4.1 &amp; 5)</li> <li>- Useful lives, residual values and depreciation method of investment property (refer note 4.2 &amp; 6)</li> <li>- Impairment loss of non financial assets other than stock in trade (refer note 4.6)</li> <li>- Fair value of investment property( refer note 4.2 &amp; 6)</li> <li>- Fair value of biological assets( refer note 4.4)</li> <li>- Provision for expected credit loss (refer note 4.8)</li> <li>- Obligation of defined benefit obligation( refer note 4.13 &amp; 14.1)</li> <li>- Estimation of provisions (refer note 4.19)</li> <li>- Estimation of contingent liabilities (refer note 4.17 and 20)</li> <li>- Current income tax expense, provision for current tax recognition of deferred tax ( refer note 4.12 &amp; 26)</li> </ul>

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

<b>Note</b>	<b>Change in accounting standards, interpretations and amendments to published accounting and reporting standards</b>	
<b>3</b>	<b>3.1 Standards, amendments to published standards and interpretations that are effective in the current year</b>	
	There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements.	
<b>3.2</b>	<b>Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company</b>	
	The following standards, amendments and interpretations are only effective for accounting periods, beginning or after the date mentioned against each of them. These standards interpretations and the amendments 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.	
	Amendments to IAS 21 "The effects of changes in foreign exchange rates" - Lack of exchangeability	1-Jul-25
	Amendments to IAS 7 "Statement of Cash-Flows" and IFRS 7 "Financial Instrument Disclosure" - Supplier Finance Arrangements.	1-Jan-26
	Amendments IFRS 9 and IFRS 7 regarding the power purchase agreements.	1-Jan-26
	Annual Improvements to IFRS Accounting Standards - Volume 11	1-Jan-26
	IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information.	1-Jul-27
	IFRS S2 Climate related Disclosures.	1-Jul-27
	Amendments to IFRS 7 "Financial Instruments - Disclosures and IFRS 9 "Financial Instruments - Classification and Measurements of Financial Instruments.	1-Jan-26
	Standard IFRS 17 Insurance Contracts.	1-Jan-27
	Amendments to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.	Deferred Indefinitely
	Other than the aforesaid amendments, the International Accounting Standard Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan.	
	- IFRS 1 First Time Adoption of International Financial Reporting Standard.	
	- IFRS 18 Presentation and Disclosures in the Financial Statements.	
	- IFRS 19 Subsidiaries without Public Accountability Disclosures.	

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

<b>Note</b>	<b>MATERIAL ACCOUNTING POLICY INFORMATION</b>
<b>4</b>	The material accounting policies set out below have been applied consistently to all periods presented in these financial statements, except the following:
<b>4.1</b>	<b>Property and equipment</b>
a)	Items of property and equipment, other than freehold land, buildings on freehold land and capital work-in-progress, are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at revalued amount whereas buildings on freehold land, are stated at revalued amounts less accumulated depreciation and any identified impairment loss. Borrowing costs are also capitalized for the period up to the date of commencement of commercial production of the respective plant & machinery, acquired out of the proceeds of such borrowings.  Any revaluation increase arising on the revaluation of land, buildings is recognized in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property 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 is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property 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 of land and buildings to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.
b)	Depreciation is charged to income applying diminishing balance method at the rates specified in note 5.
c)	Depreciation is charged on assets from the month of purchase or from the month of commercial production for additions in respect of additions made during the year while proportionate depreciation is charged on assets disposed off during the year till the month of disposal.
d)	Major renewals and replacement are capitalized.
e)	An item of property and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an item of property plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and as recognised on as other income in the statement of profit or loss. In the case of derecognition of a revalued property, the attributable revaluation surplus remaining on the surplus on revaluation is transferred directly to the unappropriated profit.
	<b>Judgements and estimates</b>
	The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimates accounted for on a prospective basis.
	<b>Impairment</b>
	An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.
	<b>Capital work-in-progress</b>
	Capital work-in-progress is stated at cost less impairment loss (if any).

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

<b>4.2</b>	<b>Investment property</b>
	Investment property which is property held to earn rentals is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and any impairment loss.
	The fair value of investment property is determined at the end of each period using current market prices for comparable real estate, adjusted for any differences in nature, location and condition.
<b>Judgement and estimates</b>	
	The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis. Further, determining adjustments for any differences in nature, location and condition of the investment property involves significant judgement.
<b>4.3</b>	<b>No Biological assets ( IAS 41 Not Applicable)</b>
	<p>There are no biological assets, as the Company is not engaged in agriculture harvesting, no tree plantation, nor having living plants, hence, there is no need for the biological assets.</p> <p>Biological assets are living plants or animals, those an entity manages for agricultural purposes, such as raising livestock or cultivating crops, and are characterized by biological transformation (growth, degeneration, production, and procreation). They are generally measured at fair value less costs to sell, with changes recognized in profit or loss, though an exemption exists if fair value cannot be reliably determined.</p> <p>Mushrooms and herbs are neither tree plants, nor living animals, no agriculture cropping and hences, not classified as biological assets. They are consumed in one season and have no future economic benefits</p> <p>Accordingly, the Company's business activities fall outside the scope of AS 41, and it is not applicable to the Company's business activities.</p>
<b>4.4</b>	<b>Trade and other receivables</b>
	Trade debts and other receivables represents the company's right to an amount of consideration (i.e., only the passage of time is required before payment of the consideration is due).
<b>4.5</b>	<b>Cash and cash equivalent</b>
	Cash and cash equivalents on the statement of financial position comprises cash at banks and on hand. For cash flow statement, cash and cash equivalents comprise cash on hand and deposit held with banks.

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

<b>4.6</b>	<b>Impairment of non-financial assets</b>
	At each reporting date, the Company reviews the carrying amounts of its non financial assets (other than investment property, biological assets, stock in trade and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.
	The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss.
	An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The increase in the carrying amounts shall be treated as reversals of impairment losses for individual assets and recognized in profit or loss unless the asset is measured at revalued amount. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.
<b>4.7</b>	<b>Financial instruments</b>
<b>4.7.1</b>	<b>Financial assets</b>
	The Company classifies its financial assets at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.
<b>4.7.1.1</b>	<b>Financial assets at amortised cost</b>
	Financial assets at amortised cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on de-recognition are recognised directly in profit or loss.
<b>4.7.1.2</b>	<b>Financial assets at fair value through other comprehensive income</b>
	Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

# SG ALLIED BUSINESSES LIMITED

## Notes To The Financial Statements

### For the month Ended September 2025

#### 4.7.1.3 Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises.

Financial assets are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently premeasured to fair value, amortized cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the profit or loss for the period in which it arises.

Equity instrument financial assets / mutual funds are measured at fair value at and subsequent to initial recognition. Changes in fair value of these financial assets are normally recognised in profit or loss. Dividends from such investments continue to be recognised in profit or loss when the Company's right to receive payment is established. Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade debtors, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

#### 4.7.2 Financial liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

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

#### 4.8 Off setting of financial assets and liabilities

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

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<b>4.9</b>	<b>Trade and other payables</b>
	Liabilities for trade and other payables are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.
<b>4.10</b>	<b>Compensated absences</b>
	The company accounts for these benefits in the period in which the absences are
<b>4.11</b>	<b>Share capital</b>
	Share capital is classified as equity and recognized at the face value. Incremental costs net of tax and directly attributable to the issue of new shares are shown as a deduction in equity.
<b>4.12</b>	<b>Income tax and levy</b>
	<p><b>Current</b></p> <p>Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.</p> <p>Deferred tax assets are recognised for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and unused tax losses and credits.</p>
	<p><b>Levy</b></p> <p>Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.</p>
	<p><b>Judgements and estimates - Deferred tax</b></p> <p>Significant judgment is required on determining the income tax expenses and provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various forums. The Company recognizes liabilities are the anticipated tax issues based on estimates on whether additional taxes will be due. Where the final tax outcome of these matters is different from the amount that are initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.</p> <p>Further, the carrying amount of the deferred tax asset is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profit. If required, carrying amount of the deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit to allow the benefit of part of all that recognized deferred tax assets to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.</p>
	<p><b>Off-setting</b></p> <p>Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.</p>

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<b>4.13</b>	<b>Staff retirement benefits</b>
	<p><b>Defined benefit plan</b></p> <p>The Company operates an unfunded gratuity scheme covering all eligible employees. A defined benefit plan is a plan that is not a defined contribution plan. The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligations at the end of the reporting period. The defined benefit obligations are calculated annually by independent actuary using the projected unit credit method.</p> <p>The present value of the defined benefit obligations are determined by discounting the estimated future cash outflows. These are denominated in the currency in which the benefits will be paid. Remeasurement gain/losses are recognised in other comprehensive income.</p>
	<p><b>Judgements and estimates</b></p> <p>In determining the liability for long-service payments management must make an estimate of salary increases over the following years, discounts rate to use in the present value calculation and the number of employees expected to leave before they receive the benefits.</p>
<b>4.14</b>	<b>Revenue recognition</b>
	<p>Revenue from contracts with customers is recognised at the point in time when performance obligation is satisfied i.e. control of the goods is transferred to the customers at an amount that reflects the consideration to which the Company expects to be entitled to on exchange of those goods.</p> <p>a) Sale of mushrooms and herbs products is recognized when controls of goods are transferred to the customer and invoice is generated.</p> <p>b) Service income on cold storage and ware house is recognized on accrual basis.</p> <p>c) Other income comprises of rental income and the same is recognized on accrual basis.</p>
<b>4.15</b>	<b>Foreign exchange translation</b>
	<p>Transactions in foreign currencies are accounted for in Pakistani Rupees at the foreign exchange rates prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies, except for those covered under forward foreign exchange contracts, if any, are retranslated into Pak Rupees at the foreign exchange rates approximately those prevailing at the reporting date. Forward foreign exchange contracts, if any, are translated at contracted rates exchange differences, if any, are charged on statement of profit or loss.</p>
<b>4.16</b>	<b>Borrowing cost</b>
	<p>Borrowing costs are recognized as an expense on 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 cost, if any, are capitalized as part of the cost of the asset.</p>
<b>4.17</b>	<b>Contingent liabilities</b>
	<p>Contingent liability is disclosed when:</p>
<b>4.17.1</b>	<p>There is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.</p>
<b>4.17.2</b>	<p>There is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.</p>

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<b>4.18</b>	<b>Dividend distribution</b>
	Dividend distribution to the Company's shareholders is recognized as liability on the period in which the dividends are approved by the company's shareholders.
<b>4.19</b>	<b>Provisions</b>
	Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.  As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amount of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of the cost of an asset.
<b>4.20</b>	<b>Segment reporting</b>
	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 relates to transactions with any of the company's other components. The company has only four reportable segments.
<b>4.21</b>	<b>Related party transactions</b>
	Transactions with related parties are based at arms' length at normal commercial rates on the same terms and conditions as applicable to third party transactions.
<b>4.22</b>	<b>Basic and diluted earnings per share</b>
	The company presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.
<b>4.23</b>	<b>Reclassification</b>
	During the year the Institute of Chartered Accountant of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum tax (which is not adjustable against future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax.  Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) — 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the statement of financial position, the statement of changes in equity, the statement of cash flows and earning per share as a result of this change.

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Note	PROPERTY, PLANT AND EQUIPMENT					Sep-25	Jun-25	Book Value As at June 30, 2025	Rate %		
						(Amounts in PKR)					
	Property, plant and equipment					5.1	1,418,089,492	1,404,382,734			
	Capital work in progress					5.4	5,606,341	3,616,366			
	Total						1,423,695,833	1,407,999,100			
Note	PROPERTY, PLANT & EQUIPMENT	C O S T			D E P R E C I A T I O N			Book Value As at June 30, 2025	Rate %		
5.1		As at July 1, 2025	Addition During the period	As at September 30, 2025	As at July 1, 2025	Charge for the Period	As at September 30, 2025				
	Leasehold land	1,168,960,000	-	1,168,960,000	-	-	-	1,168,960,000	0%		
	Building on leasehold land	273,190,195	-	273,190,195	167,256,009	1,324,177	168,580,187	104,610,008	5%		
	Cold storage	25,531,932	-	25,531,932	5,835,601	246,204	6,081,805	19,450,127	5%		
	Vertical farm	109,159,893	-	109,159,893	6,717,254	1,280,533	7,997,787	101,162,106	5%		
	Plant and machinery	835,112		835,112	569,452	3,321	572,773	262,339	5%		
	Factory equipment	10,303,720	-	10,303,720	9,526,763	19,424	9,546,187	757,533	10%		
	Office equipment	20,166,714	193,024	20,359,738	18,296,828	51,573	18,348,401	2,011,337	10%		
	Motor vehicles	13,035,155	-	13,035,155	12,982,107	2,652	12,984,759	50,396	20%		
	Furniture and fixtures	3,139,566		3,139,566	2,911,933	5,691	2,917,624	221,942	10%		
	Trolleys and fork lifters	4,242,562		4,242,562	4,090,482	3,802	4,094,284	148,278	10%		
	K-Electric sub station	4,277,428	116,495	4,393,923	952,180	86,044	1,038,224	3,355,699	10%		
	Solar Panel Pwoer house	-	17,134,730	17,134,730	-	428,368	428,368	16,706,362	10%		
	OTIS lifts	1,626,982		1,626,982	1,223,532	10,086	1,233,618	393,364	10%		
	<b>September 30, 2025</b>	<b>1,634,469,259</b>	<b>17,444,249</b>	<b>1,651,913,508</b>	<b>230,362,141</b>	<b>3,461,875</b>	<b>233,824,016</b>	<b>1,418,089,492</b>			
	June 30, 2025	1,631,207,390	3,261,869	1,634,469,259	217,436,763	12,649,761	230,086,524	1,404,382,740			

# SG ALLIED BUSINESSES LIMITED

## Notes To The Financial Statements

For the month Ended Sep-2025

Note	Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:			
5.2		<b>Location</b>	<b>Usage of property</b>	<b>Total Area (Sq feet)</b>
	a) Lease hold	B-40, SITE, Karachi	Owned Purpose	4.669 acres
	b) Building	B-40, SITE, Karachi	Rental & Owned Purpose	4.669 acres
5.2.1	During the year ended June 30, 2017, the Company transferred a portion of building to the investment property as 48.35% of the total space which has been leased out on rent.			
5.2.2	Had there been no revaluation, the written down values of specific classes of property, plant and equipment would have been as follows:			
	<b>Asset class</b>			<b>Rupees</b>
	Lease hold land			64,893,485
	Building			4,075,982
				<b>68,969,467</b>
5.2.2	<b>Forced sale value of revalued land and building</b>			
	<b>Asset class</b>			<b>Forced sale Value Rupees</b>
	Lease hold land			719,360,000
	Building			172,504,440
				<b>1,064,368,880</b>
5.2.3	The revaluation of land and building were performed by M/s. Sipra & Company (Pvt) Ltd. on June 30, 2023, who are independent valuer not related to the company. The revaluation of land was determined based on market comparable approach that reflects recent transaction prices of similar properties. The revaluation of building was determined on the estimated gross replacement cost, depreciated to reflect the residual service potential of the assets taking account of the age, condition and obsolescence. The fair value of assets subject to revaluation model fall under level 2 of fair value hierarchy.			

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Note	BREAKUP OF DEPRECIATION EXPENSE				Sep-25	Jun-25
					(Amounts in PKR)	
	Cost of good sold				865,469	3,162,440
	Administrative and selling expenses				2,596,406	9,487,321
	Total of depreciation expense				3,461,875	12,649,761

Note	CAPITAL WORK IN PROGRESS	Balance as on	Addition	Transferred to	Balance as on	Balance as on
		July 1, 2025	During the year	Operating Assets	June 30, 2025	30-Jun-25
	<b>Description</b>					
	CWIP - Mushroom	3,616,366	1,989,975	-	5,606,341	3,616,366
		3,616,366.00	1,989,975	-	5,606,341	3,616,366.00

Note	INVESTMENT PROPERTY	C O S T			D E P R E C I A T I O N			Carrying Value As at September 30, 2025	Rate %
		As at July 1, 2025	Addition During the period	As at September 30, 2025	As at July 1, 2025	Charge for the Period	As at September 30, 2025		
	Building	194,310,081	-	194,310,081	135,511,118	734,987	136,246,105	58,063,976	5%
	<b>June 30, 2025</b>	<b>194,310,081</b>	<b>-</b>	<b>194,310,081</b>	<b>135,511,118</b>	<b>734,987</b>	<b>136,246,105</b>	<b>58,063,976</b>	
	June 30, 2024	194,310,081	-	194,310,081	132,416,435	3,094,682	135,511,118	58,798,963	

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<b>Note</b>	<b>STOCK IN TRADE</b>	<b>Sep-2025 Un-Audited</b>		<b>June-2025 Audited</b>
		<b>(Amounts in PKR)</b>		
<b>7</b>	Vertical farm	7.1	1,355,718	1,193,718
	Diesel		210,532	108,726
	Fertilizer and other materials		2,127,167	3,885,936
	Packing material		213,702	270,399
	<b>Total Stock In Trade</b>		<b>3,907,119</b>	<b>5,458,780</b>
<b>7.1</b>	Vertical Farm include Mushrooms, Herbs, Edible Flowers, Fodder, Leaf Green and others.			
<b>Note</b>	<b>LOAN, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES</b>			
<b>8</b>	Loans and advances	8.1	41,741,740	37,051,394
	Prepayments	8.2	9,257,388	7,408,448
	Receivable from SG Power	8.3	9,438,176	9,317,463
	<b>Total Loan, Advances, Prepayments and Other Receivables</b>		<b>60,437,304</b>	<b>53,777,305</b>
<b>8.1</b>	<b>Loans and Advances</b>			
	Advance to Staff		392,500	463,000
	Advance income tax		21,047,583	19,840,600
	Account receivables-cold storage		2,060,975	1,700,230
	Account receivables-ware house		6,325,841	5,218,589
	Account receivables- vertical farm		6,913,309	5,703,229
	Income tax refundable-net		5,001,533	4,125,747
	<b>Total Loans And Advances</b>		<b>41,741,740</b>	<b>37,051,394</b>
<b>8.2</b>	<b>Prepayments</b>			
	Letter of guarantee		150,000	150,000
	Sales tax claim receivable-net		9,107,388	7,258,448
	<b>Total Prepayments</b>		<b>9,257,388</b>	<b>7,408,448</b>
<b>8.3</b>	<b>Receivable from SG Power</b>			
	Receivable from SG Power	8.3.1	17,937,947	17,817,234
	Less: Provision for receivable rent		(8,496,312)	(8,496,312)
	Less: Provision for doubtful debts		(3,459)	(3,459)
	<b>Total Receivable From Sg Power</b>		<b>9,438,176</b>	<b>9,317,463</b>
<b>8.3.1</b>	This includes receivable from S.G. Power Limited on account of rent and utilities of amounting to Rs. 17.9 million. However, as disclosed in notes 15, 16, and 17, a sum of Rs. 87.31 million is payable to S.G. Power Limited.			
<b>Note</b>	<b>CASH AND BANK BALANCES</b>			
<b>9</b>	Cash in hand		71,537	2,170
	Cash at bank- Current accounts		559,961	278,248
	<b>Total Cash And Bank Balances</b>		<b>631,498</b>	<b>280,418</b>

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<b>Note</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>	<b>Sep-2025 Un-Audited</b>	<b>June-2025 Audited</b>
		<b>(Amounts in PKR)</b>	
<b>10</b>	5,200,000 Ordinary shares of Rs. 10 each fully paid in cash	52,000,000	52,000,000
	5,415,610 Ordinary shares of Rs. 10 each as fully paid bonus	54,156,100	54,156,100
	2,384,390 Ordinary shares of Rs. 10 each as fully paid right	23,843,900	23,843,900
	2,000,000 Ordinary shares of Rs. 10 each fully paid in cash	20,000,000	20,000,000
	<b>Total</b>	<b>150,000,000</b>	<b>150,000,000</b>
<b>10.1</b>	<b>Shares held by the related parties of the company</b>		
	<b>Directors, CEO &amp; Spouses;</b>	<b>Number of Shares</b>	<b>Percentage Holding</b>
	Zubaida Khatoon	2,614,000	17.43%
	Mr. Sohail Ahmed	5,228,300	34.86%
	Mr. Asim Ahmed	500	0.00%
	Ghazala Ahmed	1,306,850	8.71%
	Saba Sohail	500	0.00%
<b>Note 11</b>	<b>REVALUATION SURPLUS ON PROPERTY, PLANT AND EQUIPMENT</b>		
	Revaluation surplus on property, plant and equipment	1,224,872,373	1,226,069,811
	<b>Total</b>	<b>1,224,872,373</b>	<b>1,226,069,811</b>
<b>11.1</b>	<b>Revaluation surplus on property, plant &amp; equipment</b>		
	Opening balance	1,275,902,143	1,283,003,331
	<b>Less: Transferred to unappropriated profit on account of:</b>		
	- incremental depreciation for the period	(1,686,532)	(7,101,188)
	<b>Total</b>	<b>1,274,215,611</b>	<b>1,275,902,143</b>
	<b>Related deferred tax of:</b>		
	Balance at beginning of the period/year	49,832,332	51,891,677
	Incremental depreciation for the period/year	(489,094)	(2,059,345)
	Incremental depreciation for the period/year		
	<b>Total</b>	<b>49,343,238</b>	<b>49,832,332</b>
	Balance at end of the period/year	1,224,872,373	1,226,069,811
<b>11.2</b>	During the financial year ended June 30, 2023 the Company revalued its leasehold land and buildings on leasehold land to replace the carrying amounts of these assets with their market values / depreciated market values. The revaluation was carried-out on June 30, 2023 by an independent qualified valuers namely M/s. Sipra & Company (Pvt) Ltd. The appraisal surplus arisen on these revaluations aggregates to Rs. 233.210 millions.		
<b>11.3</b>	The surplus on revaluation of fixed assets is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.		
<b>Note 12</b>	<b>LOAN FROM DIRECTOR- SUB ORDINATED LOAN</b>		
	Loan from directors (subordinated loan)	12.1	261,574,406
	Loan from directors	12.2	85,864,690
			347,439,096
<b>12.1</b>	This represents the expenses directly incurred by or the funds received through a banking channel from the Directors to meet the operational expenses of the Company. As per TR-32 (Director's Loan) issued by the ICAP, since the loan is interest free loan from sponsoring directors which is repayable at the discretion of the company therefore it is treated as equity.		

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<b>12.2</b>	This is interest free loan from sponsoring directors repayable at the discretion of the company therefore it is treated as equity as per TR-32 issued by the ICAP.
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<b>Note</b>	<b>DEFERRED LIABILITIES</b>	<b>Sep-2025 Un-Audited</b>	<b>June-2025 Audited</b>
		<b>(Amounts in PKR)</b>	
13	Staff retirement benefit-Gratuity	14,358,073	14,358,073
	Deferred tax liability attributable to revaluation surplus	49,343,238	49,832,332
	Total Deferred Liabilities	63,701,311	64,190,405
<b>13.1</b>	<b>Staff retirement benefit-Gratuity</b>		
<b>13.1.1</b>	<b>Changes in present value of defined benefit obligation</b>		
	Present value at the beginning of the year	-	11,071,310
	Current service cost	-	3,075,254
	Past Service Cost	-	-
	Interest cost on defined benefit obligation	-	1,549,983
	Benefits paid	-	-
	Gain and loss arising on plan settlements	-	-
	Remeasurements:	-	-
	Actuarial (gain)/losses from changes in demographic assumptions	-	-
	Actuarial (gain)/losses from changes in financial assumptions	-	(1,338,475)
	Present value at the end of the year	-	14,358,073
<b>13.1.2</b>	<b>The following amounts have been charged to statement of profit or loss during the year</b>		
	Current service cost	-	3,075,254
	Past Service Cost	-	-
	Interest cost on defined benefit obligation	-	1,549,983
		-	4,625,237
<b>13.1.3</b>	<b>Charge for the year has been allocated as under:</b>		
	Administrative expenses	-	4,625,237
<b>13.1.4</b>	<b>Total remeasurements chargeable in other comprehensive Income</b>		
	Actuarial gain from changes in financial assumptions	-	(1,338,475)
<b>13.1.5</b>	<b>Principal actuarial assumptions</b>		
	Contribution to the staff retirement benefit gratuity for the year 2025:	-	4,536,761
	The latest actuarial valuation for gratuity fund was carried out as at June 30, 2025 using the Projected Unit Credit Method (PUCM). The following significant assumptions used for the actuarial valuation:		
			<b>June 30,2025</b>
	Discount rate		12.5%
	Expected rate of increase in salary		12.5%
	Average retirement age of an employee		60
	Mortality rates		.....

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**13.1.6 Sensitivity analysis**

	Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected rate of salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:			
<b>Impact on defined benefit obligation</b>				
	<b>Changes in assumption %</b>			<b>Increase in assumption</b>
				<-----
Discount rate	plus (+) 100 bps			9,740,009
	minus (-) 100 bps			
Salary increase	plus (+) 100 bps			12,780,331
	minus (-) 100 bps			

**13.1.7** The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the staff retirement gratuity recognised within the statement of financial position.

	The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous method.			
<b>Historical information</b>	<b>2024</b>	<b>2023</b>		<b>2022</b>
Present value of defined benefit obligation	11,071,310	8,623,975		7,686,092
Experience adjustment on	-	-		-

**13.1.8 Maturity profile**

<b>Years:</b>				
Year 1	-	-		-
Year 2	-	-		-
Year 3	-	-		-
Year 4	-	-		-
Year 5	-	-		-
Year 5 & onwards	-	-		-
Weighted average duration	-	-		-

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

Note	Deferred Taxation	Sep-2025 Un-Audited	June-2025 Audited
		(Amounts in PKR)	
13.2	Deferred tax liability attributable to Revaluation Surplus	49,343,238	49,832,332
	<b>Deferred tax liability arising on taxable temporary differences due to:</b>		
	Accelerated tax depreciation	48,790,512	48,790,512
	<b>Deferred tax assets arising on deductible</b>		
	Loan, advances, prepayments and other receivable	-	-
	Provision for gratuity	(489,094)	(4,163,841)
	Unused tax losses	(58,278,589)	(58,278,589)
	Deferred tax assets-net	39,366,067	36,180,414
13.2.1	Deferred tax asset has not been recognized as management is of the view that future earnings to the extent of such asset may not be available.		
Note	CREDITORS, ACCRUED AND OTHER LIABILITIES		
14			
	Trade creditors	1,244,066	2,510,875
	Earnest money	189,006	189,006
	Security deposit payable	25,569,474	24,589,473
	Electricity bill payable	14.1	4,806,041
	Provision for sale tax liability	14.2	3,609,212
	Withholding tax payable	14.3	(3,476,472)
	Others	13,661,316	8,930,161
		49,079,115	45,360,354
	Due to associated undertaking	14.4	74,537,358
	Total Creditors, Accrued and Other Liabilities	123,616,473	119,897,712
14.1	These relates to payable of the associated undertaking S.G. Power Limited.		
14.2	This represent provision for sale tax liability on income from cold storage.		
14.3	These represents advance received from scrape buyers.		
14.4	These are unsecured and the late payment surcharge has been waived by the associated undertaking S.G. Power Limited.		
Note	MARK UP ON SHORT TERM AND LONG TERM LOAN		
15			
	Financial charges on loan from directors	9,963,151	9,963,151
	Accrued markup on long term loan payable to S.G.Power Limited	10,654,243	10,654,243
	Total mark up on Short Term and Long Term Loan	20,617,394	20,617,394
15.1	During the year ended 30 June 2019, the Board of Directors had decided in their meeting to charge the interest on outstanding balance of loan from directors from the beginning of the financial year. Therefore, an interest amounting to Rs. 9,963,151 was charged for three quarters. However, considering the financial position of the company, the directors forfeited the interest thereafter.		
Note	LOAN FROM ASSOCIATED UNDERTAKING		
16			
	SG Power Limited	71,422,097	71,422,097
16.1	This represents loan from S.G Power Limited ( the associated undertaking ) which is repayable on demand.		

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

Note	CONTINGENCIES AND COMMITMENTS			
17	17.1 CONTINGENCIES			
S.NO.	WRIT PETITION	FORUM	ISSUE INVOLVED	STATUS
1	Suite no 10 of 2000 Suite no 1296 of 2003	Sindh High Court	<p>A dispute is persisting between the company and National Bank of Pakistan regarding the alleged "Buy Back Agreement" and declaration of dividend. Brief facts of the dispute are that underwriting of public floatation of the shares of the company was jointly undertaken by National Bank of Pakistan and Allied Bank of Pakistan. National Bank of Pakistan agreed to underwrite 3,851,200 shares of Rs 10 each at a premium of Rs. 48.50 per share. However the Bank insisted to impose a condition on the sponsors to enter into a "Buy Back Agreement" in respect of the share underwritten by them. Corporate Law Authority (Securities and Exchange Commission of Pakistan) desired with their letter dated September 18, 1995 to furnish an unqualified underwriting commitment without any "Buy Back Agreement" and the NBP vide its letter dated October 27, 1994 confirmed that this condition will be deleted. The Corporate Law Authority through its various letter emphasized for unconditional arrangement.</p> <p>National Bank of Pakistan vide its letter No. CCD: BE 096/48 dated March 01, 1995 confirmed that they have no objection to the publication of the prospectus of the company in the newspaper also mentioning in the said letter that Bank has not made any buy back agreement with the sponsors or any other person. The prospectus of the Company published in the newspaper also contained this fact that "their underwriter has not entered any buy back/ repurchase agreement with the sponsors or any other person". After public floatation, National Bank of Pakistan imposed the alleged condition of declaration of dividend at the rate of 15 to 16 percent and the undertaking from the sponsors to buy back the shares of the Company after 3 years within a period of one year was also obtained by the bank. The Company declared dividend for 1996, 1997 and 1998 at 15 percent, 20 percent and 16 percent respectively. However, In this matter issues have been settled by the court and now the matter is at the stage of evidence of the parties. The management believes that, the company has a good arguable case and a decree is likely to be passed in its favour and as such there is no likelihood of unfavourable outcome or any potential loss on account of this litigation.</p>	Pending

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

S.NO.	WRIT PETITION	FORUM	ISSUE INVOLVED	STATUS
2	Suit No. 1296 of 2003	Sindh High Court	Subsequent to filing of the above suit, National Bank of Pakistan also filed a Suit No. 1296 of 2003 in the High Court of Sindh against the company and the sponsors seeking enforcement of "Buy Back Agreement" and payment of resultant amount with profit at 18 percent per annum from the date of suit till the payment by the company and a direction that shares of the company be sold in the market and the net sale proceeds be applied towards the adjustment of the decretal amount. In this suit, National Bank of Pakistan before the high court of Sindh for recovery of Rs. 288,466,438 and sale of 3,754,900 shares in the market at the risk of the defendants. This matter has been settled by the court and now the matter is at the stage of evidence of the parties. The company has reasonable defense in the matter and in our view, a favourable outcome is expected and there is less likelihood of any potential loss being suffered by the company on account of the above litigation. However, final outcome would depend on conclusion of the evidence led by respective parties in support of their case and the sponsors are confident that they will succeed in their case in view of their sound legal position.	
3	Special sales tax appeal No. 97 of 2004	Customs Appellate Tribunal, Bench, Karachi	<p>Two appeals bearing no. K-137/2008 and K-138/2008 both dated March 18, 2008 passed by the Collector of Sales Tax and Federal Excise (Appeals) Karachi is pending before the Customs Appellate Tribunal, Bench, Karachi.</p> <p>One appeal filed against the order of the Custom Appellate Tribunal before the High Court of Sind at Karachi for refund of sales tax along with additional tax that was deposited by the company under protest with Custom and Sales tax Appellate Tribunal. The matter is at the stage of hearing of cases. The management believes that, the company has a good arguable case and an there is no likelihood of unfavourable outcome of this litigation.</p>	Pending
4	Appeal under section 33	Appellate bench SECP Islamabad	Appeal u/s 33 of the SECP Act 1997, Directors-S.G. Allied Businesses Limited against the order dated March 19, 2021 of Additional Director, Adjudication Department-1, SECP , Islamabad, has been file before Appellate bench SECP and is pending adjudication. We are hopeful of favourable decision in favour of the company.	Pending
The management is of view that the aforesaid cases involve certain law points and there is every likelihood of having a favourable verdict in these matters.				
<b>17.2 Commitments</b>				
There are no commitments as at September 30, 2025 (September 30, 2024: nil)				

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

		Un-Audited	Audited
Note	SALES	September-25	September-24
18	Sale of mushrooms and herbs	19,579,756	18,487,204
	Service income from cold storage	2,048,516	2,297,213
	Total Sales	21,628,272	20,784,416
Note	COST OF SALES		
19	Electricity, gas, steam and water	1,139,520	1,482,608
	Packaging	408,260	669,054
	Salaries and wages	-	-
	Loader expense	1,899,134	870,000
	Pesticides and chemical	233,514	246,449
	Seeds	50,262	32,300
	Casing soil	722,538	782,072
	Testing	69,000	138,000
	Fertilizers	42,914	74,068
	Freight charges	1,021,740	317,863
	Compost bags	214,942	91,584
	Supplies and material	1,427,889	1,217,002
	Wheat straw	869,100	1,167,665
	Depreciation expense	454,804	284,788
	Cost of goods available for sale	7,001,956	7,373,453
	Add: Opening vertical farming	7	5,458,780
	Less: Ending inventory of vertical farming	(3,907,119)	(5,436,398)
	Total Cost of Sales	8,553,617	3,491,136
Note	ADMINISTRATIVE AND SELLING EXPENSES		
20	Directors' remuneration and amenities	1,515,000	1,515,000
	Salaries, allowances and benefits	15,122,877	14,715,769
	Wages expense	-	-
	Labour expenses	-	352,500
	Gratuity expense	-	-
	Electricity expense	10,624,142	9,208,819
	Water charges	1,077,734	1,074,296
	Insurance	-	-
	Advertisement expense	12,150	268,300
	Bad debts against recoverable from staff	128,000	-
	Sales commission expense	761,830	980,768
	Depreciation expense - Investing Property	6	-
	Depreciation expense - Property, Plant and equipment	2,577,222	1,613,798
	Telephone and fax	269,934	279,177
	Stationery and printing	-	220,928
	Fuel for generator	110,176	3,914,072
	<b>Total carry forward on next page</b>	<b>32,199,065</b>	<b>34,143,427</b>

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

	ADMINISTRATIVE AND SELLING EXPENSES (Contd...)	Un-Audited	Audited
		September-25	September-24
	<b>Total carry forward from previous page</b>	<b>32,199,065</b>	<b>34,143,427</b>
	Repairs and maintenance	2,569,639	2,174,923
	Rent expenses	-	90,000
	Property tax	508,288	508,288
	Safety and security	1,913,548	-
	Travelling and conveyance expenses	21,110	481,695
	Transportation out expense	1,040,622	
	Legal and professional	341,930	1,885,562
	Fee and subscriptions	600,578	
	Auditor's remuneration	-	1,307,500
	Entertainment	97,339	55,710
	Adjustment of Sales Tax Refundable		
	Misc supplies and tools	4,980	866,971
	<b>Total Administrative and Selling Expenses</b>	<b>39,297,099</b>	<b>41,514,076</b>
<b>20.1</b>	<b>Auditor's Remuneration</b>		
	Audit of financial statements	-	1,117,500
	Review of half-yearly financial statements		100,000
	Review report on code of corporate governance		75,000
	Out of pocket expenses		15,000
	<b>Total Auditor's Remuneration</b>	<b>-</b>	<b>1,307,500</b>
<b>Note 21</b>	<b>OTHER INCOME</b>		
	Rental income	26,927,565	24,572,128
	<b>Total Other Income</b>	<b>26,927,565</b>	<b>24,572,128</b>
<b>Note 22</b>	<b>FINANCIAL CHARGES</b>		
	Bank charges and commission	26,681	15,255
	<b>Total Finance Charges</b>	<b>26,681</b>	<b>15,255</b>
<b>Note 23</b>	<b>LEVY</b>	<b>Sep-2025 Un-Audited</b>	<b>June-2025 Audited</b>
	Minimum tax	-	2,290,794
	<b>Total Levy</b>		<b>2,290,794</b>
<b>23.1</b>	These represent minimum tax under section 113 of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 12.		
	The Company, in the light of 'Application Guidance' issued by Institute of Chartered Accountants of Pakistan (ICAP) via Circular No.07/2024 dated May 15, 2024, has accounted for the accounting treatment and presentation of 'Minimum and Final Taxes', charged under the Income tax Ordinance, 2001 (ITO).		
<b>Note 24</b>	<b>TAXATION</b>	<b>Sep-2025 Un-Audited</b>	<b>June-2025 Audited</b>
	Current	-	-
	Deferred	(489,094)	(2,468,552)
	<b>Total Taxation</b>	<b>(489,094)</b>	<b>(2,468,552)</b>

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

<b>24.1</b>	The Company's income for the current year falls under the minimum tax , therefore, no provision for taxation is required for the year. The Company has filed Income Tax Return for the year ended June 2024 (Tax Year 2024), which is deemed to be assessed under section 120 of the Income Tax Ordinance 2001.	
<b>24.2</b>	No tax rate reconciliation is presented in these financial statements as the Company is liable to pay tax under section 113 (Minimum tax ) of the Income Tax Ordinance, 2001.	
<b>24.3</b>	Tax expense on items recognized in other comprehensive income.	
	<b>Sep-2025 Un-Audited</b>	
	<b>2025</b>	
	Remeasurement gain on staff gratuity	1,338,475
<b>Note</b>	<b>(Loss) per Share - Basic and Diluted</b>	<b>Sep-2025 Un-Audited</b>
<b>25</b>		<b>Sep-2023 Audited</b>
		<b>(Amounts in PKR)</b>
	Profit/(Loss) after taxation	189,345
	Weighted average number of ordinary shares outstanding	15,000,000
	(Profit/Loss) per share	0.013
<b>25.1</b>	There is no dilution effect on the basic loss per share of the company as there are no such commitments. (2024: Nil)	0.183

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

Note	FINANCIAL INSTRUMENTS BY CATEGORY	Sep-2025 Un-Audited	June-2025 Audited
		(Amounts in PKR)	
	<b>Financial Assets</b>		
	Long term deposits	95,714	95,714
	Loans and other receivables	39,389,721	33,936,705
	Cash and bank balances	631,498	280,418
	Total	40,116,933	34,312,837
	<b>Financial Liabilities at amortized cost</b>		
	Creditors, accrued and other liabilities	123,616,473	119,897,712
	Short term and long term loan	92,039,491	92,039,491
	Loan from directors	347439095.7	325,901,754
	Total	563,095,059	537,838,957
Note	FINANCIAL RISK MANAGEMENT		
29			
	The Company's activities expose it to a verity of financial risk, market risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earning volatility and provide maximum return to shareholders.		
	The Board of Directors has overall responsibility for the establishment and oversight of the Company's financial risk management framework. The board is also responsible for developing and monitoring the Company's risk management policies.		

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

<b>29.1</b>	<b>Market Risk</b>															
	Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.															
<b>29.2</b>	<b>Currency risk</b>															
	Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly where receivables and payables exist due to transactions entered in foreign currencies. As at June 30, 2025, the company is not exposed to currency risk.															
<b>29.3</b>	<b>Interest rate risk</b>															
	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 risk arises from long and short term borrowings from financial institutions. As at June 30, 2025, the interest rate risk profile of the Company's doesn't have any interest-bearing financial instrument.															
<b>29.4</b>	<b>Price risk</b>															
	Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. As at June 30, 2025 the Company is not exposed to price risk.															
<b>29.5</b>	<b>Credit Risk</b>															
	<p>Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company does not have any significant exposure to customers from any single customer.</p> <p>Credit risk of the Company arises principally from trade debts, advances, deposits, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:</p> <table border="1"> <thead> <tr> <th></th> <th><b>Sep-2025 Un-Audited</b></th> <th><b>June-2025 Audited</b></th> </tr> </thead> <tbody> <tr> <td>Long term deposits</td> <td>95,714</td> <td>95,714</td> </tr> <tr> <td>Loans and other receivables</td> <td>39,389,721</td> <td>33,936,705</td> </tr> <tr> <td>Bank balances</td> <td>631,498</td> <td>278,248</td> </tr> <tr> <td><b>Total</b></td> <td><b>40,116,933</b></td> <td><b>34,310,667</b></td> </tr> </tbody> </table> <p>Concentration of credit risks exists when changes on economic and industry factors similarly affect the group of counter parties whose aggregated credit exposure is significant on relation to the company's total credit exposure . The company's financial assets are broadly diversified and transactions are entered into with diverse credit worthy parties, thereby mitigating any significant concentration risk. Therefore, the company believes that it is not exposed to major concentration of credit risk.</p>		<b>Sep-2025 Un-Audited</b>	<b>June-2025 Audited</b>	Long term deposits	95,714	95,714	Loans and other receivables	39,389,721	33,936,705	Bank balances	631,498	278,248	<b>Total</b>	<b>40,116,933</b>	<b>34,310,667</b>
	<b>Sep-2025 Un-Audited</b>	<b>June-2025 Audited</b>														
Long term deposits	95,714	95,714														
Loans and other receivables	39,389,721	33,936,705														
Bank balances	631,498	278,248														
<b>Total</b>	<b>40,116,933</b>	<b>34,310,667</b>														

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

However, impairment analysis is always performed as each reporting date using a provision matrix to measure expected credit losses. Generally trade debtors are written off if past due for more than one year and are not subject to enforcement activity.

Other financial assets at amortised cost includes advances, deposits and other receivables.

The credit quality of balances with banks can be assessed by reference to external credit ratings as shown below:

	<b>Rating agency</b>	<b>Short-term rating</b>	<b>Sep-2025 Un-Audited</b>	<b>June-2025 Audited</b>
			<b>(all amounts in PKR)</b>	
Summit Bank Limited	JCR- VIS	A-3	106	106
BankIslami Pakistan Limited	PACRA	A-1	144,716	33,466
Samba Bank Limited	JCR- VIS	A-1	1,855	1,855
Bank Al-Habib Limited	PACRA	A-1+	(2,891,919)	(193,822)
Habib Metro	PACRA	A-1+	588,688	(12,494)
Standard Chartered Bank	PACRA	A-1+	38,095	1,290
Meezan Bank	JCR- VIS	A-1+	(214,878)	447,848
			(2,333,337)	278,248

**29.6 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or would have difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The following are the contractual maturities of financial liabilities, including interest payments, excluding the impact of netting agreements:

<b>2025</b>	<b>Less than 3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>	<b>Greater than 5 years</b>	<b>Total</b>
Loan from director	-	64,327,348	-	-	64,327,348
Creditors, accrued and other liabilities	5,241,541	120,657,349	-	-	125,898,890
Current maturity of loan from directors	-	-	-	-	-
Current portion of long term loan	-	-	71,422,097	-	71,422,097
Interest on short term and long term loan	-	-	20,617,394	-	20,617,394
Overdue of loan from directors	-	-	-	-	-
<b>Total</b>	<b>5,241,541</b>	<b>184,984,697</b>	<b>92,039,491</b>	<b>-</b>	<b>282,265,729</b>

<b>2024</b>	<b>Less than 3 months</b>	<b>3 to 12 months</b>	<b>1 to 5 years</b>	<b>Greater than 5 years</b>	<b>Total</b>
Loan from director	-	49,514,068	-	-	49,514,068
Creditors, accrued and other liabilities	6,551,126	107,835,910	-	-	114,387,036
Current maturity of loan from directors	-	-	-	-	-
Current portion of long term loan	-	-	71,422,097	-	71,422,097
Interest on short term and long term loan	-	-	20,617,394	-	20,617,394
Overdue of loan from directors	-	-	-	-	-
<b>Total</b>	<b>6,551,126</b>	<b>157,349,978</b>	<b>92,039,491</b>	<b>-</b>	<b>255,940,595</b>

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

<b>Note</b>	<b>FAIR VALUE OF FINANCIAL INSTRUMENTS</b>																																							
<b>30</b>	<p>The carrying value of all the financial instruments reflected in the financial statements approximates to their fair values.</p> <p>Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in the financial statements approximate to their fair values.</p> <p><b>Fair value hierarchy:</b></p> <p>The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.</p> <ul style="list-style-type: none"> <li>- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.</li> <li>- Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).</li> <li>- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).</li> </ul> <p>As at June 30, 2025, the company has no financial instruments that falls into any of the above category. There were no transfer between level 1, 2 and 3 in the year.</p>																																							
<b>31</b>	<p><b>CAPITAL RISK MANAGEMENT</b></p> <p>The objective of the company when managing capital i-e its shareholder's equity is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits to other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.</p> <p>The company manage its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions consistent with others in the industry. The company manages its capital risk by monitoring its liquid assets and keeping in view future investment requirements and expectation of the shareholders.</p> <p>As at June 30, 2024 and 2023, the company had surplus reserves to meet its requirements.</p> <p>The gearing ratio as at June 30, 2025 and June 30, 2024 is as follows:</p> <table border="1"> <thead> <tr> <th></th> <th></th> <th><b>2025</b></th> </tr> <tr> <th></th> <th></th> <th><b>(all amounts in PKR)</b></th> </tr> </thead> <tbody> <tr> <td>Total debts</td> <td></td> <td>92,039,491</td> </tr> <tr> <td>Cash and bank balances</td> <td></td> <td>(280,418)</td> </tr> <tr> <td>Net debt</td> <td></td> <td>91,759,073</td> </tr> <tr> <td>Share capital</td> <td></td> <td>150,000,000</td> </tr> <tr> <td>Surplus on revaluation of Property, Plant &amp; Equipment</td> <td></td> <td>1,226,069,811</td> </tr> <tr> <td>Share premium</td> <td></td> <td>337,400,000</td> </tr> <tr> <td>Revenue reserves</td> <td></td> <td>(791,379,687)</td> </tr> <tr> <td>Loan from directors</td> <td></td> <td>325,901,754</td> </tr> <tr> <td>Equity</td> <td></td> <td>1,247,991,878</td> </tr> <tr> <td>Capital</td> <td></td> <td>1,339,750,951</td> </tr> <tr> <td>Gearing ratio (debt/debt/Equity)</td> <td></td> <td>6.85%</td> </tr> </tbody> </table>			<b>2025</b>			<b>(all amounts in PKR)</b>	Total debts		92,039,491	Cash and bank balances		(280,418)	Net debt		91,759,073	Share capital		150,000,000	Surplus on revaluation of Property, Plant & Equipment		1,226,069,811	Share premium		337,400,000	Revenue reserves		(791,379,687)	Loan from directors		325,901,754	Equity		1,247,991,878	Capital		1,339,750,951	Gearing ratio (debt/debt/Equity)		6.85%
		<b>2025</b>																																						
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Equity		1,247,991,878																																						
Capital		1,339,750,951																																						
Gearing ratio (debt/debt/Equity)		6.85%																																						

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

<b>Note</b>	<b>RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES</b>				
<b>32</b>		<b>Interest on Short-Term and Long-Term Loan</b>	<b>Loan from Director</b>	<b>Loan from associated Undertaking</b>	
		.....Rup			
	Balance as at July 1, 2024	20,617,394	311,088,474	71,422,097	
	Repayment of loans	-	36,618,352	-	
	Proceeds from loans	-	(32,663,771)	-	
	Total changes from financing cashflows	-	3,954,581	-	
	<b>Other changes include non cash:</b>				
	Deferred grant	-	-	-	
	Finance cost	-	-	-	
	Total liability related to other changes	-	-	-	
	Balance as at June 30, 2025	20,617,394	315,043,055	71,422,097	
	Balance as at July 1, 2023	20,617,394	302,404,816	71,422,097	
		-	25,042,480	-	
	Repayment of loans	-	(16,358,822)	-	
	Proceeds from loans	-	8,683,658	-	
	Total changes from financing cashflows				
	<b>Other changes include non cash:</b>	-	-	-	
	Deferred grant	-	-	-	
	Finance cost	-	-	-	
	Total liability related to other changes				
	Balance as at June 30, 2024	20,617,394	311,088,474	71,422,097	
<b>Note</b>				<b>2025</b>	<b>2025</b>
<b>33</b>	<b>CAPACITY &amp; PRODUCTION</b>			<b>(all amounts in PKR)</b>	<b>(all amounts in PKR)</b>
	Production capacity for vertical farming plus mushroom		60000 KG		60000 KG
	Actual production for vertical farming		53640 KG		53640 KG
	Capacity cold storage(tonnes)		450 Ton		450 Ton
	Actual usage for cold storage(tonnes)		355 Ton		355 Ton
	Actual production was sufficient to meet the demand.				
	The installed production capacity and actual production figures for the year ended June 30, 2024 have been restated to correct errors in the previously reported numbers relating to vertical farming and mushroom production. Accordingly, the comparative figures presented herein are based on the revised amounts, to ensure comparability with the current year's figures.				

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

Note 34	SEGMENT REPORT DISCLOSURE				
	2025	Sales	Cold Storage	Rental	Total
.....Rupees.....					
Turnover	19,579,756	2,048,516	26,927,565		48,555,837
Cost of sales and services	(5,132,170)	(4,383,231)	(748,939)		(10,264,340)
<b>Gross profit</b>	<b>14,447,586</b>	<b>(3,798,229)</b>	<b>79,256,641</b>		<b>89,905,998</b>
Administrative and selling expense	(19,648,550)	(7,859,420)	(11,789,130)		(39,297,099)
Other income	-	-	-		-
<b>Operating profit/(loss)</b>	<b>(5,200,964)</b>	<b>(11,657,649)</b>	<b>67,467,511</b>		<b>50,608,899</b>
Finance cost	(13,341)	(10,672)	(2,668)		(26,681)
<b>Profit/(loss) before levy &amp; tax</b>	<b>(5,214,304)</b>	<b>(10,204,808)</b>	<b>14,386,828</b>		<b>(1,032,284)</b>
Levy	-	-	-		-
<b>Profit/(loss) before taxation</b>	<b>(5,214,304)</b>	<b>(10,204,808)</b>	<b>14,386,828</b>		<b>(1,032,284)</b>
Taxation	-	-	(489,094)		(489,094)
<b>Profit/(loss) after taxation</b>	<b>(5,214,304)</b>	<b>(10,204,808)</b>	<b>13,897,734</b>		<b>(1,521,378)</b>
<b>Other information:</b>					
Segment assets	206,529,647	19,450,127	58,063,976		284,043,750
Unallocated assets	-	-	-		1,242,366,530
<b>Total assets</b>					<b>1,526,410,280</b>
Segment liabilities	98,576,824	42,247,210	112,659,227		253,483,262
Unallocated liabilities	-	-	-		28,164,807
<b>Total liabilities</b>					<b>281,648,068</b>
Capital expenditure	-	-	-		-
Unallocated capital expenditure	-	-	-		-
<b>Total capital expenditure</b>					<b>-</b>
Depreciation	2,784,650	246,204	734,987		3,765,842

**SG ALLIED BUSINESSES LIMITED**  
**Notes To The Financial Statements**  
**For the month Ended September 2025**

Note	NUMBER OF EMPLOYEES	2025	2025
35	Number of employees at the year end	75	75
	Average number of employees	75	75
Note	<b>GENERAL</b>		
36	Figures have been rounded off to the nearest of a Pak Rupee, unless otherwise stated.		
Note	<b>DATE OF AUTHORIZATION FOR ISSUE</b>		
37	These financial statements were approved and authorized for issue on <b>October 29, 2025</b> by the Board of Directors of the Company.		



Chief Executive



Director



Chief Financial Officer