Allied Businesses Limited

ANNUAL REPORT 2025

ALLIED
BUSINESSES
LIMITED

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COMPANY INFORMATION

BOAR OF DIRECTORS

- Mrs. Saba Sohail — Director/Chairperson
- Mr. Sohail Ahmed — Chief Executive
- Mr. Asim Ahmed — Director
- Ms. Sana Sohail — Director
- Mr. Farhan Sohail — Director
- Mr. Salim Razak Tabani — Independent Director
- Mr. Mansoor Mubeen — independent Director
- Mr. Tahir Abbas — NBP Nominee Director
- Mr. Muhammad Zaheer Abbas — NBP Nominee Director

AUDIT COMMITTEE

- Mr. Mansoor Mubeen — Chairman
- Mrs. Saba Sohail — Member
- Mrs. Sana Sohail — Member

HR AND REMUNERATION COMMITTEE

- Mr. Salim Razak Tabani — Chairman
- Mrs. Saba Sohail — Member
- Mrs. Sana Sohail — Member

CHIEF FINANCIAL OFFICER

- Mr. Farhan Sohail

AUDITORS

- Suhail & Co. Chartered Accountants

LEGAL ADVISOR

- M.J PANNI ASSOCIATES

BANKERS

- Bank Islamic Limited
- Bank Al Habib Limited
- Summit Bank Limited
- Meezan Bank Limited
- Habib Metro Politian Bank Limited

SHARES REGISTRAR

- M/S. F.D. Registrar Services (SMC-Pvt.) Limited, Office # 1705, 17th Floor, Saima Trade Tower, 'A', I. I. Chundrigar Road, Karachi.

REGISTERED OFFICE

- B-40, S.I.T.E., Karachi.

Review Report by the Chairman on Board`s Overall

As required under code of Corporate Governance, an annual evaluation of the Board of Directors of (the "Board") of SG Allied Businesses Limited (the "Company") is carried out. The purpose of this evaluation is to ensure that the Board`s overall performance and effectiveness is measured and bench marked against expectations in the context of objectives set for the Company. Areas where improvements are required are dully considered and actions plans are framed.

The Board has recently completed its annual self-evaluation for the year ended June 30, 2025 and I report that:

The overall performance of the Board measured on the basis of approved criteria for the year was satisfactory. The overall assessment as Satisfactory is based on an evaluation of the following integral components, which have a direct bearing on Board`s role in achievement of Company`s objectives:

I am pleased to present the Review Report on the overall performance of the Board of Directors(the Board) and the role played by them in achieving the objectives of SG Allied Businesses Ltd (the Company) during the Financial Year ended June 30, 2025. The Board`s primary responsibility is to provide strategic directions to a company and oversee the management`s role in achieving a company`s objective. The Board meets as and when need and had held (four) meetings during the year under review.

The members are aware that the Board, with approval of members, had entered into a new line of businesses moving from manufacturing of fiber to the growing of herbs and high-end vegetables and mushrooms under controlled conditions, establishment of cold storage and warehouses facilities. During the year, all these projects have been operational.

After successful operations of the cold storage facilities, vertical farming of herbs and mushrooms and establishment of warehouse, new hydroponic facilities have also been established so as to add new agricultural products for production of agricultural products. I am pleased to note that with the keen interest of the Board, the Company`s products have been very well received in the market. Due to successful indoor production of herbs and vegetables, the Company is now on path of recovery. Companies Customers are leading Restaurants and Marts.

ALHAMDULILLAH, Component-wise brake up of the Company`s revenue during the last three years is as follows:

Heads	2025	2024	Growth %age
Hydroponic Vertical Farm Products	74,676,194	48,166,021	55%
Cold Store	10,542,017	9,032,255	16.7%
Ware House	98,045,322	83,049,302	18%
Total Amount	**183,263,533**	**140,247,578**	**30.67%**

This shows a very healthy growth in all the aforesaid three areas.

On the adoption of new line of businesses, initially, the Company faced lot of challenges including learning of new technologies in all areas but now with the foresight of the Board have overcome the impediments, the Company has established a good customer base and sales are showing a healthy trend. The Board is committed to achieve greater heights in its new lines of businesses and growth in sales. I offer my gratitude to the board of Directors as well as the shareholders for their consistent support and assistance.

1. Vision, mission and values: Board members are familiar write the current vision, mission and values and support them. The Board revisits the mission and vision statement from time to time.

2. Engagement in strategic planning: Board has a clear understanding of the stake holders (Shareholders, customers, employees, vendors, Society at large) whom Company serves. The Board has a strategic vision of how the organization should be evolving over the next three to five years. Further Board sets annual goals and targets for the management in all major performance areas.
3. Diligence: The Board members diligently performed their duties and thoroughly reviewed, discussed and approved Business Strategies, Corporate Objectives, and Plans, budgets, financial statements and other reports. It received clear and succinct agendas and supporting written material in sufficient time prior to board and committee meetings. The board met frequently enough to adequately discharge its responsibilities.
4. Monitoring of organization`s business activities. The Board remained updated with respect to achievement of Company's objectives, goals, strategies and financial performance through regular presentations by the management, internal and external auditors and other independent consultants. The Board provided appropriate direction and oversight on a timely basis.
5. Diversity and Mix: The Board members effectively bring the diversity to the Board and constitute a mix of independent and non-executive directors. The non-executive directors and independent directors were equally involved in important board decisions.
6. Governance and Control Environment: the Board has effectively set the tone-at-the-top, by putting in place transparent and robust system of governance. This is reflected by setting up an effective control environment, compliance with best practices of governance and by promoting ethical and fair behavior across the company.

Karachi Dated 07 October, 2025

Ms. Saba Sohail
Chairperson

ALLIED BUSINESSES LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 57th Annual General Meeting of the members of M/s SG Allied Businesses Limited will be held on Tuesday October 28, 2025 at 12:00 PM at Company Registered Office at B-40, S.I.T.E., Karachi to transact the following business:

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

2. To confirm the minutes of 56th Annual General Meeting held on October 28, 2024.

3. To appoint auditors for the year 2025-26 and fix their remunerations.

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

Karachi: October 07, 2025

By Order of the Board

Farhan Sohail
(Company Secretary)

Notes:

1. The Shares Transfer Books of the Company will remain closed from **October 22, 2025 to October 28, 2025** (both days inclusive) for the purpose of the Annual General Meeting.

2. A member entitled to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend the meeting and vote instead of him/her. In case of corporate entity, the Board of Director's resolution/power of attorney with specimen signature shall be submitted along with proxy from the Company. Proxies in order to be effective must reach at the Registered Office of the Company not less than 48 hours before the time of the meeting.

3. Members are requested to notify change in their mailing address, if any, immediately to the Share Registrar of the Company M/S F.D. Registrar Services (SMC-Private) Limited, Office No. 1705, 17th Floor, Saima TradeTower, I.I.Chundrigar Road, Karachi.

4. Members, who have deposited their shares with the Central Depository Company of Pakistan Ltd. (CDC), are requested to bring their original Computerized National Identity Cards along with their account numbers in CDC for verification at the time of the meeting.

5. CDC account holders will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

6. In accordance with section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389(1)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the website of the Company which can be accessed through the following weblink and QR enabled code:

LINK: https://www.sgabl.com.pk/financial-information.html

7. Pursuant to the instructions of the Securities and Exchange Commission of Pakistan (SECP) facility to attend the General Meeting online is also available for ease of valued shareholders. To attend the General Meeting through video link, members and proxies are requested to register their particulars such as Name, CNIC Number, Folio/CDC Account Number, Cell Number and email address by sending an e-mail at "fouzbinkhalid@sglyne.com" at earliest but not later than 48 hours before the meeting time with legible copy of valid CNIC/Passport.

The video link and login credentials will be shared with shareholders whose e-mails, containing all the requested particulars, are received in time as mentioned above.

DIRECTOR'S REPORT

The Board of Directors of SG Allied Businesses Limited (SGABL) is pleased to present the 57th Annual Report and Audited Financial Statements of the Company together with Auditor's Report for the year ended 30th June 2025.

The Board is pleased to report that the Company has launched its mushrooms production. After the launch of a successful trial of the production of White Button Mushroom, commercial production has been started. Six (06) additional hydroponic rooms started production in December 2023 and it is hoped these will result in additional revenues. Two cold stores are in commercial operations. The members will be pleased to know that the Company's focus is on Hi-tech Agriculture products, efficient utilization of cold storage facilities and also to provide services of tenancy for the surplus space available with the Company.

FINANCIAL RESULTS

The performance of the Company during the year under review has been on track of growth as projected. The Company achieved good growth in sales of agricultural products which stood at **Rs. 74,676,194** as compared to previous year's sales of **Rs. 48,166,021**. In addition, service income from cold storage has been **Rs. 10,542,017** as compared to previous year's sales of **Rs. 9,032,255**. Combined sales on the two accounts have been **Rs. 85,218,211** as compared to **Rs. 57,198,276** of the previous year. The cost of sales during the year went up substantially and were **Rs. 56,719,594** as compared to previous year's cost of sales of **Rs. 41,559,115**. The major increases in the cost have been on account of procurement of special moss which has moisture retortion qualities must for producing white button Mushrooms, supplies and materials for indoor farming and procurement of raw materials for Mushrooms. Although the Company was able to earn gross profit of **Rs. 28,498,617** for the year, its operating loss has been **Rs. 112,746,730** .The Company earned rental income of **Rs. 98,045,322** for the year which reduced the losses to **Rs. 17,228,900**. Net loss has been **Rs. 15,169,556**. The accumulated loss stand at **Rs. 791,379,687.**

Following are the financial results for the year ended June 30, 2025

	Rupees 2025	**Rupees 2024**
Sale	**85,218,211**	**57,198,776**
Cost of Sales	56,719,594	41,559,115
Gross Profit	28,498,617	15,639,661
Admin & Selling Expenses	141,245,347	115,507,235
Other Income	98,045,322	83,049,302
Financial Charges	236,698	35,687
Loss before taxation	17,228,900	18,607,059
Loss after taxation	15,169,556	16,138,497
Earnings per share	(1.01)	(1.08)

During the financial year following were the Directors of the Company:

S/No	Name of Director
1	Mr. Sohail Ahmed
2	Mr. Asim Ahmed
3	Mr. Farhan Sohail
4	Ms. Saba Sohail
5	Mr. Mansoor Mubeen
6	Ms. Sana Sohail
7	Mr. Salim Razak Tabani
8	Mr. Tahir Abbas (NBP Nominee Director)
9	Mr. Muhammad Zaheer Abbas (NBP Nominee Director)

KEY PERFORMANCE INDICATORS

- Company were involved in the business of Hi-tech Agriculture product, cold storage and providing service of tenancy.
- During the year there was no such risk was faced by the company.

FUTURE OUTLOOK

Financial results show a continuous upward trend in sales from vertical farming, Mushrooms Production and cold storage earnings and renting of warehouse.

The company Alhamdulillah is gaining experience and in production of hydroponically grown white button mushroom and trail production was started in 2022 whereas commercial production started in January/February 2023 since then company faced many hurdles, main hurdle was the technology and for which many foreign consultants were hired even visited the company. The other hurdle was the market size and heavy under invoicing in canned mushroom.

Alhamdulillah we have come in a long way for technology but still there are certain challenges where the current yields of the company are much lower than the International standards and company is making sure to increase yield up to international standards. However, there are many challenges as good quality raw material of Mushroom which is called “Mushroom Spawn” is not available freely and in import there are a lot of restrictions, plus it comes by air and cost is very high and also, it’s a highly perishable item and can easily get damaged if its exposed to higher temperature.

Company has incurred a loss of **Rs. 15,169,556** mainly due to depreciation expense as company’s operating Hydroponic Mushroom facility at 50% production in the meantime a new composting facility has been made which will ensure more production. Depreciation is being charged on full plant capacity whereas production is half so once Insha Allah production will increase loss due to depreciation impact will be much lower.

In the meantime expansion is underway to increase production of value added vegetables which are Mashaa Allah gaining popularity in Restaurants and Marts of Karachi.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

In accordance with the requirement of the Listed Companies (Code of Corporate Governance) Regulation 2019, issued by the Securities and Exchange Commission of Pakistan, the Directors hereby confirm that:

- The financial statements for the year ended June 30, 2025 prepared by the management present fairly its state of affairs, the results of its operations, cash flow and exchange in equity.
- Proper books of accounts of the Company have been maintained.
- International Accounting Standards, as applicable in Pakistan, have been followed in operation of financial statements.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based in reasonable and prudent judgment.
- The Company is in the process of implementing internal control.
- There has been no material departure from the best practice of Code of Corporate Governance as detailed in the listing regulations.
- The Directors, Chief Executive and their spouses and minor children did not carry out transaction in the shares of the company during the year.
- Compliance of code of Corporate Governance is annexed.
- Certain non-compliance`s mentioned in the Auditors` Review Report are due to the fact that the associated Company is in the process of revamping its business process and certain compliance`s remained unshared as at the year end.

The Board held four meeting during the year. The attendance by each Director was as follows:

S. No	Name of Director	No. of Meeting Attended
1	Mr. Sohail Ahmed	**4**
2	Mr. Asim Ahmed	**4**
3	Mr. Farhan Sohail	4
4	Ms. Saba Sohail	**3**
5	Ms. Sana Sohail	**3**
6	Mr. Mansoor Mubeen	**2**
7	Mr. Salim Razak Tabani	**1**
8	Mr. Muhamamd Zaheer Abbas	**0**
9	Mr. Tahir Abbas	**0**

Leave of absence was granted to a director who could not attend the Board meeting.

AUDIT COMMITTEE

The meetings of Audit Committee were held during the year ended June 30, 2024 as required by Code of Corporate Governance for review of Quarterly/Half Yearly/, Annual Accounts and the related matters. The meetings were also attended by the External Auditors and when required. The composition of the Committee is as follows:

Mr. Masnoor Mubeen	**Chairman**
Ms. Sana Sohail	Member
Ms. Saba Sohail	Member

AUDTITORS

The present Auditors are S.M. SUHAIL & Co, Chartered Accountants for the year ending June-25.

ACKNOWLEDEMENT

The Directors of your Company offer their sincere gratitude to the shareholders, for their support and assistance.

The Pattern of Shareholding as on June 30, 2025 in annexed.

On behalf of the
Board of Directors

Sohail Ahmed
(Chief Executive)

Date October 07, 2025
Karachi.

Farhan Sohail
(Director)

ڈائریکٹر کی رپورٹ

ایس جی الائیڈ بزنسز لمیٹڈ (SGABL) کے بورڈ آف ڈائریکٹرز کو 30 جون 2025 کو ختم ہونے والے سال کے لیے آڈیٹر کی رپورٹ کے ساتھ کمپنی کی 57 ویں سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشواروں کو پیش کرنے پر خوشی ہے۔

بورڈ کو یہ اطلاع دیتے ہوئے خوشی ہو رہی ہے کہ کمپنی نے اپنے مشروم کی پیداوار شروع کر دی ہے۔ وائٹ بٹن مشروم کی پیداوار کی کامیاب آزمائش کے بعد کمرشل پیداوار شروع کر دی گئی ہے۔ چھ (06) اضافی ہائیڈروپونک کمروں نے دسمبر 2023 میں پیداوار شروع کی اور امید ہے کہ ان سے اضافی آمدنی ہوگی۔ دو کولڈ سٹور کمرشل آپریشن میں ہیں۔ ممبران کو یہ جان کر خوشی ہوگی کہ کمپنی کی توجہ ہائی ٹیک ایگریکلچر پروڈکٹس، کولڈ اسٹوریج کی سہولیات کے موثر استعمال اور کمپنی کے پاس دستیاب اضافی جگہ کے لیے کرایہ داری کی خدمات فراہم کرنے پر ہے۔

مالیاتی نتائج

زیر جائزہ سال کے دوران کمپنی کی کارکردگی متوقع طور پر ترقی کی راہ پر گامزن رہی ہے۔ کمپنی نے زرعی مصنوعات کی فروخت میں اچھی نمو حاصل کی جو کہ .74,676,194Rs روپے کی پچھلے سال کی فروخت کے مقابلے میں۔ 48,166,021۔ اس کے علاوہ کولڈ سٹوریج سے سروس کی آمدنی روپے روپے رہی ہے۔ 10,542,017 پچھلے سال کی فروخت کے مقابلے میں .9,032,255Rs۔ دونوں کھاتوں پر مشترکہ فروخت روپے رہی ہے۔ 85,218,211 روپے کے مقابلے میں پچھلے سال کے 57,198,276۔ سال کے دوران فروخت کی لاگت کافی بڑھ گئی اور روپے تھی۔ 56,719,594 روپے کی فروخت کی پچھلے سال کی لاگت کے مقابلے میں۔ 41,559,115۔ لاگت میں بڑا اضافہ خصوصی کائی کی خریداری کی وجہ سے ہوا ہے جس میں سفید بٹن مشروم تیار کرنے کے لیے نمی کو بحال کرنے کی خصوصیات ضروری ہیں، انڈور فارمنگ کے لیے سامان اور مواد اور مشروم کے لیے خام مال کی خریداری۔ اگرچہ کمپنی روپے کا مجموعی منافع کمانے میں کامیاب رہی۔ سال کے لیے 28,498,617، اس کا آپریٹنگ نقصان روپے رہا ہے۔ 112,746,730 .کمپنی نے کرایہ کی آمدنی .Rsسال کے لیے 98,045,322 جس سے خسارہ کم ہو کر روپے ہو گیا۔ 17,228,900۔ خالص نقصان روپے رہا ہے۔ 15,169,556۔ جمع شدہ نقصان روپے پر ہے۔ 791,379,687۔

30 جون 2025 کو ختم ہونے والے سال کے مالیاتی نتائج درج ذیل ہیں۔

روپے 2024	روپے 2025	
فروخت	85,218,211	57,198,776
فروخت کی لاگت	56,719,594	41,559,115
مجموعی منافع	28,498,617	15,639,661
ایڈمن اور سیلنگ اخراجات	141,245,347	115,507,235
دوسری آمدنی	98,045,322	83,049,302
مالیاتی چارجز	236,698	35,687
ٹیکس سے پہلے نقصان	17,228,900	18,607,059
ٹیکس کے بعد نقصان	15,169,556	16,138,497
فی شیئر آمدنی	(1.01)	(1.08)

مالی سال کے دوران کمپنی کے ڈائریکٹرز درج ذیل تھے:

S/No	ڈائریکٹر کا نام
1	جناب سہیل احمد
2	جناب عاصم احمد
3	فرحان سہیل صاحب
4	محترمہ صبا سہیل
5	جناب منصور مبین
6	محترمہ ثنا سہیل
7	جناب سلیم رزاق تابانی
8	جناب طاہر عباس (NBP کے نامزد ڈائریکٹر)
9	جناب محمد ظہیر عباس (NBP کے نامزد ڈائریکٹر)

کلیدی کارکردگی کے اشارے

- کمپنی ہائی ٹیک زرعی مصنوعات، کولڈ اسٹوریج اور کرایہ داری کی خدمات فراہم کرنے کے کاروبار میں ملوث تھی۔
- سال کے دوران کمپنی کو اس طرح کے کسی خطرے کا سامنا نہیں کرنا پڑا۔

مستقبل کا آؤٹ لک

مالیاتی نتائج عمودی کاشتکاری، مشروم کی پیداوار اور کولڈ سٹوریج کی آمدنی اور گودام کے کرایہ پر فروخت میں مسلسل اضافے کا رجحان ظاہر کرتے ہیں۔

کمپنی الحمدللہ تجربہ حاصل کر رہی ہے اور ہائیڈروپونیکل طریقے سے اگائے جانے والے سفید بٹن مشروم کی تیاری اور ٹریل کی پیداوار 2022 میں شروع کی گئی تھی جبکہ جنوری/فروری 2023 میں تجارتی پیداوار شروع ہوئی تھی تب سے کمپنی کو بہت سی رکاوٹوں کا سامنا کرنا پڑا، سب سے بڑی رکاوٹ ٹیکنالوجی تھی اور جس کے لیے بہت سے غیر ملکی کنسلٹنٹس کی خدمات حاصل کی گئیں حتیٰ کہ کمپنی کا دورہ بھی کیا۔ دوسری رکاوٹ ڈبہ بند مشروم میں مارکیٹ کا سائز اور بھاری انڈر انوائسنگ تھی۔

الحمدللہ ہم ٹیکنالوجی کے لیے ایک طویل سفر طے کر چکے ہیں لیکن پھر بھی کچھ چیلنجز درپیش ہیں جہاں کمپنی کی موجودہ پیداوار بین الاقوامی معیارات سے بہت کم ہے اور کمپنی بین الاقوامی معیار کے مطابق پیداوار بڑھانے کو یقینی بنا رہی ہے۔ تاہم،

بہت سے چیلنجز ہیں کیونکہ مشروم کے اچھے معیار کا خام مال جسے "مشروم سپون" کہا جاتا ہے آزادانہ طور پر دستیاب نہیں ہے اور اس کی درآمد میں بہت سی پابندیاں ہیں، اس کے علاوہ یہ ہوائی راستے سے آتا ہے اور اس کی قیمت بہت زیادہ ہے اور یہ ایک انتہائی خراب ہونے والی شے ہے اور اگر اس کے زیادہ درجہ حرارت کے سامنے آئے تو آسانی سے خراب ہو سکتی ہے۔

کمپنی کو روپے کا نقصان ہوا ہے۔ 15,169,556 بنیادی طور پر فرسودگی کے اخراجات کی وجہ سے کمپنی کی آپریٹنگ ہائیڈروپونک مشروم کی سہولت 50 فیصد پیداوار پر ہے اس دوران ایک نئی کمپوسٹنگ سہولت بنائی گئی ہے جو زیادہ پیداوار کو یقینی بنائے گی۔ پلانٹ کی پوری صلاحیت پر فرسودگی وصول کی جا رہی ہے جبکہ پیداوار آدھی ہے اس لیے ایک بار انشاء اللہ پیداوار بڑھ جائے گی جس کی وجہ سے فرسودگی کا اثر بہت کم ہو گا۔

اس دوران ویلیو ایڈڈ سبزیوں کی پیداوار بڑھانے کے لیے توسیع کا کام جاری ہے جو ماشاء اللہ کراچی کے ریسٹورنٹس اور مارٹس میں مقبول ہو رہی ہیں۔

کوڈ آف کارپوریٹ گورننس کے ساتھ تعمیل سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی طرف سے جاری کردہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشن 2019 کی ضرورت کے مطابق، ڈائریکٹرز اس بات کی تصدیق کرتے ہیں کہ:

- 30 جون 2025 کو ختم ہونے والے سال کے مالیاتی گوشواروں میں انتظامیہ کی طرف سے تیار کردہ اس کی حالت، اس کے کاموں کے نتائج، نقد بہاؤ اور ایکویٹی میں تبادلے کو کافی حد تک پیش کیا گیا ہے۔
- کمپنی کے کھاتوں کی صحیح کتابیں رکھی گئی ہیں۔
- بین الاقوامی اکاؤنٹنگ اسٹینڈرڈز، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالیاتی گوشواروں کے عمل میں پیروی کی گئی ہے۔
- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- کمپنی اندرونی کنٹرول کو نافذ کرنے کے عمل میں ہے۔
- کوڈ آف کارپوریٹ گورننس کے بہترین عمل سے کوئی مادی خارج نہیں ہوا جیسا کہ فہرست سازی کے ضوابط میں تفصیل سے بتایا گیا ہے۔

- ڈائریکٹرز، چیف ایگزیکٹو اور ان کی شریک حیات اور نابالغ بچوں نے سال کے دوران کمپنی کے شیئرز کا لین دین نہیں کیا۔

- کارپوریٹ گورننس کے ضابطہ کی تعمیل منسلک ہے۔
- آڈیٹرز کی جائزہ رپورٹ میں بیان کردہ کچھ عدم تعمیل اس حقیقت کی وجہ سے ہیں کہ متعلقہ کمپنی اپنے کاروباری عمل کو بہتر بنانے کے عمل میں ہے اور سال کے آخر میں کچھ تعمیلات کا اشتراک نہیں کیا گیا۔

بورڈ نے سال کے دوران چار اجلاس منعقد کئے۔ ہر ڈائریکٹر کی حاضری حسب ذیل تھی:

S. نمبر	ڈائریکٹر کا نام	میٹنگ میں شرکت کی تعداد
1	جناب سہیل احمد	4
2	جناب عاصم احمد	4
3	فرحان سہیل صاحب	4
4	محترمہ صبا سہیل	3
5	محترمہ ثنا سہیل	3
6	جناب منصور مبین	2
7	جناب سلیم رزاق تابانی	1
8	جناب محمد ظہیر عباس	0
9	جناب طاہر عباس	0

بورڈ کے اجلاس میں شرکت نہ کرنے والے ڈائریکٹر کو غیر حاضری کی چھٹی دی گئی۔

آڈٹ کمیٹی

آڈٹ کمیٹی کے اجلاس 30 جون 2024 کو ختم ہونے والے سال کے دوران منعقد کیے گئے تھے جیسا کہ کوڈ آف کارپوریٹ گورننس کے مطابق سہ ماہی/ششماہی/، سالانہ اکاؤنٹس اور متعلقہ امور کا جائزہ لیا گیا تھا۔ اجلاسوں میں بیرونی آڈیٹرز نے بھی شرکت کی اور ضرورت پڑنے پر۔ کمیٹی کی تشکیل حسب ذیل ہے:

مسنور مبین صاحب	**چیئرمین**
محترمہ ثنا سہیل	ممبر
محترمہ صبا سہیل	ممبر

آڈیٹرز

موجودہ آڈیٹرز ایس ایم سہیل اینڈ کمپنی، 25 جون کو ختم ہونے والے سال کے چارٹرڈ اکاؤنٹنٹس ہیں۔

اعتراف

آپ کی کمپنی کے ڈائریکٹرز شیئر ہولڈرز کے تعاون اور مدد کے لیے ان کا تہہ دل سے شکریہ ادا کرتے ہیں۔

30 جون 2025 کو شیئر ہولڈنگ کا پیٹرن منسلک ہے۔

بورڈ آف ڈائریکٹرز کی
جانب سے

سہیل احمد
(چیف ایگزیکٹو)

فرحان سہیل
(ڈائریکٹر)

تاریخ 07 اکتوبر 2025
کراچی۔

VISION STATEMENT

To be nationally & internationally recognized as trendsetter of poi yester filament yarn. Producing and introducing new verities of highly value added Products to our customers both in Pakistan & abroad.

MISSION STATEMNET

Our mission is to exceed the expectations of our customers in producing highest quality product. With determination of greater returns to shareholders and good opportunities to employees. To Make the company a high flyer of all times.

CORPORATE OBJECTIVES & DEVELOPMENT STRATEGY

From the beginning we have been producing exceptionally high quality products.
Every time we introduced new varieties in the market which was followed by others later on.
Alhamdulillah we become the only exporter of polyester filament yarn from Pakistan.
We wish to strive continuously to achieve higher levels of excellence by employing most Modern manufacturing technology Operational & Financial Management.
To extend our maximum contribution to our beloved Country in almost all possible Fields especially to National exchequer.

STATEMENT OF COMPLIANCE WITH THE BEST PRACTICE ON TRANSFER PRICING

The Company has fully complied with the best practice on Transfer Pricing as contained in the Regulation No. 38 of the Karachi Stock Exchange (G) Limited.

On behalf of the Board of Directors

SohailAhmed
(Chief Executive)

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

I. Male: **7**
II. Female: **2**

2. The composition of Board is as follows:

I. **Independent Directors:**
- Mr. Salim Razak Tabani
- Mr. Mansoor Mubeen

II. **Non-Executive Directors:**
- Ms. Saba Sohail
- Ms. Sana Sohail
- Mr. Muhamamd Zaheer Abbas
- Mr. Tahir Abbas

III. **Executive Director:**
- Mr. Sohail Ahmed
- Mr. Farhan Sohail
- Mr. Asim Ahmed

IV. **Female Director:**
- Ms. Saba Sohail
- Ms. Sana Sohail

3. The directors have confirmed that none of them is serving as a director on the Board of more than seven listed companies, including this company;

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by the Chief Executive Officer in accordance with Articles of the Company. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

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

9. No Directors` Training Program were held during the year.

10. The Board has approved the appointment of Chief Financial Officer (CFO), Company Secretary and Head of Internal Audit including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. The Chief Executive Officer has endorsed the financial statements before approval of the Board;

12. The Board has formed following Committees, comprising of members given below:

a. Audit Committee

1. Mr. Mansoor Mubeen Chariman
2. Mrs. Saba Sohail Member
3. Mrs. Sana Sohail Member

b. HR and Remuneration Committee

1. Mr. Salim Razak Tabani Chariman
2. Mrs. Saba Sohail Member
3. Mrs. Sana Sohail Member

13. The frequency of meetings of the Committee were as per following:

(a) Audit Committee: **4** meetings during the financial year ended June 30, 2025.

(b) HR and Remuneration Committee: **2** meetings during the financial year ended June 30, 2025.

14. The Board is in the process of setting up an effective internal audit function, as the operations of the company are being revived.

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

16- 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;

17-We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

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

Reg.	Explanation
6	**Independent Director** The Company has a total of nine (09) directors on its Board out of which two (02) are nominees of NBP. The management is of the view that the number of independent directors are to be based on the number of elected directors. Since the number of elected directors is seven (07), the Company is having two (02) independent directors. Thus the requirement is duly complied with.
8	**Executive Director** The number of executive directors exceeded by one. However, on the instructions of SECP, Mr. Asim Ahmed had resigned from the office of executive director in December 2022 and continues as ordinary director.
10(1)	**Responsibilities of the Board and its Members** Inspite of a number of constraints faced by the Company, every effort is being made to remain complaint with section 183 and 204 of the Companies Act, 2017. Further efforts will be made to be fully complaint with the requirements.
10A	**Role of the Board and its members to address Sustainability Risks and Opportunities** The Company has made concrete effort for its revival and increase its profitability. Due to this reason, the Company has not been able to establish a dedicated Sustainability Committee. Once the Company becomes financially strong, such Committee will be formed.
19	**Directors Training**

	Although no director has undertaken Directors' Training Program, but they are experienced and seasoned corporate professionals and well conversant with all the laws, rules and regulations. Most of the directors have fourteen years of education and more than fifteen years of experience on the Board. As such, all the directors stand exempt from the Directors' Training Program.
20(1)	**Chief Financial Officer, Company Secretary and Chief Internal Auditor** These positions are presently vacant. In spite of repeated efforts, the management has not been successful in attracting suitable persons who can meet the prescribed qualification and experience.
29(1)	**Nomination Committee** In view of practical impediments, the Board has not been able to constitute a separate Nomination Committee. However, the functions are being looked after by Human Resource and Remuneration Committees. In the opinion of the Board, formation of this Committee is optional.
30(1)	**Risk Management Committee** Establishment of such Committee is optional. The Board is of the view that in view of the specific line of its business, the Board is in better position to take risk management decisions.
31	**Internal Audit Function** Due to financial constraints, the Company has not been able to engage the services of an internal auditor. However, every effort is being made for search of a suitable person.

(Sohail Ahmed)
Chief Executive

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF S.G. ALLIED BUSINESSES LIMITED

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of S.G. Allied Businesses Limited (the Company) for the year ended **June 30, 2025**, in accordance with the requirements of regulations 36 of the Regulations.

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

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

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

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

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Further, we highlight below instances of non-compliance with the requirements of the Regulations as reflected in the note/paragraph reference where these are stated in the Statement of Compliance:

Sr.no	Description	Regulation Reference	Explanation
1	**Independent Director:** It is mandatory that each listed company shall have at least two or one third members of the Board, whichever is higher, as independent directors.	6	The Company has a total of nine (09) directors on its Board out of which two (02) are nominees of NBP. The management is of the view that the number of independent directors are to be based on the number of elected directors. Since the number of elected directors is seven (07), the Company is having two (02) independent directors after fractional round off. Thus, the requirement is duly complied with.
2	**Executive Director:** It is mandatory that the executive directors, including the chief executive officer, shall not be more than one third of the Board. Executive director means a director who devotes the whole or substantially the whole of his time (whether paid or not) to the operations of the company	8	The number of executive directors exceeded by one. However, on the instructions of SECP, Mr. Asim Ahmed had resigned from the office of executive director in December 2022 and continues as ordinary director.
3	**Responsibilities of the Board and its members:** Subject to the requirements of section 183 and 204 of the Act, the Board is responsible for adopting corporate governance practices by the company and monitoring effectiveness of such practices and the members of the Board shall ensure high ethical standards in performing their responsibilities.	10(1)	The provisions of the Regulations are partially complied. The company is non-compliance with certain requirements, other than regulations 3,7,8,27,32,33,36 of the Regulation. Inspite of a number of constraints faced by the Company, every effort is being made to remain complaint with section 183 and 204 of the Companies Act, 2017. Further efforts will be made to be fully complaint with the requirements.

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Sr.no	Description	Regulation Reference	Explanation
4	**Role of the Board and its members to address Sustainability Risks and Opportunities:** In order to effectively discharge its sustainability related duties, the board may establish a dedicated sustainability committee having at least one female director, or assign additional responsibilities to an existing board committee. The committee shall monitor and review sustainability related risks and opportunities of the company, ensure DE&I practices are in effect at various board committees, oversee compliance of relevant laws pertaining to relevant sustainability related considerations and its appropriate disclosures. The committee shall submit to the board a report, at least once a year, on embedding sustainability principles into the organization's strategy and operations to increase corporate value.	10A	There is currently no committee established to oversee and ensure compliance with the Environmental, Social, and Governance (ESG) requirements as well as Diversity, Equity, and Inclusion (DE&I) practices. The Company has made concrete effort for its revival and increase its profitability. Due to this reason, the Company has not been able to establish a dedicated Sustainability Committee. Once the Company becomes financially strong, such Committee will be formed.
5	**Directors' Training:** It is encouraged that all the directors on their Boards have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	19	Although no director has undertaken Directors' Training Program, but they are experienced and seasoned corporate professionals and well conversant with all the laws, rules and regulations. Most of the directors have fourteen years of education and more than fifteen years of experience on the Board. As such, all the directors stand exempt from the Directors' Training Program.

SMCO

Sr.no	Description	Regulation Reference	Explanation
6	**Chief Financial Officer, Company Secretary and Chief Internal Auditor** Every listed company shall appoint a chief financial officer, a company secretary and a head of internal audit. The Qualification of Chief Financial Officer, Company Secretary and Head of Internal Audit are given under Regulation 22, 23 and 24	20(1)	The position of Chief Financial Officer, Company Secretary and Head of Internal Audit are vacant. Inspite of repeated efforts, the management has not been successful in attracting suitable persons who can meet the prescribed qualification and experience.
7	**Nomination Committee** The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances	29(1)	In view of practical impediments, the Board has not been able to constitute a separate Nomination Committee. However, the functions are being looked after by Human Resource and Remuneration Committees. In the opinion of the Board, formation of this Committee is optional.
8	**Risk Management Committee** The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board	30(1)	Establishment of Risk Management Committee is optional. The Board is of the view that in view of the specific line of its business, the Board is in better position to take risk management decisions.

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Sr.no	Description	Regulation Reference	Explanation
9	**Internal Audit Function** There shall be an internal audit function in every company. The Board shall ensure that the internal audit team comprises of experts of relevant disciplines in order to cover all major heads of accounts maintained by the company.	31	Due to financial constraints, the Company has not been able to engage the services of internal auditors. However, every effort is being made for search of suitable persons.

S. M. Suhail & Co.

S.M. Suhail & Co.
Chartered Accountants
Karachi

Date: October 7, 2024

UDIN: CR202510197wtPOH5iSJ

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF SG ALLIED BUSINESSES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of **SG Allied Businesses Limited** (the Company), which comprise the statement of financial position as at **June 30, 2025**, the statement of profit or loss and other 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 a summary of material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cashflows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025, and of the loss, other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to note 1.2 to the financial statements, which indicates that the Company, during the year under review, has incurred a loss of Rs. (15.169) million, (2024 loss: Rs 16.139 million) and the Company's accumulated loss as of June 30, 2025, is stood at Rs. (791.379) million (2024: Rs. 782.202 million). At the year end, the current liabilities exceeded the current assets by Rs. 154.711 million (June 30, 2024: Rs. 165.39 million). These conditions indicate the existence of material uncertainty that may cast a significant doubt about the 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 of the Company has prepared these financial statements on a going concern basis, as disclosed in note 1.2 to the financial statements. Our opinion is not modified in respect of this matter.

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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 year. These matters were addressed in the context of our audit of the financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key Audit Matters	Matter Addressed in Our Audit
1. **Revenue Recognition** Refer to note 18 to the financial statements relating to revenue recognition. The Company derives its revenue from sales of mushrooms and herbs and has recognized revenue of Rs. 85.218 million for the year ended June 30, 2025. We considered revenue as a key audit matter due to revenue being one of the key performance indicators of the Company, and for the year, revenue has increased significantly compared to last year. In addition, revenue was also considered as an area of significant audit risk as part of the audit process, and the potential risk of misapplication of the requirements of IFRS 15, "Revenue from Contracts with Customers."	Our audit procedures included, among others: • Obtain an understanding of, and test the design and operating effectiveness of controls relevant to revenue recognition, particularly those designed to ensure revenue is recorded in the appropriate accounting period; • Assessing the appropriateness of the Company's accounting policies for revenue recognition and their compliance with the applicable financial reporting framework (IFRS 15). • Performed cut-off procedures on a sample basis to ensure revenue has been recorded in the correct period; • Performed substantive tests of revenue transactions on a sample basis with the underlying documents, traced them to invoices and receipts, to ensure they are legitimate and properly recorded in accordance with IFRS 15.
1. Contingencies Refer to Note 17 to the financial statements which provide details of contingencies together with management's assessment and related provisions. The Company is subject to material litigation before different courts in respect of taxation and other matters. These require management to exercise significant judgment in assessing the likelihood of outcomes and determining the potential financial impact. Management has also engaged independent legal counsel in respect of these matters. The accounting for, and disclosure of, such contingencies is complex and was of most significance in our audit because of the level of judgment required in determining whether, and to what extent, provisions should be recorded or disclosures made in the financial statements.	our audit procedures included, among others: • Discussed legal cases with the Company's legal counsel to understand management's viewpoint and reviewed litigation documents to assess the underlying facts and circumstances; • Obtained independent confirmations from the Company's external legal advisors dealing with such cases; • Evaluate the accounting treatment of these matters in accordance with the requirements of IAS 37, "Provisions, Contingent Liabilities and Contingent Assets"; and • Assessed the completeness and accuracy of the disclosures relating to legal exposures and provisions in the financial statements

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S.M. SUHAIL & CO.
Chartered Accountants

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Other Matter

The financial statements of the Company for the year ended June 30, 2024, were audited by another firm of chartered accountants, who expressed a qualified opinion in their report dated October 07, 2024, stated that the Company has not complied with the IAS 41-Agriculture in relation to the biological assets held by the Company. We draw attention to note 1.1 to the financial statements that disclose the nature of business wherein the Company has been engaged. The principal activities of the Company are warehousing, cold storage, and vertical farming of mushrooms and herbs. The Company is not engaged in agriculture harvesting, no tree plantation, nor living plants and has no biological assets. Mushrooms and herbs are neither tree plants, nor are living animals, no agriculture cropping and no biological assets are there. They are consumed in one season and have no future economic benefits. They are a type of tiny herbs or fungus with soft non-woody stems and non-agricultural produce. They grow easily from seeds, complete their life cycle in only one season that lasts for two or three months, and have no branches. Accordingly, the Company's business activities fall outside the scope of the IAS 41, which is not applicable to the Company's business activities. Our opinion is not modified in respect to this matter.

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 statement 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report on, 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 the management either intends to liquidate the Company or to cease the operations or has no realistic alternative but to do so.

The Board of directors is responsible for overseeing the Company's financial reporting process.

S.M. SUHAIL & CO.
Chartered Accountants

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted by 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit by 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 to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Company's internal control.

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

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

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

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

We also provide the Board of Directors with a statement 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.

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S.M. SUHAIL & CO.
Chartered Accountants

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

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

S. M. Suhail & Co

S.M. Suhail & Co.
Chartered Accountants
Karachi

Date: October 7, 2025

UDIN: AR202510197c7pHhQtyz

SG ALLIED BUSINESSES LIMITED
Statement of Financial Position
As at June 30, 2025

ASSETS	Note	2025	2024
		(Amounts in PKR)	
Non-Current Assets			
Property, plant and equipment	5	1,407,999,100	1,413,770,629
Investment property	6	58,798,963	61,893,646
Long term deposits		95,714	95,714
Total Non-Current Assets		1,466,893,777	1,475,759,989
Current Assets			
Stock in trade	7	5,458,780	1,554,082
Loans, advances, prepayments and other receivables	8	53,777,305	41,206,869
Cash and bank balances	9	280,418	19,513
Total Current Assets		59,516,503	42,780,464
Total Assets		**1,526,410,280**	**1,518,540,453**
EQUITY AND LIABILTIES			
Equity			
Authorized share capital			
15,000,000 (2024:15,000,000) Ordinary shares of Rs.10 each		**150,000,000**	**150,000,000**
Share capital			
Issued, subscribed and paid-up capital	10	150,000,000	150,000,000
Capital Reserves			
Share premium		337,400,000	337,400,000.00
Surplus on revaluation of fixed assets	11	1,226,069,811	1,231,111,655
Revenue Reserves			
Accumulated (loss)		(791,379,687)	(782,202,292)
Total Equity		922,090,124	936,309,363
Loan from Directors - subordinated loan	12	325,901,754	311,088,475
		325,901,754	311,088,475
Non-Current Liabilities			
Deferred liabilities	13	64,190,405	62,962,987
Total Non Current Liabilities		64,190,405	62,962,987
Current Liabilities			
Creditors, accrued and other liabilities	14	119,897,712	114,387,035
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	1,753,101
Total Current Liabilities		214,227,997	208,179,627
TOTAL EQUITY AND LIABILITIES		**1,526,410,280**	**1,518,540,453**
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 year ended on June 30, 2025

TURNOVER	Note	2025	2024
		(Amounts in PKR)	
Sales	18	85,218,211	57,198,776
Less: Cost of sales	19	(56,719,594)	(41,559,115)
Gross Profit		28,498,617	15,639,661
OPERATING EXPENSES			
Administrative and selling expenses	20	(141,245,347)	(115,507,235)
Total Operating Expenses		(141,245,347)	(115,507,235)
Operating (loss)		(112,746,730)	(99,867,573)
Other income	21	98,045,322	83,049,302
Financial charges	22	(236,698)	(35,687)
(Loss) before Levy and Taxation		(14,938,106)	(16,853,958)
Levy	23	(2,290,794)	(1,753,101)
(Loss) before taxation		(17,228,900)	(18,607,059)
Taxation			
Taxation	24	2,059,344	2,468,562
Total Taxation		2,059,344	2,468,562
(Loss) After Taxation		**(15,169,556)**	**(16,138,497)**
OTHER COMPREHENSIVE INCOME			
Net (Loss) for the year		(15,169,556)	(16,138,497)
Remeasurement of staff retirement benefits-net of tax	13	950,317	736,518
Total Comprehensive (Loss) For The Year		**(14,219,239)**	**(15,401,979)**
(Loss) per Share - Basic and Diluted		(1.01)	(1.08)

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 Changes in Equity
For the year ended on June 30, 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, 2023	150,000,000	337,400,000	1,236,418,858	(772,107,516)	951,711,342
Comprehensive Income for the Year					
(Loss) for the year June 30, 2024	-	-	-	(16,138,497)	(16,138,497)
Other comprehensive income	-	-	-	736,518	736,518
Total comprehensive (loss) for the year	-	-	-	(15,401,979)	(15,401,979)
Transferred on account of incremental depreciation- net of tax	-		(5,307,203)	5,307,203	-
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**	**1,226,069,811**	**(791,379,687)**	**922,090,125**

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 year ended on June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	2025	2024
	(Amounts in PKR)	
(Loss) before taxation	(14,938,106)	(16,853,958)
Adjustment for non cash items:		
Depreciation	15,744,444	10,851,682
Gratuity expense	4,625,237	3,484,684
Finance charges	236,698	35,687
Operating profit Before Working Capital Changes	5,668,273	(2,517,592)
Changes in working capital		
(Increase) / decrease in current assets		
Stock in trade	(3,904,698)	2,363,100
Loans, advances, prepayments and other receivables	(12,570,436)	(14,983,939)
Increase / (decrease) in current liabilities		
Creditors, accrued and other liabilities	5,510,677	3,616,072
Total Changes In Working Capital	(10,964,457)	(9,004,767)
Income tax paid	(2,377,955)	(4,293,345)
Financial charges paid	(236,698)	(35,687)
Total	(13,342,412)	(13,298,112)
Net Cash (Outflow) From Operating Activities	(7,674,139)	(15,815,704)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(3,261,869)	(108,470)
Addition in capital work in progress	(3,616,366)	(1,229,300)
Net Cash (Outflow) From Investing Activities	(6,878,235)	(1,337,770)
CASH FLOW FROM FINANCING ACTIVITIES		
Loan from Directors	14,813,279	8,683,658
Net cash inflow from financing activities	14,813,279	8,683,658
Net increase/(decrease) in cash and cash equivalents	260,905	(8,469,816)
Cash and cash equivalents at beginning of the year	19,513	8,489,329
Cash and cash equivalents at end of the year	**280,418**	**19,513**

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 year ended on June 30, 2025

Note 1	LEGAL STATUS AND BUSINESS ACTIVITY OF THE COMPANY	
1.1	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.	
	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.)	
	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.	
	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.	
	Geographical location and addresses of major business units including mills/plants of the Company are as under:	
	Karachi B-40, S.I.T.E., Karachi	**Purpose** The registered office and rental purpose for cold storage and vertical farming.
1.2	**Going Concern:** 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 county, the Company's busiess will accelarate and generate enough funds to discharge the liablilites. 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.	
Note 2	**BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**	
	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.	

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 2025

2.1	**Statement of compliance**
	These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of: - International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; - Provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.
2.2	**Basis Of Measurement**
	These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.
2.3	**Functional and presentation currency**
	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.
2.4	**Key judgements and estimates**
	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;
	- Useful lives, residual values and depreciation method of Property, plant and equipment (refer note 4.1 & 5)
	- Useful lives, residual values and depreciation method of investment property (refer note 4.2 & 6)
	- Impairment loss of non financial assets other than stock in trade (refer note 4.6)
	- Fair value of investment property(refer note 4.2 & 6)
	- Fair value of biological assets(refer note 4.4)
	- Provision for expected credit loss (refer note 4.8)
	- Obligation of defined benefit obligation(refer note 4.13 & 14.1)
	- Estimation of provisions (refer note 4.19)
	- Estimation of contingent liabilities (refer note 4.17 and 20)
	- Current income tax expense, provision for current tax recognition of deferred tax (refer note 4.12 & 26)

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 2025

Note 3	Change in accounting standards, interpretations and amendments to published accounting and reporting standards	
3.1	**Standards, amendments to published standards and interpretations that are effective in the current year**	
	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.	
3.2	**Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company**	
	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" - Lake 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 afforesaid amendments, the International Accounting Standard Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Comission 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 year ended on June 30, 2025

Note 4	MATERIAL ACCOUNTING POLICY INFORMATION
	The material accounting policies set out below have been applied consistently to all periods presented in these financial statements, except the following:
4.1	**Property and equipment**
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.
	Judgements and estimates
	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.
	Impairment
	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.
	Capital work-in-progress
	Capital work-in-progress is stated at cost less impairment loss (if any).

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 2025

4.2	**Investment property**
	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.
	Judgement and estimates
	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.
4.3	**No Biological assets (IAS 41 Not Applicable)**
	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. 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. 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 Accordingly, the Company's business activities fall outside the scope of AS 41, and it is not applicable to the Company's business activities.
4.4	**Trade and other receivables**
	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).
4.5	**Cash and cash equivalent**
	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 year ended on June 30, 2025

4.6	**Impairment of non-financial assets**
	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.
4.7	**Financial instruments**
4.7.1	**Financial assets**
	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.
4.7.1.1	**Financial assets at amortised cost**
	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.
4.7.1.2	**Financial assets at fair value through other comprehensive income**
	Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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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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For the year ended on June 30, 2025

4.9	**Trade and other payables**
	Liabilities for trade and other payables are recognized initially at their fair value and subsequently measured at amortized cost using effective interest method.
4.10	**Compensated absences**
	The company accounts for these benefits in the period in which the absences are
4.11	**Share capital**
	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.
4.12	**Income tax and levy**
	Current
	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. 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.
	Levy
	Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.
	Judgements and estimates - Deferred tax
	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. 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.
	Off-setting
	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.

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Notes To The Financial Statements
For the year ended on June 30, 2025

4.13	**Staff retirement benefits**
	Defined benefit plan
	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.
	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.
	Judgements and estimates
	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.
4.14	**Revenue recognition**
	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.
	a) Sale of mushrooms and herbs products is recognized when controls of goods are transferred to the customer and invoice is generated.
	b) Service income on cold storage and ware house is recognized on accrual basis.
	c) Other income comprises of rental income and the same is recognized on accrual basis.
4.15	**Foreign exchange translation**
	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.
4.16	**Borrowing cost**
	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.
4.17	**Contingent liabilities**
	Contingent liability is disclosed when:
4.17.1	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 with in the control of the Company.
4.17.2	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.

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Notes To The Financial Statements
For the year ended on June 30, 2025

4.18	**Dividend distribution**
	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.
4.19	**Provisions**
	Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate 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 as asset.
4.20	**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 relates to transactions with any of the company's other components. The company has only four reportable segments.
4.21	**Related party transactions**
	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.
4.22	**Basic and diluted earnings per share**
	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.
4.23	**Reclassification**
	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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Notes To The Financial Statements
For the year ended on June 30, 2025

Note 5	PROPERTY, PLANT AND EQUIPMENT		2025	2024
			(Amounts in PKR)	
	Property, plant and equipment	5.1	1,404,382,734	1,413,770,629
	Capital work in progress	5.4	3,616,366	-
	Total		1,407,999,100	1,413,770,629

Note 5.1	PROPERTY, PLANT & EQUIPMENT	COST			DEPRECIATION			Book Value As at June 30, 2025	Rate %
		As at July 1, 2024	Addition During the period	As at June 30, 2025	As at July 1, 2024	Charge for the Period	As at June 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	161,680,526	5,575,483	167,256,009	105,934,186	5%
	Cold storage	25,531,932	-	25,531,932	4,798,952	1,036,649	5,835,601	19,696,331	5%
	Vertical farm	108,268,487	891,406	109,159,893	1,292,759	5,379,925	6,672,684	102,487,209	5%
	Plant and machinery	715,112	120,000	835,112	550,733	12,719	563,452	271,660	5%
	Factory equipment	10,303,720	-	10,303,720	9,440,434	86,329	9,526,763	776,957	10%
	Office equipment	19,773,852	392,862	20,166,714	18,060,760	196,782	18,257,542	1,909,172	10%
	Motor vehicles	13,035,155		13,035,155	12,968,845	13,262	12,982,107	53,048	20%
	Furniture and fixtures	3,126,566	13,000	3,139,566	2,886,219	24,414	2,910,633	228,933	10%
	Trollies and fork lifters	4,242,562		4,242,562	4,073,584	16,898	4,090,482	152,080	10%
	K-Electric sub station	2,732,827	1,544,601	4,277,428	516,358	281,362	797,720	3,479,708	10%
	OTIS lifts	1,326,982	300,000	1,626,982	1,167,593	25,939	1,193,532	433,450	10%
	June 30, 2025	**1,631,207,390**	**3,261,869**	**1,634,469,259**	**217,436,763**	**12,649,761**	**230,086,524**	**1,404,382,734**	
	June 30, 2024	1,524,444,990	106,762,400	1,631,207,390	209,842,641	7,594,122	217,436,763	1,413,770,630	

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For the year ended on June 30, 2025

Note 5.2	Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:			
		Location	**Usage of property**	**Total Area (Sq feet)**
	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:

Asset class	**Rupees**
Lease hold land	64,893,485
Building	4,075,982
	68,969,467

5.2.2 Forced sale value of revalued land and building

Asset class	**Forced sale Value Rupees**
Lease hold land	719,360,000
Building	172,504,440
	1,064,368,880

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.

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
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Note 5.3	BREAKUP OF DEPRECIATION EXPENSE	2025	2024
		(Amounts in PKR)	
	Cost of good sold	3,162,440	1,139,118
	Administrative and selling expenses	9,487,321	6,455,004
	Total of depreciation expense	12,649,761	7,594,122

Note 5.4	CAPITAL WORK IN PROGRESS	Balance as on July 1, 2024	Addition During the year	Transferred to Operating Assets	Balance as on June 30, 2025	Balance as on June 30, 2024
	Description					
	CWIP - Mushroom	-	3,616,366	-	3,616,366	-
		-	3,616,366	-	3,616,366	-

Note 6	INVESTMENT PROPERTY	COST			DEPRECIATION			Carrying Value As at Dec 31, 2025	Rate %
	Particulars	As at July 1, 2024	Addition During the period	As at Dec 31, 2025	As at July 1, 2024	Charge for the Period	As at Dec 31, 2025		
	Building	194,310,081	-	194,310,081	132,416,435	3,094,682	135,511,118	58,798,963	5%
	June 30, 2025	**194,310,081**	**-**	**194,310,081**	**132,416,435**	**3,094,682**	**135,511,118**	**58,798,963**	
	June 30, 2024	194,310,081	-	194,310,081	129,158,875	3,257,560	132,416,435	61,893,646	

6.1 This represents building owned by the company. The fair value of the investment property is Rs. 130.787 million. Forced sale value of the investment property assessed at Rs. 91.55 million.

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Note 7	STOCK IN TRADE		2025	2024
			(Amounts in PKR)	
	Vertical farm	7.1	1,193,718	1,185,298
	Diesel		108,726	91,178
	Fertilizer and other materials		3,885,936	-
	Packing material		270,399	277,606
	Total Stock In Trade		5,458,780	1,554,082
7.1	Vertical Farm include Mushrooms, Herbs, Edible Flowers, Fodder, Leaf Green and others.			
Note 8	**LOAN, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES**			
	Loans and advances	8.1	37,051,394	28,828,152
	Prepayments	8.2	7,408,448	9,425,248
	Receivable from SG Power	8.3	9,317,463	2,953,470
	Total Loan, Advances, Prepayments and Other Receivables		53,777,305	41,206,870
8.1	**Loans and Advances**			
	Advance to Staff		463,000	529,505
	Advance income tax		19,840,600	14,964,115
	Account receivables-cold storage		1,700,230	2,110,414
	Account receivables-ware house		5,218,589	4,935,448
	Account receivables- vertical farm		5,703,229	4,211,011
	Income tax refundable-net		4,125,747	2,077,659
	Total Loans And Advances		37,051,394	28,828,152
8.2	**Prepayments**			
	Letter of guarantee		150,000	150,000
	Sales tax claim receivable-net		7,258,448	9,275,248
	Total Prepayments		7,408,448	9,425,248
8.3	**Receivable from SG Power**			
	Receivable from SG Power	8.3.1	17,817,234	11,453,241
	Less: Provision for receivable rent		(8,496,312)	(8,496,312)
	Less: Provision for doubtful debts		(3,459)	(3,459)
	Total Receivable From Sg Power		9,317,463	2,953,470
8.3.1	This includes receivable from S.G. Power Limited on account of rent and utilities of amounting to Rs. 17.8 million. However, as disclosed in notes 15, 16, and 17, a sum of Rs. 87.31 million is payable to S.G. Power Limited.			
Note 9	**CASH AND BANK BALANCES**			
	Cash in hand		2,170	11,355
	Cash at bank- Current accounts		278,248	8,158
	Total Cash And Bank Balances		280,418	19,513

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For the year ended on June 30, 2025

Note	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL		2025	2024
10			(Amounts in PKR)	
	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
	Total		150,000,000	150,000,000
10.1	**Shares held by the related parties of the company**			
	Directors, CEO & Spouses;		**Number of Shares**	**Percentage Holding**
	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%
Note 11	REVALUATION SURPLUS ON PROPERTY, PLANT AND EQUIPMENT			
	Revaluation surplus on property, plant and equipment		1,226,069,811	1,231,111,655
	Total		1,226,069,811	1,231,111,655
11.1	**Revaluation surplus on property, plant & equipment**			
	Opening balance		1,283,003,331	1,290,478,265
	Less: Transferred to unappropriated profit on account of:			
	- incremental depreciation for the period		(7,101,188)	(7,474,934)
	Total		1,275,902,143	1,283,003,331
	Related deferred tax of:			
	Balance at beginning of the period/year		51,891,677	54,059,408
	Incremental depreciation for the period/year		(2,059,344)	(2,167,731)
	Incremental depreciation for the period/year			
	Total		49,832,332	51,891,677
	Balance at end of the period/year		1,226,069,811	1,231,111,655
11.2	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.			
11.3	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.			
Note 12	LOAN FROM DIRECTOR- SUB ORDINATED LOAN			
	Loan from directors (subordinated loan)	12.1	261,574,406	261,574,406
	Loan from directors	12.2	64,327,348	49,514,068
			325,901,754	311,088,475
12.1	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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12.2	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.		
Note 13	DEFERRED LIABILITIES	2025	2024
		(Amounts in PKR)	
	Staff retirement benefit-Gratuity	14,358,073	11,071,310
	Deferred tax liability attributable to revaluation surplus	49,832,332	51,891,677
	Total Deferred Liabilities	64,190,405	62,962,987
13.1	**Staff retirement benefit-Gratuity**		
13.1.1	**Changes in present value of defined benefit obligation**		
	Present value at the beginning of the year	11,071,310	8,623,975
	Current service cost	3,075,254	2,126,408
	Past Service Cost	-	-
	Interest cost on defined benefit obligation	1,549,983	1,358,276
	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)	(1,037,349)
	Present value at the end of the year	14,358,073	11,071,310
13.1.2	**The following amounts have been charged to statement of profit or loss during the year**		
	Current service cost	3,075,254	2,126,408
	Past Service Cost	-	-
	Interest cost on defined benefit obligation	1,549,983	1,358,276
		4,625,237	3,484,684
13.1.3	**Charge for the year has been allocated as under:**		
	Administrative expenses	4,625,237	3,484,684
13.1.4	**Total remeasurements chargeable in other comprehensive Income**		
	Actuarial gain from changes in financial assumptions	(1,338,475)	(1,037,349)
13.1.5	**Principal actuarial assumptions**		
	Contribution to the staff retirement benefit gratuity for the	4,536,761	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:		
		June 30,2025	**June 30,2024**
	Discount rate	12.5%	14%
	Expected rate of increase in salary	12.5%	14%
	Average retirement age of an employee	60	60
	Mortality rates	**SLIC 2001-2005**	**SLIC 2001-2005**

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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:				
	Impact on defined benefit obligation				
		Changes in assumption %		**Increase in assumption**	**Decrease in assumption**
				<--------- Rupees----------->	
	Discount rate	plus (+) 100 bps		9,740,009	12,695,145
		minus (-) 100 bps			
	Salary increase	plus (+) 100 bps		12,780,331	9,654,453
		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.				
	Historical information	**2024**	**2023**	**2022**	**2021**
	Present value of defined benefit obligation	11,071,310	8,623,975	7,686,092	6,789,420
	Experience adjustment on obligation	-	-	-	-
13.1.8	**Maturity profile**				
	Years:				**Rupees**
	Year 1	-	-	-	1,263,956
	Year 2	-	-	-	133,980
	Year 3	-	-	-	159,273
	Year 4	-	-	-	180,278
	Year 5	-	-	-	194,335
	Year 5 & onwards	-	-	-	7,447,713
	Weighted average duration	-	-	-	7 years

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Note 13.2	Deferred Taxation		2025	2024
			(Amounts in PKR)	
	Deferred tax liability attributable to Revaluation Surplus		49,832,332	51,891,677
	Deferred tax liability arising on taxable temporary differences due to:			
	Accelerated tax depreciation		48,790,512	51,539,740
	Deferred tax assets arising on deductible			
	Loan, advances, prepayments and other receivable		-	-
	Provision for gratuity		(4,163,841)	(3,210,680)
	Unused tax losses		(58,278,589)	(58,278,589)
	Deferred tax assets-net		36,180,414	41,942,148
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 14	CREDITORS, ACCRUED AND OTHER LIABILITIES			
	Trade creditors		2,510,875	1,339,066
	Earnest money		189,006	189,006
	Security deposit payable		24,589,473	23,166,029
	Electricity bill payable	14.1	5,241,541	6,551,126
	Provision for sale tax liability	14.2	3,411,431	1,857,546
	Withholding tax payable	14.3	487,867	
	Others		8,930,161	6,746,905
			45,360,354	39,849,677
	Due to associated undertaking	14.4	74,537,358	74,537,358
	Total Creditors, Accrued and Other Liabilities		119,897,712	114,387,035
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 15	MARK UP ON SHORT TERM AND LONG TERM LOAN			
	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 16	LOAN FROM ASSOCIATED UNDERTAKING			
	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 year ended on June 30, 2025

Note 17	CONTINGENCIES AND COMMITMENTS			
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	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. 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.	Pending

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 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	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. 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.	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.			
17.2	**Commitments**			
	There are no commitments as at June 30, 2025 (June 30, 2024: nil)			

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 2025

Note 18	SALES		2025	2024
			(Amounts in PKR)	
	Sale of mushrooms and herbs		74,676,194	48,166,021
	Service income from cold storage		10,542,017	9,032,755
	Total Sales		85,218,211	57,198,776
Note 19	**COST OF SALES**			
	Electricity, gas, steam and water		6,651,949	5,351,013
	Packaging		2,034,407	1,205,103
	Salaries and wages		16,841,588	16,226,220
	Loader expense		4,453,800	3,523,500
	Pesticides and chemical		629,940	854,576
	Seeds		98,765	15,450
	Casing soil		2,396,162	979,000
	Testing		564,833	359,647
	Fertilizers		1,303,679	971,000
	Freight charges		3,625,859	1,090,188
	Compost bags		746,005	1,023,528
	Supplies and material		9,959,038	6,039,072
	Wheat straw		4,251,129	-
	Depreciation expense		3,162,440	1,139,118
	Cost of goods available for sale		60,624,292	38,777,415
	Add: Opening vertical farming	7	1,554,082	3,917,182
	Less: Ending inventory of vertical farming		(5,458,780)	(1,554,082)
	Total Cost of Sales		56,719,594	41,140,515
Note 20	**ADMINISTRATIVE AND SELLING EXPENSES**			
	Directors' remuneration and amenities		6,060,000	6,060,000
	Salaries, allowances and benefits		34,339,295	30,278,443
	Wages expense		4,957,744	2,091,755
	Labour expenses		1,627,500	1,102,500
	Gratuity expense		4,625,237	3,484,684
	Electricity expense		35,594,801	31,224,479
	Water charges		4,230,093	2,665,371
	Insurance		249,059	273,768
	Advertisement expense		427,244	672,643
	Bad debts against recoverable from staff		498,300	232,855
	Sales commission expense		3,506,400	1,381,815
	Depreciation expense - Investing Property	6	3,094,682	3,275,560
	Depreciation expense - Property, Plant and equipment		9,487,321	6,455,004
	Telephone and fax		713,123	402,243
	Stationery and printing		780,970	1,328,173
	Fuel for generator		687,899	1,785,715
	Total carry forward on next page		***110,879,667***	***92,715,007***

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 2025

	ADMINISTRATIVE AND SELLING EXPENSES *(Contd...)*	2025	2024
		(Amounts in PKR)	
	Total carry forward from previous page	***110,879,667***	***92,715,007***
	Repairs and maintenance	5,961,665	9,731,540
	Rent expenses	380,000	318,750
	Property tax	508,288	508,288
	Safety and security	970,121	933,184
	Travelling and conveyance expenses	1,505,572	1,360,026
	Transportation out expense	2,049,301	1,028,877
	Legal and professional	3,657,833	2,726,709
	Fee and subscriptions	1,388,963	1,588,483
	Auditor's remuneration	517,500	790,000
	Entertainment	318,895	283,712
	Adjustment of Sales Tax Refundable	9,673,216	
	Misc supplies and tools	3,434,326	3,540,658
	Total Administrative and Selling Expenses	**141,245,347**	**115,525,235**
20.1	**Auditor's Remuneration**		
	Audit of financial statements	395,000	600,000
	Review of half-yearly financial statements	100,000	100,000
	Review report on code of corporate governance	54,000	75,000
	Out of pocket expenses	12,500	15,000
	Total Auditor's Remuneration	561,500	790,000
Note 21	**OTHER INCOME**		
	Rental income	98,045,322	83,049,302
	Total Other Income	98,045,322	83,049,302
Note 22	**FINANCIAL CHARGES**		
	Bank charges and commission	236,698	35,687
	Total Finance Charges	236,698	35,687
Note 23	**LEVY**		
	Minimum tax	2,290,794	1,753,101
	Total Levy	2,290,794	1,753,101
23.1	These represent minimum tax under section 113 of Income Tax Ordinance, 2001, representing levies in terms of requirements of IFRIC 21/IAS 12.		
	The Company, in the light of 'Application Guidance' issued by Institute of Chartered Accountants of Pakistan (ICAP) via Circular No.07/2024 dated May 15, 2024, has accounted for the accounting treatment and presentation of 'Minimum and Final Taxes', charged under the Income tax Ordinance. 2001 (ITO).		
Note 24	**TAXATION**		
	Current	-	-
	Deferred	(2,059,344)	(2,468,552)
	Total Taxation	(2,059,344)	(2,468,552)

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 2025

	ADMINISTRATIVE AND SELLING EXPENSES *(Contd...)*	2025	2024
		(Amounts in PKR)	
	Total carry forward from previous page	***110,879,667***	***92,715,007***
	Repairs and maintenance	5,961,665	9,731,540
	Rent expenses	380,000	318,750
	Property tax	508,288	508,288
	Safety and security	970,121	933,184
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	Deferred	(2,059,344)	(2,468,552)
	Total Taxation	(2,059,344)	(2,468,552)

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 2025

	TRANSACTIONS WITH RELATED PARTIES *(Contd...)*				
	Name of related party	**Relationship with the company**	**Nature of transaction**	**2025**	**2024**
	Balances:				
	Mrs. Zubaida Khatoon	Key management personnel	Balance payable	-	49,890,714
	Aliya Shahid	Key management personnel	Balance payable	27,394,364	19,063,817
	Asim Ahmed	Key management personnel	Balance payable	16,614,367	-
	Ghazala Saleem	Key management personnel	Balance payable	26,255,344	17,913,126

Note 27	REMUNERATION OF DIRECTORS AND EXECUTIVES				
		Chief Executive		**Directors**	
		2025	**2024**	**2025**	**2024**
	Remuneration	3,000,000	3,000,000	2,460,000	2,460,000
	House rent	-	-	-	-
	Retirement benefit	-	-	-	-
	Utilities	-	-	-	-
		3,000,000	3,000,000	2,460,000	2,460,000
	Number of Executives	1	1	2	1

Note 28	FINANCIAL INSTRUMENTS BY CATEGORY	2025	2024
		(Amounts in PKR)	
	Financial Assets		
	Long term deposits	95,714	95,714
	Loans and other receivables	33,936,705	26,242,754
	Cash and bank balances	280,418	19,513
	Total	34,312,837	26,357,981
	Financial Liabilities at amortized cost		
	Creditors, accrued and other liabilities	119,897,712	114,387,035
	Short term and long term loan	92,039,491	92,039,491
	Loan from directors	325,901,754	49,514,068
	Total	537,838,957	255,940,595

Note 29	FINANCIAL RISK MANAGEMENT
	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 year ended on June 30, 2025

29.1	**Market Risk**
	Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing returns.
29.2	**Currency risk**
	Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly 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.
29.3	**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 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.
29.4	**Price risk**
	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.
29.5	**Credit Risk**
	Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in 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. 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:

	2025	2024
Long term deposits	95,714	95,714.00
Loans and other receivables	33,936,705	26,242,754.46
Bank balances	278,248	8,157.85
Total	34,310,667	26,348,650

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.

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 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:

	Rating agency	Short-term rating	2025	2024
			(all amounts in PKR)	
Summit Bank Limited	JCR- VIS	A-3	106	106
BankIslami Pakistan Limited	PACRA	A-1	33,466	1,201
Samba Bank Limited	JCR- VIS	A-1	1,855	1,855
Bank Al-Habib Limited	PACRA	A-1+	(193,822)	7,168
Habib Metro	PACRA	A-1+	(12,494)	(3,310)
Standard Chartered Bank	PACRA	A-1+	1,290	285
Meezan Bank	JCR- VIS	A-1+	447,848	853
			278,248	8,158

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:

2025	Less than 3 months	3 to 12 months	1 to 5 years	Greater than 5 years	Total
Loan from director	-	64,327,348	-	-	64,327,348
Creditors, accured 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	-	-	-	-	-
Total	5,241,541	184,984,697	92,039,491	-	282,265,729

2024	Less than 3 months	3 to 12 months	1 to 5 years	Greater than 5 years	Total
Loan from director	-	49,514,068	-	-	49,514,068
Creditors, accured 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	-	-	-	-	-
Total	6,551,126	157,349,978	92,039,491	-	255,940,595

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 2025

Note 30	FAIR VALUE OF FINANCIAL INSTRUMENTS
	The carrying value of all the financial instruments reflected in the financial statements approximates to their fair values.
	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.
	Fair value hierarchy; 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. - Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. - 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). - 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).
	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.

Note 31	CAPITAL RISK MANAGEMENT
	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.
	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.
	As at June 30, 2024 and 2023, the company had surplus reserves to meet its requirements.
	The gearing ratio as at June 30, 2025 and June 30, 2024 is as follows:

		2025	2024
		(all amounts in PKR)	
	Total debts	92,039,491	92,039,491
	Cash and bank balances	(280,418)	(19,513)
	Net debt	91,759,073	92,019,978
	Share capital	150,000,000	150,000,000
	Surplus on revaluation of Property, Plant & Equipment	1,226,069,811	1,231,111,655
	Share premium	337,400,000	337,400,000
	Revenue reserves	(791,379,687)	(782,202,292)
	Loan from directors	325,901,754	261,574,406
	Equity	1,247,991,878	1,197,883,769
	Capital	1,339,750,951	1,289,903,747
	Gearing ratio (debt/debt/Equity)	6.85%	7.13%

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 2025

Note 32	RECONCILIATION OF MOVEMENT OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES				
		Interest on Short-Term and Long-Term Loan	Loan from Director	Loan from associated Undertaking	Total
		……Rupees……			
	Balance as at July 1, 2024	20,617,394	311,088,474	71,422,097	403,127,964
	Repayment of loans	-	36,618,352	-	36,618,352
	Proceeds from loans	-	(32,663,771)	-	(32,663,771)
	Total changes from financing cashflows	-	3,954,581	-	3,954,581
	Other changes include non cash:				
	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	407,082,546
	Balance as at July 1, 2023	20,617,394	302,404,816	71,422,097	394,444,307
		-	25,042,480	-	25,042,480
	Repayment of loans	-	(16,358,822)	-	(16,358,822)
	Proceeds from loans	-	8,683,658	-	8,683,658
	Total changes from financing cashflows				
	Other changes include non cash:	-	-	-	-
	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	403,127,964

Note 33	CAPACITY & PRODUCTION	2025	2024
		(all amounts in PKR)	
	Production capacity for vertical farming plus mushroom	60000 KG	60000 KG
	Actual production for vertical farming	53640 KG	38000 KG
	Capacity cold storage(tonnes)	450 Ton	450 Ton
	Actual usage for cold storage(tonnes)	355 Ton	315 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 year ended on June 30, 2025

Note 34	SEGMENT REPORT DISCLOSURE				
	2025	Sales	Cold Storage	Rental	Total
		.....Rupees.....			
	Turnover	74,676,194	10,542,017	98,045,322	183,263,533
	Cost of sales and services	(33,272,771)	(29,513,743)	(3,759,027)	(66,545,541)
	Gross profit	41,403,423	(18,971,727)	94,286,295	116,717,992
	Administrative and selling expense	(66,418,553)	(26,567,421)	(39,851,132)	(132,837,107)
	Other income	-	-	-	-
	Operating profit/(loss)	(25,015,130)	(45,539,148)	54,435,163	(16,119,115)
	Finance cost	(118,349)	(94,679)	(23,670)	(236,698)
	Profit/(loss) before levy & tax	(25,133,479)	(45,633,827)	54,411,493	(16,355,814)
	Levy	(933,452)	(131,775)	(1,225,567)	(2,290,794)
	Profit/(loss) before taxation	(26,066,932)	(45,765,602)	53,185,926	(18,646,608)
	Taxation	-	-	2,059,344	2,059,344
	Profit/(loss) after taxation	(26,066,932)	(45,765,602)	55,245,271	(16,587,263)
	Other information:				
	Segment assets	209,198,352	19,696,331	58,798,963	287,693,646
	Unallocated assets				1,247,901,983
	Total assets				1,535,595,629
	Segment liabilities	120,122,870	51,481,230	137,283,280	308,887,381
	Unallocated liabilities				34,320,820
	Total liabilities				343,208,201
	Capital expenditure	-	-	-	-
	Unallocated capital expenditure	-	-	-	-
	Total capital expenditure				-
	Depreciation	11,599,850	1,036,649	3,094,682	15,731,182

SG ALLIED BUSINESSES LIMITED
Notes To The Financial Statements
For the year ended on June 30, 2025

SEGMENT REPORT DISCLOSURE *(Contd...)*

2024	Sales	Cold Storage	Rental	Total
	.....Rupees.....			
Turnover	48,166,021	9,032,755	83,049,302	140,248,078
Cost of sales and services	(24,935,469)	(12,830,985)	(3,792,661)	(41,559,115)
Gross profit	23,230,552	(3,798,229)	79,256,641	98,688,963
Administrative and selling expense	(57,753,617)	(23,101,447)	(34,652,170)	(115,507,235)
Other income	-	-	-	-
Operating profit/(loss)	(34,523,065)	(26,899,676)	44,604,470	(16,818,273)
Finance cost	(17,843)	(14,275)	(3,569)	(35,687)
Profit/(loss) before levy & tax	(34,540,909)	(26,913,951)	44,600,901	(16,853,958)
Levy	(602,075)	(112,909)	(1,038,116)	(1,753,101)
Profit/(loss) before taxation	(35,142,984)	(27,026,860)	43,562,785	(18,607,059)
Taxation	-	-	2,468,562	2,468,562
Profit/(loss) after taxation	(34,540,909)	(26,913,951)	47,069,464	(16,138,497)
Other information:				
Segment assets	219,348,683	20,732,980	61,893,646	301,975,309
Unallocated assets	-	-	-	1,216,565,144
Total assets				1,518,540,452
Segment liabilities	112,229,839	48,098,502	128,262,673	290,845,762
Unallocated liabilities	-	-	-	29,810,920
Total liabilities				320,656,682
Capital expenditure	-	-	-	-
Unallocated capital expenditure	-	-	-	-
Total capital expenditure				-
Depreciation	6,718,706	875,416	3,257,560	10,851,682

Note 35	NUMBER OF EMPLOYEES	2025	2024
	Number of employees at the year end	75	67
	Average number of employees	75	67

Note 36 GENERAL

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

Note 37 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved and authorized for issue on 07 OCT 2025 by the Board of Directors of the Company.

Chief Executive | Director | Chief Financial Officer

NOTICE TO THE FINANCIAL STATEMENTS

DETAILS OF CATIGORIE OF SHAREHOLDERS

FOR THE YEAR ENDED JUNE30, 2025

Financial institution	**No. Of Shareholders**	**Total**
National Bank of Pakistan		3,754,900
Allied Bank Limited		788,800
		4,543,700
DIRECTORS, CEO, THEIR SPOUCES AND MINOR CHILDERN		
Sohail Ahmed		5,228,300
Asim Ahmed		500
Ghazala		1,306,850
Saba Sohail		500
Sana Sohail		500
Bina Sohail		500
Farhan Sohail		500
		6,537,650
Indivisual		
Zubaida Khatoon		2,614,200
Aliya Shahid		1,304,450
		3,918,650
Total		15,000,000

Shareholders holding 10% or more voting interest in the Company

As at June 30, 2025

DIRECTORS, CEO, THEIR SPOUCES AND MINOR CHILDERN		
Sohail Ahmed	5,228,300	34.86%
Asim Ahmed	500	0.003%
Financial Institutions		
National Bank of Pakistan	3,754,900	25.03%

NOTICE TO THE FINANCIAL STATEMENTS

DETAILS OF CATIGORIE OF SHAREHOLDERS

FOR THE YEAR ENDED JUNE30, 2025

No.. of Share Holders	**Shareholdings**		**Total Shares**
	From	**To**	**Total Shares Held**
1	101	500	500
1	785,001	790,000	788,800
2	1,305,001	1,310,000	2,612,300
3	2,610,001	2,615,000	7,842,800
1	3,750,001	3,755,000	3,754,900
8			15,000,000

Categories of shareholders	**Numbers**	**Share Held**	**Percentage**
DIRECTORS, CEO, THEIR SPOUCES AND MINOR CHILDERN	7	6,537,650	43.58%
Financial Institutions	2	4,543,700	30.29%
Indivisual	1	3,918,650	26.12%
	10	15,000,000	100%

ALLIED BUSINESSES LIMITED

FORM OF PROXY

The Secretary,
SG Allied Business Limited,
B-40, S.I.T.E.,
Karachi.

I/We _____ OF _____ being a member of SG Allied Business Limited, and holder OF _____Ordinary shares hereby appoint _____of _____as _____me/ our proxy to attend and vote for me / our behalf as the 57th Annual General Meeting of the Company to be held on Tuesday, October 28, 2025 at 12:00 a.m. and at Any adjournment thereof:

In witness my/our hand seal this_____day of_____2025

Signed by _____

Please affix Rs. 5/- Revenue Stamp

In the presence of _____ Signature of Member_____

Folio No. _____

IMPORTANT

1. This proxy form duly completed and signed, must be received at the Registered Office of the Company, B-40, S.I.T.E., Karachi, not less then 48 hours before the time of holding the meeting and must be duly signed and witnessed.

2. A Proxy need not be a member of the Company.

3. If a member appoint more than one proxy and more than one instrument of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

For CDC Account Holders/Corporate Entities:

1. The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.

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

3. The proxy shall produce his/her original passport at the time of the meeting.

4. In case of Government of Pakistan, State Bank of Pakistan, Corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted along with proxy form to the company.

AFFIX
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THE Company Secretary

SG Allied Business Limited

B-40, S.I.T.E.

Karachi

فارم برائے نمائندگی

ستاونواں سالانہ اجلاس

کمپنی سیکریٹری
ایس جی الائیڈ بزنسز لمیٹڈ
B-40، سائٹ کراچی
کراچی ۔ پاکستان

میں / ہم بحیثیت ایس جی الائیڈ بزنسز لمیٹڈ کے رکن (اراکین) ۔۔۔۔۔۔۔۔۔۔۔۔ آ ڈ یز ی شیئر فولیو نمبر ۔۔۔۔۔۔۔۔۔۔۔۔ بمطابق سی ڈی سی اکاؤنٹ نمبر ۔۔۔۔۔۔۔۔ اپنی جانب سے مسٹر / مسز / مس کا تقرر کرتا / کرتی ہوں ۔ ان کا مکمل پتہ ۔۔۔۔۔۔۔۔۔۔۔۔۔۔

بحیثیت رکن کمپنی میں / میرا نمائندہ ستاونواں سالانہ اجلاس میں شرکت اور ووٹ دینے کے اہل ہے / ہیں جو کہ بروز منگل 28 اکتوبر 2025 کو منعقد ہوگا یا التوا کی صورت میں (بعد میں) میری یا ہماری جانب سے اہل ہے / ہوں گے۔

دستخط ۔۔۔۔۔۔۔۔۔۔۔۔ بروز / بتاریخ ۔۔۔۔۔۔۔۔۔۔۔۔ 2025

گواہان:

1	2
نام: ۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔	نام: ۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔
پتہ: ۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔	پتہ: ۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔
شناختی کارڈ نمبر: ۔۔۔۔۔۔۔۔۔۔۔۔	شناختی کارڈ نمبر: ۔۔۔۔۔۔۔۔۔۔۔۔
دستخط: ۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔	دستخط: ۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔۔

ہدایات:

۱۔ نمائندے کیلئے کمپنی کا ممبر ہونا لازمی ہے۔

۲۔ یہاں کئے جانے والے دستخط کا کمپنی کے ریکارڈ میں موجود دستخط سے مماثلت رکھنا ضروری ہے۔

۳۔ اگر کسی ایسے ممبر کی جانب سے نمائندگی کی اجازت دی گئی ہے جس نے اپنے شیئر سینٹرل ڈپازٹری کمپنی آف پاکستان میں جمع کروائے ہوں، تو اس صورت میں نمائندے کو شراکت دار کا شناختی کارڈ نمبر اور سی ڈی سی اکاؤنٹ / سب اکاؤنٹ نمبر کے ساتھ کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ فوٹو کاپیاں ہمراہ ضروری ہے۔

۴۔ نمائندے کو یہ فارم مکمل پر کر کے ہمراہ تمام ضروری دستاویزات، اجلاس سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں جمع کرانا ہوں گے۔

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The Company Secretary
SG Allied Businesses Limited
B-40, S.I.T.E.
Karachi

Allied Businesses Limited

ANNUAL REPORT 2025