TRADING CORPORATION OF PAKISTAN (PRIVATE) LIMITED

CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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TRADING CORPORATION OF PAKISTAN (PRIVATE) LIMITED
AUDITORS' REVIEW REPORT TO THE MEMBERS ON
REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENT

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **TRADING CORPORATION OF PAKISTAN (PRIVATE) LIMITED** (the Company) as at **December 31, 2025** and the related condensed interim statement of profit or loss and other comprehensive income, the condensed interim statement of cash flows, the condensed interim statement of changes in equity and notes to the condensed interim financial statements for the six months' period then ended (*here-in-after referred to as the "condensed interim financial statements"*). The management of the Company is responsible for the preparation and presentation of the condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Baker Tilly Mehmood Idrees Qamar, Chartered Accountants trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Basis for Qualification

a) Other receivables include Rs. 18,926.470 million (including accrued mark-up and other charges of Rs. 16,546.915 million till December 31, 2025) from sugar mills on account of sugar not supplied by them under the contractual terms. The Company had initiated legal action. In the absence of management objective evaluation of probable outcome of the said legal action, we are unable to satisfy ourselves as to the recoverability of receivables from sugar mills under the head prepayment and other receivables.

b) The Company has pending litigations and open tax assessments. We were unable to obtain sufficient appropriate audit evidence regarding the completeness of these and any other legal contingencies and their recognition / disclosure. The ultimate outcome cannot presently be determined, and no provision has been made.

Qualified Conclusion

Based on our review, except for the matters referred in the above paragraphs, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as at December 31, 2025 are not prepared, in all material respects, in accordance with the approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the six months, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim statement of profit or loss and other comprehensive income for the three months period ended December 31, 2025 and December 31, 2024 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's review report is ***Muhammad Aqeel Ashraf Tabani.***

Baker Tilly Mehmood Idrees Qamar
Chartered Accountants

Karachi.
Date: April 20, 2026
UDIN: RR202510542ipTIfmW3c

TRADING CORPORATION OF PAKISTAN (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT DECEMBER 31, 2025

	Note	Un-Audited December 2025	Audited June 2025
		---------- Rupees in 000 ----------	
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	87,179,147	87,121,670
Intangible asset		503	855
Long-term investments	5	14,406,281	16,703,189
Long-term loans		30,417	55,046
Long-term deposits		16,449	16,449
		101,632,797	103,897,209
CURRENT ASSETS			
Current maturity of long-term investments		2,793,219	-
Stock-in-trade held on behalf of Government of Pakistan		17,375,834	-
Due from Government of Pakistan	6	255,125,066	237,669,726
Receivable from recipient agencies	7	61,219,266	58,127,415
Loans and advances	8	27,679	25,779
Accrued interest		453,059	997,311
Prepayments and other receivables	9	23,698,997	22,446,909
Sales tax refundable		7,520,808	7,362,653
Short-term investments		11,190,563	11,743,142
Cash and bank balances	10	2,198,749	1,607,870
		381,603,240	339,980,805
TOTAL ASSETS		**483,236,037**	**443,878,014**
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital		**1,000,000**	**1,000,000**
Issued, subscribed and paid-up share capital		1,000,000	1,000,000
Surplus on revaluation on property and equipment		86,335,694	86,361,842
Reserves		25,427,481	24,374,443
		112,763,175	111,736,285
NON-CURRENT LIABILITIES			
Long-term loan		16,649	16,649
Loan for FMCL sprinkler system		11,201	14,934
Deferred liabilities - staff compensated absences		192,017	166,016
		219,867	197,599
CURRENT LIABILITIES			
Trade and other payables	11	1,941,762	1,785,601
Commodity finance under markup arrangements		357,754,637	319,561,605
Current portion of loan for FMCL sprinkler system		7,467	7,467
Interest accrued		9,952,004	9,807,995
Taxation - net		597,125	781,462
		370,252,995	331,944,130
TOTAL EQUITY AND LIABILITIES		**483,236,037**	**443,878,014**

The annexed notes from 1 to 16 form an integral part of these financial statements.

Chief Executive Officer | Chief Financial Officer | Director

TRADING CORPORATION OF PAKISTAN (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2025

		Six months period ended		Quarter ended	
		December 2025	December 2024	December 2025	December 2024
	Note	Rupees in 000			
Service charges / commission income		447,824	-	447,824	-
Administrative expenses	*12*	(996,393)	(914,847)	(612,117)	(578,212)
Operating loss		**(548,569)**	**(914,847)**	**(164,293)**	**(578,212)**
Finance cost		(709)	(1,590)	(335)	(705)
Other income	*13*	2,280,812	2,676,022	1,060,720	1,371,981
Profit before levy (final and minimum tax) and income tax		**1,731,534**	**1,759,585**	**896,092**	**793,064**
Minimum tax		-	-	-	-
Profit before income tax		**1,731,534**	**1,759,585**	**896,092**	**793,064**
Taxation		(504,644)	(510,421)	(262,366)	(230,130)
Profit after taxation		**1,226,890**	**1,249,164**	**633,726**	**562,934**
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Revaluation of property and equipment		-	40,698,725	-	40,698,725
Total comprehensive income for the Period		**1,226,890**	**41,947,889**	**633,726**	**41,261,659**

The annexed notes from 1 to 16 form an integral part of these financial statements.

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

TRADING CORPORATION OF PAKISTAN (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2025

	Issued, subscribed and paid-up share capital	Reserves					Total reserves excluding surplus	Surplus on revaluation on PPE-net of tax	Total Equity
		General reserve	Building reserve	Reserve for contingencies	Revenue reserves	Unappropriated profit			
	Rupees in 000								
Balance as at July 01, 2024	**1,000,000**	**7,500,000**	**1,680,000**	**100,000**	**239,000**	**13,581,410**	**23,100,410**	**45,739,625**	**69,840,035**
Profit for the year	-	-	-	-	-	1,249,164	1,249,164	-	1,249,164
Other comprehensive income for the year	-	-	-	-	-	-	-	40,698,725	40,698,725
Total comprehensive income for the year	-	-	-	-	-	1,249,164	1,249,164	40,698,725	41,947,889
Transfer from surplus on revaluation of property and equipment of incremental depreciation	-	-	-	-	-	54,385	54,385	(54,385)	-
Transaction with the owners:									
Final dividend for the year ended June 30, 2024	-	-	-	-	-	(200,000)	(200,000)	-	(200,000)
Balance as at December 31, 2024	**1,000,000**	**7,500,000**	**1,680,000**	**100,000**	**239,000**	**14,684,959**	**24,203,959**	**86,383,965**	**111,587,924**
Balance as at July 01, 2025	1,000,000	7,500,000	1,680,000	100,000	239,000	14,855,443	24,374,443	86,361,842	111,736,285
Profit for the period	-	-	-	-	-	1,226,890	1,226,890	-	1,226,890
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	1,226,890	1,226,890	-	1,226,890
Transfer from surplus on revaluation of property and equipment of incremental depreciation	-	-	-	-	-	26,148	26,148	(26,148)	-
Transaction with the owners:									
Final dividend for the year ended June 30, 2025	-	-	-	-	-	(200,000)	(200,000)	-	(200,000)
Balance as at December 31, 2025	**1,000,000**	**7,500,000**	**1,680,000**	**100,000**	**239,000**	**15,908,481**	**25,427,481**	**86,335,694**	**112,763,175**

Chief Financial Officer

Chief Executive Officer

Director

TRADING CORPORATION OF PAKISTAN (PRIVATE) LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2025

	Note	Un-Audited December 2025	Un-Audited December 2024
		---------- Rupees in 000 ----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levy (final and minimum tax) and income tax		1,731,534	1,759,585
Adjustments of non cash and other items			
Depreciation on property and equipment		85,991	78,474
Amortization on intangible asset		352	352
Gain on disposal of property and equipment		-	78
Interest income on PIBs		(1,007,053)	(671,626)
Interest on investments		(55,578)	(172,558)
Subsidy to be reimbursed - net		(17,455,340)	(18,745,394)
Provision for compensated absences		34,435	-
		(18,397,193)	(19,510,674)
Increase in current assets		(21,879,828)	(1,777,122)
Increase / (decrease) in current liabilities		673,796	(11,568,105)
Cash used in operations		**(37,871,691)**	**(31,096,316)**
Income tax paid		(688,980)	(937,824)
Staff retirement gratuity - net		(373,626)	(5,427)
Compensated absences paid		(8,434)	(6,439)
		(1,071,040)	(949,690)
Net cash used in operating activities		**(38,942,731)**	**(32,046,006)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property and equipment		(143,468)	(36,014)
Sale proceeds from disposal of property and equipment		-	73
Investment - net		1,063,321	1,489,171
Interest received on investments		599,830	101,558
Long-term loans received		24,629	(3,734)
Long-term loans recovered - net		(3,734)	4,651
Net cash generated from investing activities		**1,540,578**	**1,555,705**
CASH FLOWS FROM FINANCING ACTIVITIES			
Subsidy received / adjusted during the period		-	1,668,170
Dividend paid		(200,000)	(200,000)
Net cash (used in) / generated from financing activities		**(200,000)**	**1,468,170**
Net decrease in cash and cash equivalents		**(37,602,153)**	**(29,022,131)**
Cash and cash equivalents at beginning of the period		(317,953,735)	(279,066,949)
Cash and cash equivalents at end of the period	*14*	**(355,555,888)**	**(308,089,080)**

Chief Executive Officer | Chief Financial Officer | Director

TRADING CORPORATION OF PAKISTAN (PRIVATE) LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED DECEMBER 31, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Trading Corporation of Pakistan (Private) Limited (the Company) was incorporated in Pakistan on July 28, 1967 as a private limited company under the repealed Companies Act, 1913 (now Companies Act, 2017). It is wholly owned by the Federal Government and operates under the administrative control of the Ministry of Commerce (MoC), Government of Pakistan (GoP). The registered office of the Company is situated at Finance and Trade Centre, Shahrah-e-Faisal, Karachi. The principal activity of the Company is to cater strategic imports and exports as per directives of Government of Pakistan. The Company acts as an agent in those transactions and is entitled to service charges / commission on services rendered and does not carry any risks and rewards related to those transactions as such and therefore, the supplies and cost of supplies relating to those transactions are not presented in the statement of profit or loss of the Company.

1.2 Cotton Exchange Corporation of Pakistan (Private) Limited (CEC) and Rice Export Corporation of Pakistan (Private) Limited (RECP) were merged with and into the Company in 2001 under an order of Sindh High Court dated January 19, 2001. Further, Cotton Trading Corporation of Pakistan (Private) Limited (CTC) was merged with and into the Company in 2008 by another order of the Sindh High Court. As a result of these orders, the assets and liabilities of these defunct companies were transferred to the Company without any subsidiary records.

2. BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard No. 34 'Interim Financial Reporting'.

These condensed interim financial statements comprise the statement of financial position as at December 31, 2024 and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flow for the six months period ended December 31, 2025.

3. MATERIAL ACCOUNTING POLICY INFORMATION AND METHOD OF COMPUTATIONS

The material accounting policy information and methods of computations adopted for the preparation of this condensed interim financial statements are the same as applied in the preparation of the preceding annual published financial statements of the Company for the year ended June 30, 2025 except the following:

3.1 Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2025. However, these do not have any significant impact on the Company's financial reporting.

3.2 Standards and amendments to approved accounting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2026. However, these will not have any impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

		Note	Un-audited December 2025	Audited June 2025
4.	**PROPERTY AND EQUIPMENT**		---------- Rupees in 000 ----------	
	Opening balance - NBV		87,119,955	46,454,165
	Additions during the period / year		138,641	121,040
	Transfer from CWIP		418	-
	Revaluation surplus		-	40,705,245
	Disposal			
	Cost		-	(2,561)
	Accumulated depreciation		-	2,070
			-	(491)
	Depreciation charged for the period / year		(85,991)	(160,004)
	Operating fixed assets		**87,173,023**	**87,119,955**
	Capital work in progress		6,124	1,715
			87,179,147	**87,121,670**
5.	**LONG-TERM INVESTMENTS**			
	Financial assets measured at amortised cost			
	Pakistan Investment Bonds (PIBs)		17,133,673	16,637,362
	Current maturity		(2,793,219)	-
			14,340,454	16,637,362
	Financial assets measured at cost - unquoted			
	FTC Management Company (Private) Limited		1,000	1,000
	Lahore Development Authority (LDA)		64,827	64,827
			14,406,281	**16,703,189**
6.	**DUE FROM GOVERNMENT OF PAKISTAN**			
	Secured - considered good			
	Subsidy receivable	*6.1*	**255,125,066**	**237,669,726**
	Movement of subsidy receivable during the period is as follows:			
	Balance at beginning		237,669,726	208,053,896
	Subsidy to be reimbursed		17,455,340	34,615,830
	Subsidy adjusted during the period / year		-	(5,000,000)
	Balance at end of the period		**255,125,066**	**237,669,726**

6.1 This balance is net of Rs. 22,163.90 million (June 2025: Rs. 22,163.90 million) payable to GoP in respect of proceeds (net of incidental expenses) from sale of Urea imported from Saudi Arabia Basic Industries Corporation (SABIC).

7. RECEIVABLE FROM RECIPIENT AGENCIES	Note	Un-audited December 2025	Audited June 2025
		---------- Rupees in 000 ----------	
Unsecured			
Considered good		61,219,266	58,127,415
Considered doubtful		-	-
		61,219,266	58,127,415
Less: Allowance for expected credit loss	*7.1*	-	-
	7.3	**61,219,266**	**58,127,415**

7.1 Movement of allowance for expected credit loss is as follows:

Balance at beginning	-	25,252
Written-off during the period	-	(25,252)
Balance at end of the period	**-**	**-**

7.2 As at December 31, 2025, receivables from different government institutions aggregating Rs. 58,615.099 million (June 30, 2025: Rs. 58,127.415 million) were past due but not considered impaired by the management of the Company. The ageing of trade debts is as follows:

	Un-audited December 2025	Audited June 2025
	---------- Rupees in 000 ----------	
Within 1 Year	3,266,069	1,236,066
1-3 Year	14,106,248	12,870,182
More than 3 years	43,846,949	44,021,167
	61,219,266	**58,127,415**

7.3 Ageing analysis of the gross amount is as follows:

	Within 1 Year	1-3 year	More than 3 years	December 2025	June 2025
	---------- Rupees in 000 ----------				
Utility Stores Corporation of Pakistan	188,411	2,968,832	24,340,205	27,497,448	27,309,037
National Fertilizer Marketing Limited	-	682,430	11,280,081	11,962,511	12,136,729
Sindh Food Department	-	-	1,096,616	1,096,616	1,096,616
Punjab Food Department	63,532	4,105,013	1,617,362	5,785,907	5,722,375
Baluchistan Food Department	-	-	1,814,715	1,814,715	1,814,715
Khyber Pakhtoon Khwa Food Department	-	-	1,950,040	1,950,040	1,950,040
PASSCO	409,959	6,349,973	-	6,759,932	6,349,973
AJK Food Department	-	-	231,422	231,422	231,422
Government of Gilgit Baltistan	-	-	1,252,029	1,252,029	1,252,029
Directorate General Procurement Army	-	-	185,404	185,404	185,404
Pakistan Navy	-	-	79,075	79,075	79,075
Supplies of Imported Sugar	2,604,167	-	-	2,604,167	-
	3,266,069	**14,106,248**	**43,846,949**	**61,219,266**	**58,127,415**

		Note	Un-audited December 2025	Audited June 2025
8.	**LOANS AND ADVANCES**		---------- Rupees in 000 ----------	
	Short-term loan - secured			
	Due from employees	***8.1***	4,631	3,629
	Current portion of long term loans		13,603	16,411
	Advances - unsecured			
	Considered good			
	Employees		3,050	2,097
	Sundry advances		7,356	3,642
			10,406	5,739
	Less: Allowance for expected credit loss	***8.2***	(961)	-
			27,679	**25,779**

8.1 These represent interest free loans given to the employees in accordance with the terms of their employment and are secured against gratuity and provident fund balances of respective employees.

		Note	Un-audited December 2025	Audited June 2025
8.2	**Movement of allowance for expected credit loss is as follows:**		---------- Rupees in 000 ----------	
	Balance at beginning		-	11,963
	Charged / (written-off) during the period / year		961	(11,963)
	Balance at end of the period / year		**961**	**-**

9.	**PREPAYMENTS AND OTHER RECEIVABLES**			
	Prepaid expenses		16,672	11,557
	Other receivables			
	Considered good			
	Sales tax receivable		2,462,211	2,462,211
	Income tax		1,776,856	1,776,856
	Receivable from sugar mills		18,926,470	17,888,934
	Receivable from a bank		3,850	3,850
	Rent receivable		550,159	359,127
	Others		31,436	13,031
			23,750,982	22,504,009
	Considered doubtful			
	Receivable from export agents		437,700	437,700
	Insurance claim receivable		120,245	120,245
			557,945	557,945
	Less: Allowance for expected credit loss	***9.1***	(626,602)	(626,602)
			23,698,997	**22,446,909**

9.1 Movement in allowance for expected credit loss is as follows:

Balance at beginning of the period / year	626,602	725,229
Written-off during the period / year	-	(167,284)
Charged during the period / year	-	68,657
Balance at end of the period / year	**626,602**	**626,602**

		Note	Un-audited December 2025	Audited June 2025
10.	**CASH AND BANK BALANCES**		---------- Rupees in 000 ----------	
	Cash at bank			
	Local currency			
	In current accounts		130,960	35,164
	In saving accounts		1,048,209	564,312
			1,179,169	599,476
	Foreign currency			
	In current accounts		77	77
	In saving accounts		1,019,503	1,008,317
			1,019,580	1,008,394
			2,198,749	**1,607,870**
11.	**TRADE AND OTHER PAYABLES**			
	Trade creditors and bills payable - local		649,855	76,728
	Payable to Ministry of Finance under JICS		387,508	387,508
	Payable to GoP related to gift of rice		1,952	1,952
	Deposits			
	Security deposit		619,681	567,384
	Retention money		46,156	46,156
			665,837	613,540
	Accrued liabilities			
	Payable under staff retirement gratuity fund		29,790	403,416
	Accrued expenses		65,691	71,207
			95,481	474,623
	Taxes			
	Excise duty		5,450	5,450
	Withholding tax		44,037	86,868
			49,487	92,318
	Advances			
	Advances		49,260	87,360
	Advance from GoP for payment to growers		17,533	17,533
			66,793	104,893
	Other payables			
	Karachi Dock Labor Board (KDLB) cess payable		258	258
	Others		24,591	33,781
			24,849	34,039
			1,941,762	**1,785,601**

		Note	Un-audited December 2025	Un-audited December 2024
12.	**ADMINISTRATIVE EXPENSES**		---------- Rupees in 000 ----------	
	Salaries, allowances and other benefits		658,845	696,191
	Repairs and maintenance		25,399	45,933
	Computer and software maintenance		3,022	3,059
	Vehicles running		15,272	9,813
	Travelling and conveyance		25,915	15,341
	Legal and professional		24,527	9,471
	Utilities		6,067	8,103
	Security service charges		47,026	18,134
	Advertising and publicity		3,006	1,477
	Fees and subscriptions		6,557	2,621
	Entertainment		1,681	957
	Depreciation on operating fixed assets		85,991	78,474
	Amortization		352	352
	Rent, rates and taxes		9,974	9,807
	Auditors' remuneration		531	483
	Indirect expenses - godowns		28,194	1,955
	Communication		3,392	3,344
	Printing and stationery		1,038	868
	Insurance		7,364	5,581
	Bank charges		145	81
	Allowance for ECL		29,822	-
	Others		2,273	2,802
			996,393	**914,847**
13.	**OTHER INCOME**			
	Income from financial assets			
	Return on:			
	Term deposit receipts and saving accounts		55,578	172,558
	Pakistan investment bonds		1,007,053	671,626
	Market treasury bills		765,859	1,432,849
	Income from non financial assets			
	Rental income from godowns given on rent		448,965	372,412
	Rice inspection fee		15,156	23,906
	Gain on disposal of fixed assets		-	(78)
	Sales of tender and purchase order forms		248	14
	Exchange (loss) / gain		(13,558)	726
	Others		1,511	2,009
			2,280,812	**2,676,022**
14.	**CASH AND CASH EQUIVALENTS**			
	Cash and bank balances		2,198,749	3,459,933
	Commodity finance under markup arrangements		(357,754,637)	(311,549,013)
			(355,555,888)	**(308,089,080)**

15. DATE OF AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue on 27 FEB 2026 by the Board of Directors of the Company.

16. GENERAL

16.1 The figures in the financial statements have been rounded off to the nearest thousand rupees, unless otherwise stated.

16.2 Corresponding figures have been reclassified, wherever necessary, for the purpose of better presentation.

Chief Financial Officer

Chief Executive Officer

Director