

The background of the cover features a large, abstract graphic. It consists of several overlapping, wavy bands of color. The top band is a light, warm orange-red. Below it, a darker, more saturated red band curves across the middle. The bottom band is a dark, charcoal grey. The overall effect is one of dynamic movement and depth.

Moving FORWARD

HALF YEARLY REPORT **DECEMBER 2025**

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Munis Abdullah	Chairman
Mr. Abdul Samad	Independent Director
Ms. Tayyaba Rasheed	Independent Director
Mr. Zubair Razzak Palwala	Chief Executive Officer
Ms. Faiza Naeem	Non-Executive Director
Mr. Rizwan Ahmad	Executive Director

AUDIT COMMITTEE

Ms. Tayyaba Rasheed	Chairperson
Ms. Faiza Naeem	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Abdul Samad	Chairman
Mr. Zubair Razzak Palwala	Member

CHIEF FINANCIAL OFFICER

Mr. Mehboob Yasin

COMPANY SECRETARY

Ms. Mahnoor Zulfiqar

HEAD OF INTERNAL AUDITOR

Mr. Ashraf Khan

EXTERNAL AUDITORS

A.F. Ferguson & Company,
Chartered Accountants

LEGAL ADVISOR

Abdul Karim Khan & Company

BANKERS

Habib Bank Limited
Bank Al-Habib Limited
Silkbank Limited
Meezan Bank Limited
Al Baraka Bank Pakistan Limited
Habib Metropolitan Bank Limited
Telenor Microfinance Bank

REGISTERED OFFICE

2nd Floor, One IBL Center,
Block No. 7 & 8, DMMCHS,
Shahrah-e-Faisal, Karachi-75530
Tel: 37170183,
Fax: 35635530, 35682772

SHARE REGISTRAR

CDC Share Registrar Services Limited
CDC House, 99-B, Block-B, SMCHS
Shahra-e-Faisal, Karachi - 74400

WEBSITE

www.ubrandz.biz

DIRECTORS' REPORT

The Directors of United Brands Limited present their report together with the unconsolidated condensed interim financial information (unaudited) for six months period ended December 31, 2025. The Directors' Report is prepared in accordance with Section 227 of the Companies Act, 2017.

PRINCIPAL ACTIVITIES

The principal activities of the Company are trading and distribution of consumer goods and allied products.

SUMMARY OF FINANCIAL PERFORMANCE

	December 31, 2025	December 31, 2024
	(Rupees in '000)	
Revenue	184,169	769,193
Gross profit	14,726	108,380
Gross margin as a percentage of revenue	8%	14.09%
Operating profit	22,217	12,937
Profit / (loss) for the period	15,054	(370)

FINANCIAL OVERVIEW

During the period under review, the Company's revenue declined by 76.06% compared to last period. This decline was primarily attributable to the strategic discontinuation of loss-making business arrangements with certain principals. Meanwhile, the management remains strategically focused on strengthening and further developing current business segments to drive sustainable growth.

On the cost management front, the Company remained focused on aligning its operating expenses with the existing business scale, resulting in reduction of PKR 67.50 million.

Furthermore, finance costs were significantly reduced by 64.20%, reflecting the proactive repayment of financing facilities and prudent liquidity management. This has strengthened the Company's financial position and enhanced its operational flexibility.

HOLDING COMPANY

International Brands (Private) Limited is the holding Company of United Brands Limited. As at December 31, 2025, International Brands (Private) Limited held 88,200,462 shares of PKR 10 each (96.08%).

BASIC / DILUTED EARNING PER SHARE

Basic / diluted income / (loss) per share for six months period ended December 31, 2025 was PKR 0.1640 (December 31, 2024: PKR (0.0040)).

DIRECTORS' REPORT

STATEMENT OF ETHICS AND BUSINESS PRACTICES

Performance with integrity is central to operating at United Brands Limited. The Board of Directors have adopted principle of ethics and integrity as the focal value for the organization. All employees are informed and aware of it and are required to observe these rules of conduct in relation to business and regulations.

FUTURE OUTLOOK

The economic environment in Pakistan remains complex, with escalating operational costs and evolving consumer behaviors driven by a reduction in disposable incomes. These challenges continue to shape the market dynamics, but we remain confident in the long-term growth potential within the consumer and logistics sectors.

In response to these shifting conditions, our Company has taken proactive steps to diversify its revenue streams, focusing on securing new local accounts to mitigate the impact of subdued import activities. This strategic pivot towards deepening local partnerships and exploring emerging market opportunities is strongly supported by the Board of Directors, who are committed to driving the Company's resilience and growth in these uncertain times.

We firmly believe that with a forward-thinking approach, we can not only protect but also enhance shareholder value, while delivering exceptional service to our customers.

ACKNOWLEDGMENT

The Directors would like to express their heartfelt gratitude to all our stakeholders for their unwavering support and collaborative spirit, which will be instrumental as we navigate these challenges and pursue sustainable, long-term growth.

Karachi

Date: February 25, 2026



Zubair Razzak Palwala
Chief Executive Officer



Faiza Naeem
Director

ڈائریکٹرز رپورٹ برائے حصص کنندگان

یونائیٹڈ برانڈز لمیٹڈ کے ڈائریکٹرز 31 دسمبر 2025 کو ختم ہونے والی چھ ماہ کی مدت کے لیے غیر متنفقہ کنڈینسڈ عبوری مالیاتی معلومات (غیر آڈٹ شدہ) کے ساتھ اپنی رپورٹ پیش کرتے ہیں۔ ڈائریکٹرز کی رپورٹ کمپنیز ایکٹ، 2017 کے سیکشن 227 کے مطابق تیار کی گئی ہے۔

بنیادی سرگرمیاں:

کمپنی کی بنیادی سرگرمیاں ایشیائے صرف اور متعلقہ مصنوعات کی تجارت اور تقسیم ہیں۔

مالیاتی کارکردگی کا جائزہ:

	December 31, 2025	December 31, 2024
	(Rupees in '000)	
Revenue	184,169	769,163
Gross profit	14,726	108,380
Gross profit (% of revenue)	8%	14.09%
Operating profit	22,217	12,937
Profit / (loss) for the period	15,054	(370)

مالی جائزہ:

زیر جائزہ مدت کے دوران، کمپنی کی آمدنی سچھلی مدت کے مقابلے میں 76.06 فیصد کم ہوئی۔ یہ کمی بنیادی طور پر بعض پرنسپلز کے ساتھ خسارے میں چلنے والے کاروباری انتظامات کے بند ہونے کی وجہ سے تھی۔ دریں اثنا، انتظامی طور پر پائیدار ترقی کو آگے بڑھانے کے لیے موجودہ کاروباری طبقات کو مضبوط بنانے اور مزید ترقی دینے پر مرکوز ہے۔

لاگت کے انتظام کے حماز پر، کمپنی اپنے آپریٹنگ اخراجات کو موجودہ کاروباری بیانیے کے ساتھ ہم آہنگ کرنے پر مرکوز رہی، جس کے نتیجے میں PKR 67.50 بلین کی کمی واقع ہوئی۔

مزید برآں، مالیاتی اخراجات میں نمایاں طور پر 64.20% کی کمی واقع ہوئی، جو مالیاتی سہولیات کی فعال ادائیگی اور مضبوط لیکویڈٹی مینجمنٹ کی عکاسی کرتی ہے۔ اس سے کمپنی کی مالی پوزیشن مضبوط ہوئی ہے اور اس کی آپریٹنگ چلک میں اضافہ ہوا ہے۔

ہولڈنگ کمپنی:

انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ یونائیٹڈ برانڈز لمیٹڈ کی ہولڈنگ کمپنی ہے۔ 31 دسمبر 2025 تک، انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ کے پاس 88,200,462 حصص 10PKR ہر ایک (96.08%) تھے۔

بنیادی/کمائٹی فی شیئر:

31 دسمبر 2025 کو ختم ہونے والی چھ ماہ کی مدت کے لیے بنیادی/کم آمدنی/(نقصان) فی حصص 0.1640PKR تھا۔ (31 دسمبر 2024:PKR 0.0040)۔

اخلاقیات اور کاروباری طریقوں کا بیان:

دیانتداری کے ساتھ کارکردگی یونائیٹڈ برانڈز لمیٹڈ میں کام کرنے میں مرکزی حیثیت رکھتی ہے۔ بورڈ آف ڈائریکٹرز نے اخلاقیات اور دیانتداری کے اصول کو تنظیم کے لیے بنیادی قدر کے طور پر اپنایا ہے۔ تمام ملازمین کو اس کے بارے میں مطلع اور آگاہ کیا جاتا ہے اور کاروبار اور ضوابط کے سلسلے میں ان قواعد و ضوابط پر عمل کرنے کی ضرورت ہوتی ہے۔

مستقبل پر ایک نظر:

پاکستان میں معاشی ماحول پیچیدہ بنا ہوا ہے، جس میں آپریشنل اخراجات میں اضافہ اور ڈسپوز ایبل آمدنی میں کمی کی وجہ سے صارفین کے رویے میں اضافہ ہوتا ہے۔ چینلجز مارکیٹ کی حرکیات کو تکمیل دیتے رہتے ہیں، لیکن ہم صارفین اور لاجسٹکس کے شعبوں میں طویل مدتی ترقی کی صلاحیت پر پر اعتماد ہیں۔

ان بدلتے ہوئے حالات کے جواب میں، ہماری کمپنی نے اپنی آمدنی کے سلسلے کو متنوع بنانے کے لیے فعال اقدامات کیے ہیں، درآمدی سرگرمیوں کے اثرات کو کم کرنے کے لیے نئے مقامی اکاؤنٹس کو محفوظ بنانے پر توجہ مرکوز کی ہے۔ مقامی شراکت کو گہرا کرنے اور ابھرتی ہوئی مارکیٹ کے مواقع کو تلاش کرنے کے لیے اس اسٹریٹجک محور کو بورڈ آف ڈائریکٹرز کی بھرپور حمایت حاصل ہے، جو اس غیر یقینی وقت میں کمپنی کی لچک اور ترقی کو آگے بڑھانے کے لیے پر عزم ہیں۔

ہم پختہ یقین رکھتے ہیں کہ آگے کی سوچ کے ساتھ، ہم اپنے صارفین کو غیر معمولی خدمات فراہم کرتے ہوئے نہ صرف محفوظ فراہم کر سکتے ہیں بلکہ شیئر ہولڈرز کی قدر میں اضافہ بھی کر سکتے ہیں۔

اعتراف:

ڈائریکٹرز اپنے تمام اسٹیک ہولڈرز کا ان کی غیر متزلزل حمایت اور باہمی تعاون کے جذبے کے لیے تہہ دل سے شکر یہ ادا کرنا چاہیں گے، جو ان چینلجز کو نیو گیٹ کرنے اور پائیدار، طویل مدتی ترقی کے حصول کے لیے مددگار ثابت ہوگا۔

کراچی

۲۵ فروری ۲۰۲۶ء

Faiza Naeem

فائزہ نعیم

ڈائریکٹر



زبیر رزاق پالوالا

چیف ایگزیکٹو آفیسر



A.F.FERGUSON & CO.

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF UNITED BRANDS LIMITED
REPORT ON REVIEW OF UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of United Brands Limited as at December 31, 2025 and the related unconsolidated condensed interim statement of profit or loss and other comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the half year then ended (herein-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the 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 half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the company. The figures of the unconsolidated condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2025 and December 31, 2024 have not been reviewed by us.

The engagement partner on the audit resulting in this independent auditor's report is Junaid Mesia.

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Date: February 26, 2026

UDIN: RR202510611pv7NX3V6H

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UNITED BRANDS LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT DECEMBER 31, 2025

		(Unaudited) December 31, 2025	(Audited) June 30, 2025
ASSETS			
	Note	----- Rupees in '000 -----	
NON-CURRENT ASSETS			
Property and equipment		402	529
Investment in subsidiary		25,000	25,000
		<u>25,402</u>	<u>25,529</u>
CURRENT ASSETS			
Inventories	5	164,272	379,085
Trade and other receivables	6	95,749	190,850
Taxation - payments less provision		34,680	35,693
Prepayments and advances	7	1,493	13,636
Tax refund due from government - sales tax	8	74,456	79,361
Accrued interest		305	305
Cash and bank balances		47,548	93,092
		<u>418,503</u>	<u>792,022</u>
TOTAL ASSETS		<u>443,905</u>	<u>817,551</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		918,000	918,000
Accumulated losses		(1,141,227)	(1,156,281)
		<u>(223,227)</u>	<u>(238,281)</u>
LIABILITIES			
Trade and other payables	9	666,779	980,599
Short-term borrowing		-	74,002
Accrued mark-up		-	878
Unclaimed dividend		353	353
		<u>667,132</u>	<u>1,055,832</u>
TOTAL LIABILITIES		<u>667,132</u>	<u>1,055,832</u>
CONTINGENCIES AND COMMITMENTS			
	10		
TOTAL EQUITY AND LIABILITIES		<u>443,905</u>	<u>817,551</u>

The annexed notes 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.




Chief Executive Officer

Faiza Naeem

Director



Chief Financial Officer

UNITED BRANDS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT
OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Half Year ended		Quarter ended		
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	
Note ----- Rupees in '000 -----					
Revenue from contracts with customers	11	184,169	769,163	34,263	346,672
Cost of sales		(169,443)	(660,783)	(28,580)	(300,975)
Gross profit		14,726	108,380	5,683	45,697
Marketing and distribution expenses		(9,850)	(75,146)	(3,684)	(38,340)
Administrative and general expenses		(14,596)	(16,809)	(10,588)	(8,981)
Reversal / (Charge) of loss allowance on trade receivables		14,575	(6,839)	14,575	(6,839)
Other operating income		1,112	1,117	1,112	1,117
Other income	12	16,250	2,234	16,250	2,225
Profit / (loss) from operations		22,217	12,937	23,348	(5,121)
Finance costs	13	(4,080)	(11,398)	(2,231)	(5,468)
Profit / (loss) before levies and income tax		18,137	1,539	21,117	(10,589)
Levies - minimum tax	14	-	(1,377)	809	103
Profit / (loss) before income tax		18,137	162	21,926	(10,486)
Income tax expense	15	(3,083)	(532)	(3,083)	1,505
Profit / (loss) for the period		15,054	(370)	18,843	(8,981)
Other comprehensive income		-	-	-	-
Total comprehensive income / (loss) for the period		15,054	(370)	18,843	(8,981)
Basic and diluted income / (loss) per share (Rupees)		0.1640	(0.0040)	0.2053	(0.0978)

The annexed notes 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.




Chief Executive Officer

Faiza Naeem
 Director



Chief Financial Officer

UNITED BRANDS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Share Capital	Accumulated Losses	Total
----- Rupees in '000 -----			
Balance as at July 01, 2024	918,000	(1,085,834)	(167,834)
Total comprehensive loss for the period	-	(370)	(370)
Balance at December 31, 2024	918,000	(1,086,204)	(168,204)
Balance as at July 01, 2025	918,000	(1,156,281)	(238,281)
Total comprehensive income for the period	-	15,054	15,054
Balance at December 31, 2025	918,000	(1,141,227)	(223,227)

The annexed notes 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Faiza Naeem

Director

Chief Financial Officer

UNITED BRANDS LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF
CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	December 31, 2025	December 31, 2024
Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from / (used in) operations	16 34,450	(18,034)
Income taxes paid	(2,070)	(2,813)
Finance costs paid	(4,957)	(11,745)
Net cash generated from / (used in) operating activities	27,423	(32,592)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1,036	2,393
Purchase of property and equipment	-	(238)
Net cash generated from investing activities	1,036	2,155
CASH FLOWS FROM FINANCING ACTIVITIES		
Short-term financing paid - net	(74,002)	(756)
Net cash used in financing activities	(74,002)	(756)
Net decrease in cash and cash equivalents	(45,543)	(31,193)
Cash and cash equivalents at the beginning of the period	61,000	43,276
Cash and cash equivalents at the end of the period	17 15,457	12,083

The annexed notes 1 to 20 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Faiza Naeem

Director

Chief Financial Officer

UNITED BRANDS LIMITED

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

1 THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan on March 13, 1965 as Batlay Match Industries Limited under the repealed Companies Act, 1913. The Company was renamed as UDL Industries Limited on March 16, 1987 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company was again renamed as United Brands Limited, a public limited company on April 5, 2006 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The shares of the Company are quoted on the Pakistan Stock Exchange.

International Brands (Private) Limited which have a Holding Company structure, holds 96.08% in the Company, which is also the Company's ultimate parent. The registered office of the Parent is situated at 3rd floor, One IBL Centre, Plot no. 1, Block 7 & 8, Delhi Mercantile Co-operative Housing Society, Tipu Sultan Road, Off Shahrah-e-faisal, Karachi.

The principal activities of the Company are trading and distribution of consumer goods and allied products.

1.1 The Company has investment in subsidiary company - IBL Logistics (Private) Limited (the Subsidiary) incorporated in Pakistan. The principal activities of the subsidiary company comprises primarily of transportation and warehousing, trading and distribution of goods and assembling of electrical goods.

The registered office of the subsidiary company is situated at 2nd Floor, One IBL Center, Block No. 7 & 8, Delhi Mercantile Muslim Cooperative Housing Society, Main Shahrah-e-Faisal, Karachi.

1.2 Management has prepared these unconsolidated condensed interim financial statements on a going concern basis, which assumes the realisation of assets and the settlement of liabilities in the normal course of business. As at December 31, 2025, the Company had negative shareholders' equity of Rs. 223.23 million (June 30, 2025: Rs. 238.28 million), net current liability position of Rs. 248.63 million (June 30, 2025: Rs. 263.81 million) and positive operating cashflows of Rs. 27.42 million (December 31, 2024: negative operating cashflows of Rs. 32.59 million). For the half year ended December 31, 2025, the Company has made a net profit after tax of Rs. 15.05 million (December 31, 2024: net loss after tax of Rs. 0.37 million).

The Company has been closely monitoring the cash flows and forecasts on a monthly basis. The management performed analysis over their cash flow forecast to factor in the impact of a decline in both revenue and collection from customers. The Company will continue to receive support for at least the next twelve months from the date of issuance of these unconsolidated condensed interim financial statements, if needed, from the Ultimate Parent Company. Moreover, as explained in note 36 of the annual unconsolidated audited financial statements of the Company for the year ended June 30, 2025, the Company has discontinued business with principals which were not yielding profits. Currently, the Company is only continuing operations with one principal i.e Dupont. Based on above analysis and support from the Ultimate Parent Company, management has adequate financing lines to be able to maintain liquidity in order to repay its creditors in the foreseeable future.

2 BASIS OF PREPARATION



Statement of compliance

UNITED BRANDS LIMITED

NOTES TO AND FORMING PART OF THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

2.1.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of, directives and notification issued under the Companies Act, 2017.

Where the provisions of, directives and notifications issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.1.1 These unconsolidated condensed interim financial statements do not include all the information required for a full set of financial statements and should be read in conjunction with the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2025.

2.2 Basis of measurement

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except for certain items as disclosed in the notes.

2.3 Functional and presentation currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency. All amounts have been rounded to the nearest thousand of rupees, unless otherwise stated.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The material accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the annual audited unconsolidated financial statements of the Company as at and for the year ended June 30, 2025.

3.2 Changes in accounting standards, interpretations and pronouncements

a) New standards and amendments to published accounting and reporting standards that are effective during the current period

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 01, 2025. However, these do not have any significant impact on the Company's financial reporting and therefore have not been detailed in these unconsolidated condensed interim financial statements.



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b) Standards and amendments to accounting and reporting standards that are not yet effective

There is a new standard and there are certain amendments that will be applicable to the Company for its annual periods beginning on or after July 1, 2026. The new standard refers to IFRS 18 Presentation and Disclosure in Financial Statements with applicability date of January 1, 2027. The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are applicable effective January 1, 2026. The Company's management at present is in the process of assessing the full impacts of the new standard and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

4. ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

4.1 The preparation of unconsolidated condensed interim financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan for interim financial reporting, requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

4.2 The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2025.

4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual unconsolidated financial statements of the Company as at and for the year ended June 30, 2025.

5. INVENTORIES

Raw and packing materials
 Finished goods - manufactured
 Trading goods - in hand - note 5.1

 Less: Provision for obsolescence

 Trading goods - in transit

(Unaudited) December 31, 2025	(Audited) June 30, 2025
----- Rupees in '000 -----	
2,375	28,929
-	2,216
167,224	359,521
169,599	390,666
(5,327)	(28,606)
164,272	362,060
-	17,025
164,272	379,085

5.1 As at December 31, 2025, stock has been written down by Rs. Nil (June 30, 2025: Rs. 0.29 million) to arrive at its net realisable value of Rs. Nil (June 30, 2025: Rs. 0.89 million).



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	(Unaudited) December 31, 2025	(Audited) June 30, 2025
----- Rupees in '000 -----		
6. TRADE AND OTHER RECEIVABLES		
Trade receivables - note 6.1	62,875	91,150
Other receivables - note 6.2	32,874	99,700
	<u>95,749</u>	<u>190,850</u>
6.1. Trade receivables		
Related parties	1,358	2,231
Others	119,123	161,101
	<u>120,481</u>	<u>163,332</u>
Less: Loss allowance on doubtful receivables	(57,606)	(72,182)
	<u>62,875</u>	<u>91,150</u>
6.2. Other receivables		
Related parties	-	9,078
Others - note 6.2.1	32,874	90,622
	<u>32,874</u>	<u>99,700</u>

6.2.1 These represent receivable from principals in respect of stock claims, expenses and other receivables.

	(Unaudited) December 31, 2025	(Audited) June 30, 2025
----- Rupees in '000 -----		
7 PREPAYMENTS AND ADVANCES		
Advances	-	13,466
Prepayments - note 7.1	1,493	170
	<u>1,493</u>	<u>13,636</u>

7.1 This represents prepayments made with respect to insurance policies.

8. TAX REFUND DUE FROM GOVERNMENT - SALES TAX

8.1 This includes an amount of Rs. 70.64 million relating to sales tax paid in the prior period for which no input was claimed due to dispute with Collector of Customs. The Collector of Customs raised an issue in relation to payment of Federal Excise Duty (FED) on the import of goods made by Company during the month of June 2020. However, due to restriction placed on the "release of the said consignment" due to FED payment dispute, the sales tax paid could not be adjusted by the Company in that month. The Company had paid sales tax amounting to Rs. 42.43 million and Rs. 28.21 million in the months of June 2020 and June 2021 respectively for the above mentioned consignment. Since, the sales tax has been paid in relation to the taxable supplies to be made, the Company intends to claim the same. The Company has asked Customs Depart-

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ment to issue a letter to Federal Board of Revenue requesting it to allow claim of input sales tax in the subsequent sales tax periods for the aforementioned amount.

On behalf of the above request by the Company, the Collectorate of Customs Appraisalment (EAST) vide their letter No. "C.NO. SI/MISC/164/KAPE/AC-I/2022" has issued intimation to the Large Tax Payer Unit for recognition of sales tax amounting to Rs. 42.43 million and Rs. 28.21 million. On the basis of letter issued, the Company has filed an application to the Commissioner Inland Revenue, for issuance of refund of the above sales tax amount.

	(Unaudited) December 31, 2025	(Audited) June 30, 2025
----- Rupees in '000 -----		
9 TRADE AND OTHER PAYABLES		
Trade creditors	61,926	271,000
Accrued liabilities	7,696	29,636
Payable to IBL Operations (Private) Limited	447,396	507,253
Payable to IBL Healthcare Limited	72,102	90,490
Payable to International Brands (Private) Limited	31,595	31,595
Payable to The Searle Company Limited	18,377	18,894
Payable to IBL Logistics (Private) Limited	23,145	24,937
EOBI and SESSI payable	3,929	4,031
Payable to employees' provident fund	164	789
Tax deducted at source and payable to statutory authorities	358	1,805
Others	91	169
	666,779	980,599

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

10.1.1 During the year ended June 30, 2020, the Deputy Commissioner Inland Revenue issued a notice of demand under section 137(2) of the Income Tax Ordinance, 2001 (the Ordinance) dated January 31, 2020 for recovery of tax amounting to Rs. 94.66 million created pursuant to order dated January 31, 2020 passed under section 122(1) for tax year 2018. The Company has filed a Constitutional Petition No. D-1421 of 2020 before the Honorable High Court of Sindh. The Honorable High Court of Sindh has restrained the Deputy Commissioner Inland Revenue from enforcing the impugned income tax demand till the decision of Commissioner Inland Revenue (Appeals-II). The appeal was heard on December 16, 2021 and is now reserved for order. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.1.2 During the year ended June 30, 2022, the Assistant / Deputy Commissioner Inland Revenue issued an order dated December 30, 2021 for recovery of withholding tax along with default surcharge amounting to Rs. 156.55 million under section 161 (1) on account of short deduction of tax at the time of making certain payments for the tax year 2018. The Company filed

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an appeal before Commissioner Inland Revenue Appeal [CIR(A)]. The CIR(A) vide its order dated September 25, 2023 has set aside the matter and directed the officer to allow sufficient time to the company to provide relevant records and reach a judicious conclusion after rebutting each and every argument. An appeal has been submitted to ATIR, focusing on legal issues and not acknowledging the details presented during the monitoring proceedings or appeal hearing. Consequently, the case has been remanded to address the issues that need to be rectified or annulled in the given circumstances. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.1.3 During the year ended June 30, 2022, the Assistant / Deputy Commissioner Inland Revenue issued an order dated March 30, 2022 for recovery of withholding tax along with default surcharge amounting to Rs. 200.04 million under section 161(1) on account of short deduction of tax at the time of making certain payments for the tax year 2019. The Company has filed an appeal before Commissioner Inland Revenue Appeal [CIR(A)]. The CIR(A) vide its order dated September 25, 2023 has set aside the matter and directed the officer to allow sufficient time to the Company to provide relevant records and reach a judicious conclusion after rebutting each and every argument. An appeal has been submitted to ATIR, focusing on legal issues and not acknowledging the details presented during the monitoring proceedings or appeal hearing. Consequently, the case has been remanded to address the issues that need to be rectified or annulled in the given circumstances. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.1.4 During the year ended June 30, 2024, the Assistant / Deputy Commissioner Inland Revenue issued an order dated June 29, 2024 for recovery of sales tax along with default surcharge amounting to Rs. 98.98 million under section 11(2) of Sales Tax Act, 1990. The Company has filed an appeal in the Appellate Tribunal Inland Revenue. However, the management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.1.5 During the year ended June 30, 2024, the Assistant / Deputy Commissioner Inland Revenue issued an order dated June 29, 2024 for recovery of sales tax for the fiscal year 2016-17 along with default surcharge amounting to Rs. 10.76 million under section 11(2) of Sales Tax Act, 1990. The Company has filed an appeal in the Appellate Tribunal Inland Revenue. However, the management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.1.6 During the year ended June 30, 2024, the Sindh Revenue Board (SRB) issued order dated December 21, 2023 for the period from July 2014 to June 2015 creating a demand of Rs. 246.67 million under section 23 read with section 47 of the Sindh Sales Tax on Services Act, 2011. The demand is created on the basis that the Company acted as Commission Agent and is working locally as agent for foreign based companies and earning commission by selling, trading and distributing goods on behalf of principal which are located outside Pakistan. Thus, entire revenue from sale of goods declared in the unconsolidated condensed interim financial statements was held subject to SST at the applicable rate. The Company challenged the order before Commissioner (Appeals), SRB who granted stay against recovery of demand, however,



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the hearing of the main appeal is still pending. The management, based on the opinion of its tax advisor, considers that the legal and factual aspects of the case have not been considered and is confident that the matter will ultimately be decided in favour of the Company. Therefore, no provision has been made in these unconsolidated condensed interim financial statements.

10.1.7 During the year ended June 30, 2024, Gulbahar Industries (Pvt.) Limited, operating under the brand name "Livvel", filed Suit No. 6471 of 2024 before the Honorable Senior Civil Judge at Karachi East against the Company. The suit pertains to recovery of outstanding dues amounting to Rs. 39.29 million and damages arising from alleged non-fulfillment of contractual obligations under the Distribution Agreement dated October 20, 2022.

The Plaintiff has claimed that United Brands failed to meet monthly sales targets, accumulated unsold inventory, and defaulted on payments despite extended incentives and discounts. The Company has submitted a formal response denying the allegations and asserting that the excess inventory was supplied unilaterally by Livvel, contrary to the agreed terms, and that payments were to be made based on actual sales rather than inventory received. The case is currently pending adjudication. The Company based on the advice of its legal council is of the view that the case will ultimately be decided in the favour of the Company, accordingly, no provision has been made in these unconsolidated financial statements in respect of the said claim.

10.2 Commitments

The facilities for opening letter of guarantees as at December 31, 2025 amounted to Rs. 132.09 million (June 30, 2025: Rs. 132.09 million) respectively. The amount remaining unutilised at the period end for letter of guarantees was Rs. Nil (June 30, 2025: Rs. Nil).

The facilities are secured by way of pari passu charge against hypothecation of the Company's current assets. The Parent Company has pledged 3,553,873 shares of The Searle Company Limited - an associated company against a letter of guarantee.

(Unaudited)

	Half Year ended		Quarter ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
11. REVENUE FROM CONTRACTS WITH CUSTOMERS				
	----- Rupees in '000 -----			
Gross revenue from sale of goods	215,470	973,470	43,506	434,093
Less:				
- Trade discounts	(9,156)	(20,708)	(2,478)	(10,177)
- Sales return	(2,915)	(36,879)	-	(22,038)
- Sales tax	(19,230)	(146,720)	(6,765)	(55,206)
	<u>184,169</u>	<u>769,163</u>	<u>34,263</u>	<u>346,672</u>



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	(Unaudited) December 31, 2025	(Unaudited) December 31, 2024
12. OTHER INCOME	----- Rupees in '000 -----	
Income from financial assets		
Profit on savings accounts - Islamic	17	21
Profit on Term Deposit Receipt	1,019	2,213
Exchange gain - net	26	-
Income from non-financial assets		
Liabilities no longer payable written back - note 12.1	15,188	-
	16,250	2,234

12.1 This represents the reversal of accruals and provisions previously recognized in respect of business lines that were closed or transferred during the year ended June 30, 2025.

	(Unaudited) December 31, 2025	(Unaudited) December 31, 2024
13. FINANCE COSTS	----- Rupees in '000 -----	
Exchange loss - net	-	77
Bank charges	1,224	853
Finance charges on short-term financing	2,856	10,468
	4,080	11,398

	(Unaudited)		(Unaudited)	
	Half Year ended	Quarter ended	Half Year ended	Quarter ended
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
14. LEVIES - MINIMUM TAX	----- Rupees in '000 -----			
Minimum tax	-	1,377	(809)	(103)
15. INCOME TAX EXPENSES				
Current	3,083	2,098	3,083	61
Prior	-	(1,566)	-	(1,566)
	3,083	532	3,083	(1,505)



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	(Unaudited) December 31, 2025	(Unaudited) December 31, 2024
----- Rupees in '000 -----		
16. CASH GENERATED FROM / (USED IN) OPERATIONS		
Profit before levies and income tax	18,137	1,539
Adjustments for non-cash charges and other items		
Depreciation and amortisation	127	902
Profit on Term Deposit Receipts	(1,019)	(2,213)
Profit on savings accounts	(17)	(21)
Finance costs	4,080	11,398
Provision for doubtful debts	(14,575)	6,839
	(11,404)	16,905
	6,733	18,444
Effect on cash flow due to working capital changes		
Decrease / (increase) in current assets:		
Inventories	214,813	40,899
Trade and other receivables	109,676	(60,013)
Prepayments and advances	12,143	6,292
Tax refund due from Government - sales tax	4,905	43,325
	341,537	30,503
Decrease in current liabilities:		
Trade and other payables	(313,820)	(66,981)
Cash generated from / (used in) operations	34,450	(18,034)

17. CASH AND CASH EQUIVALENTS

Cash and bank balances excluding term deposit receipt - note 17.1	15,457	12,083
---	--------	--------

17.1 Short term investment amounting to Rs. 32.09 million (December 31, 2024: Rs. 32.09 million) is excluded from cash and bank balances as it includes term deposit receipt which is held as a lien against the guarantee issued by the United Bank Limited (formerly Silk Bank Limited, now amalgamated with United Bank Limited).



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18. DISCLOSURES RELATING TO SHARIAH COMPLIANCE

	(Unaudited) December 31, 2025	(Audited) June 30, 2025
	----- Rupees in '000 -----	

Disclosures in relation to the unconsolidated condensed interim statement of financial position - Liability

i)	Short-term financing obtained as per Islamic mode	-	74,002
ii)	Mark-up accrued on Islamic loan	-	878

Disclosures in relation to the unconsolidated condensed interim statement of financial position - Assets

i)	Shariah-compliant bank balances	6,832	22,715
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	(Unaudited) December 31, 2025	(Unaudited) December 31, 2024
	----- Rupees in '000 -----	

Disclosures required in relation to the unconsolidated condensed interim statement of profit of loss and other comprehensive income

i)	Revenue earned from a Shariah compliant business segment	184,169	769,163
ii)	Profit earned from Shariah compliant bank balances	17	21
iii)	Exchange gain / (loss) incurred on actual currency	26	(77)
iv)	Profit paid on Islamic mode of financing	(4,957)	(11,745)

Break-up of other income excluding profits in bank deposits and TDRs

Shariah compliant income:

Liabilities no longer payable written back	15,188	-
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Shariah non-compliant income:

Return on term deposit receipt	1,019	2,213
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UNITED BRANDS LIMITED

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19. TRANSACTIONS WITH RELATED PARTIES

19.1 Related parties comprise the parent company, subsidiary company, associated companies or undertakings, directors of the Company, key management personnel and staff retirement funds.

The Company continues to have a policy whereby transactions with related parties are entered into at mutually agreed terms and conditions. Remuneration of key management personnel are in accordance with their terms of appointment / employment.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Head of Departments to be its key management personnel.

There are no transactions with key management personnel other than those disclosed in these unconsolidated condensed interim financial statements which have been carried out as per their terms of employment / entitlement.

Nature of relationship	Nature of transactions	(Unaudited) December 31, 2025	(Unaudited) December 31, 2024
		Rupees '000	
i. Subsidiary Company	- Funds received	-	12,797
	- Cross charged to IBL Logistics (Private) Limited	1,696	2,153
	- Sales of goods	-	62
	- Services rendered	-	2,545
ii. Associated companies	- Purchases	-	81,116
	- Sale of goods*	86,698	1,755
	- Funds received	57,000	26,500
	- Funds paid	72,695	-
	- Shared costs	-	-
	- Cross charged from IBL Operations (Private) Limited	5,481	13,356
iii. Employees' provident fund	- Cross charged to IBL Operations (Private) Limited	23,524	18,779
	- Contribution paid	383	1,420
iv. Key management personnel	- Salaries and other employee benefits	7,228	7,033
	- Fee for attending meetings to Directors	673	720

* these represent transfer of finished goods in respect of certain principals amounting to Rs 86.20 million at cost to associate.



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19.2 The Company has an agreement with IBL Operations (Private) Limited - associated company, for sharing of expenses relating to sales and administrative infrastructure.

20. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved and authorised for issue by the Board of Directors on February 25, 2026.



Chief Executive Officer



Director



Chief Financial Officer

Consolidated Financial Statements

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DIRECTORS' REPORT

The Directors of United Brands Limited present their report together with the consolidated condensed interim financial information (unaudited) for six months period ended December 31, 2025. The Directors' Report is prepared in accordance with Section 227 of the Companies Act, 2017.

PRINCIPAL ACTIVITIES

The principal activities of the Company are trading and distribution of consumer goods and allied products. The subsidiary of the Company is engaged in transportation and warehousing, assembly and trading of electrical goods.

SUMMARY OF FINANCIAL PERFORMANCE

	December 31, 2025	December 31, 2024
	(Rupees in '000)	
Revenue	511,225	1,585,264
Gross profit	86,825	194,434
Gross margin (% of revenue)	16.98%	12.27%
Operating profit	43,952	46,338
Profit / (loss) for the period	24,867	(3,595)

FINANCIAL OVERVIEW

During the period under review, the Company's revenue decreased by 67.75% compared to last period. This decline was primarily the result of the strategic discontinuation of loss-making business arrangements aimed at improving overall operating efficiency. Concurrently, the Company successfully adopted strategies to strengthen and expand its profitable business segments, positioning the Company for sustainable growth going forward.

Furthermore, finance costs declined significantly by 60.70%, reflecting the proactive repayment of financing facilities and prudent liquidity management. This has strengthened the Company's financial position and enhanced its operational flexibility.

HOLDING COMPANY

International Brands (Private) Limited is the holding Company of United Brands Limited. As at December 31, 2025, International Brands (Private) Limited held 88,200,462 shares of PKR 10 each (96.08%).

BASIC / DILUTED EARNING PER SHARE

Basic / diluted income / (loss) per share for six months period ended December 31, 2025 was **PKR 0.27** (December 31, 2024: PKR (0.04)).

STATEMENT OF ETHICS AND BUSINESS PRACTICES

Performance with integrity is central to operating at United Brands Limited. The Board of Directors have adopted principle of ethics and integrity as the focal value for the organization. All employees are informed and aware of it and are required to observe these rules of conduct in relation to business and regulations.

DIRECTORS' REPORT

FUTURE OUTLOOK

The economic environment in Pakistan remains complex, with escalating operational costs and evolving consumer behaviors driven by a reduction in disposable incomes. These challenges continue to shape the market dynamics, but we remain confident in the long-term growth potential within the consumer and logistics sectors.

In response to these shifting conditions, our Company has taken proactive steps to diversify its revenue streams, focusing on securing new local accounts to mitigate the impact of subdued import activities. This strategic pivot towards deepening local partnerships and exploring emerging market opportunities is strongly supported by the Board of Directors, who are committed to driving the Company's resilience and growth in these uncertain times.

We firmly believe that with a forward-thinking approach, we can not only protect but also enhance shareholder value, while delivering exceptional service to our customers.

ACKNOWLEDGMENT

The Directors would like to express their heartfelt gratitude to all our stakeholders for their unwavering support and collaborative spirit, which will be instrumental as we navigate these challenges and pursue sustainable, long-term growth.

Karachi

Date: February 25, 2026.



Zubair Razzak Palwala
Chief Executive Officer



Faiza Naeem
Director

ڈائریکٹرز رپورٹ برائے حصص کنندگان

یونائیٹڈ برانڈز لمیٹڈ کے ڈائریکٹرز 31 دسمبر 2025 کو ختم ہونے والی چھ ماہ کی مدت کے لیے کنسولیدٹڈ کنڈینسڈ عبوری مالیاتی معلومات (غیر آڈیٹ شدہ) کے ساتھ اپنی رپورٹ پیش کرتے ہیں۔ ڈائریکٹرز کی رپورٹ کمپنیز ایکٹ، 2017 کے سیکشن 227 کے مطابق تیار کی گئی ہے۔

بنیادی سرگرمیاں:

کمپنی کی بنیادی سرگرمیاں اشیائے صرف اور متعلقہ مصنوعات کی تجارت اور تقسیم ہیں۔ کمپنی کا ذیلی ادارہ نقل و حمل اور گودام، اسمبلی اور برقی سامان کی تجارت میں مصروف ہے۔

مالیاتی کارکردگی کا جائزہ:

	December 31, 2025	December 31, 2024
	(Rupees in '000)	
Revenue	511,225	1,585,264
Gross profit	86,825	194,434
Gross profit (% of revenue)	16.98%	12.27%
Operating profit	43,952	46,338
Profit / (loss) for the period	24,867	(3,595)

مالی جائزہ:

زیر جائزہ مدت کے دوران، کمپنی کی آمدنی پچھلی مدت کے مقابلے میں 67.75 فیصد کم ہوئی۔ یہ کمی بنیادی طور پر خسارے میں چلنے والے کاروباری انتظامات کے بندش کا نتیجہ تھی جس کا مقصد مجموعی آپریٹنگ کارکردگی کو بہتر بنانا تھا۔ اس کے ساتھ ساتھ، کمپنی نے اپنے منافع بخش کاروباری حصوں کو مضبوط اور وسعت دینے کے لیے کامیابی کے ساتھ حکمت عملی اپنائی، کمپنی کو آگے بڑھنے کے لیے پائیدار ترقی کی پوزیشن میں رکھا۔

مزید برآں، مالیاتی اخراجات میں نمایاں طور پر 60.70% کی کمی واقع ہوئی، جو مالیاتی سہولیات کی فعال ادائیگی اور مضاملاً لیکویڈیٹی شیئرنٹ کی عکاسی کرتی ہے۔ اس سے کمپنی کی مالی پوزیشن مضبوط ہوئی ہے اور اس کی آپریٹنگ لیک میں اضافہ ہوا ہے۔

ہولڈنگ کمپنی:

انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ یونائیٹڈ برانڈز لمیٹڈ کی ہولڈنگ کمپنی ہے۔ 31 دسمبر 2025 تک، انٹرنیشنل برانڈز (پرائیویٹ) لمیٹڈ کے پاس 88,200,462 حصص 10PKR ہر ایک (%96.08) تھے۔

بنیادی/کمانی فی شیئر:

31 دسمبر 2025 کو ختم ہونے والی چھ ماہ کی مدت کے لیے بنیادی/کم آمدنی/ (نقصان) فی حصص 0.27 PKR تھا۔ (31 دسمبر 2024: PKR) ((0.04))

اخلاقیات اور کاروباری طریقوں کا بیان:

دیانتداری کے ساتھ کارکردگی یونائیٹڈ برانڈز لمیٹڈ میں کام کرنے میں مرکزی حیثیت رکھتی ہے۔ بورڈ آف ڈائریکٹرز نے اخلاقیات اور دیانتداری کے اصول کو تنظیم کے لیے بنیادی قدر کے طور پر اپنایا ہے۔ تمام ملازمین کو اس کے بارے میں مطلع اور آگاہ کیا جاتا ہے اور کاروبار اور روابط کے سلسلے میں ان قواعد و ضوابط پر عمل کرنے کی ضرورت ہوتی ہے۔

مستقبل پر ایک نظر:

پاکستان میں معاشی ماحول پیچیدہ بنا ہوا ہے، جس میں آپریشنل اخراجات میں اضافہ اور ڈسپوز ایبل آمدنی میں کمی کی وجہ سے صارفین کے رویے میں اضافہ ہوتا ہے۔ چینلجز مارکیٹ کی حرکیات کو تشکیل دیتے رہتے ہیں، لیکن ہم صارفین اور لاسٹکس کے شعبوں میں طویل مدتی ترقی کی صلاحیت پر اعتماد ہیں۔

ان بدلتے ہوئے حالات کے جواب میں، ہماری کمپنی نے اپنی آمدنی کے سلسلے کو متنوع بنانے کے لیے فعال اقدامات کیے ہیں، درآمدی سرگرمیوں کے اثرات کو کم کرنے کے لیے نئے مقامی اکاؤنٹس کو محفوظ بنانے پر توجہ مرکوز کی ہے۔ مقامی شراکت کو گہرا کرنے اور اجرتی ہوئی مارکیٹ کے مواقع کو تلاش کرنے کے لیے اس اسٹریٹجی محور کو بورڈ آف ڈائریکٹرز کی بھرپور حمایت حاصل ہے، جو اس غیر یقینی وقت میں کمپنی کی چلک اور ترقی کو آگے بڑھانے کے لیے پر عزم ہیں۔ ہم پختہ یقین رکھتے ہیں کہ آگے کے سوچ کے ساتھ، ہم اپنے صارفین کو غیر معمولی خدمات فراہم کرتے ہوئے نہ صرف تحفظ فراہم کر سکتے ہیں بلکہ شیئر ہولڈر کی قدر میں اضافہ بھی کر سکتے ہیں۔

اعتراف:

ڈائریکٹرز اپنے تمام اسٹیک ہولڈرز کا ان کی غیر متنزل حمایت اور باہمی تعاون کے جذبے کے لیے تہ دل سے شکر ادا کرنا چاہیں گے، جو ان چینلجز کو نیوگیٹ کرنے اور پائیدار، طویل مدتی ترقی کے حصول کے لیے مددگار ثابت ہوگا۔

کراچی

۲۵ فروری ۲۰۲۶ء

Faiza Naeem

فازہ نعیم
ڈائریکٹر



زبیر رزاق پالوالا
چیف ایگزیکٹو آفیسر

UNITED BRANDS LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT DECEMBER 31, 2025

	Note	(Unaudited) December 31, 2025	(Audited) June 30, 2025
ASSETS			
----- Rupees in '000 -----			
Non-current assets			
Property and equipment		18,815	17,411
Deferred taxation		13,495	13,495
Long - term deposits		1,788	4,685
		34,098	35,591
Current assets			
Inventories	5	324,003	549,562
Trade and other receivables	6	293,038	597,190
Prepayments and advances	7	27,876	51,296
Taxation - payments less provisions		58,190	45,014
Sales tax refunds due from Government - net	8	85,736	16,360
Accrued interest		305	305
Cash and bank balances		68,273	118,558
		857,421	1,378,285
Total assets		891,519	1,413,876
EQUITY AND LIABILITIES			
Equity			
Share capital		918,000	918,000
Accumulated losses		(916,141)	(941,008)
		1,859	(23,008)
Liabilities			
Trade and other payables	9	889,307	1,361,651
Short term borrowings		-	74,002
Accrued mark-up		-	878
Unclaimed dividend		353	353
		889,660	1,436,884
Total liabilities		889,660	1,436,884
CONTINGENCIES AND COMMITMENTS			
	10		
Total equity and liabilities		891,519	1,413,876

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

UNITED BRANDS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT
OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Half Year Ended		Quarter ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Note ----- Rupees in '000 -----				
Revenue from contracts with customers 11	511,225	1,585,264	197,497	764,958
Cost of sales and services	(424,400)	(1,390,830)	(151,543)	(667,548)
Gross profit	86,825	194,434	45,954	97,410
Marketing and distribution expenses	(58,962)	(125,800)	(33,536)	(76,936)
Administrative and general expenses	(16,909)	(20,102)	(9,805)	(8,587)
Reversal / (charge) of allowance on trade receivables	14,575	(6,839)	14,575	(6,839)
Other operating income 12	1,112	1,117	1,112	1,117
Other income 13	17,311	3,528	16,910	2,605
Profit from operations	43,952	46,338	35,210	8,770
Finance cost 14	(4,609)	(11,729)	(2,760)	(5,711)
Profit before levies and income tax	39,343	34,609	32,450	3,059
Levies - minimum tax	-	(18,665)	4,055	(2,460)
Profit before income tax	39,343	15,944	36,505	599
Income tax expense	(14,476)	(19,539)	(11,633)	(14,267)
Profit / (loss) for the period	24,867	(3,595)	24,872	(13,668)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	24,867	(3,595)	24,872	(13,668)
Basic and diluted income / (loss) per share (Rupees)	0.27	(0.04)	0.27	(0.15)

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.


 Chief Executive Officer


 Director


 Chief Financial Officer

UNITED BRANDS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF
CHANGES IN EQUITY (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Share Capital	Accumulated Losses	Total
----- Rupees in '000 -----			
Balance as at July 1, 2024	918,000	(934,596)	(16,596)
Total comprehensive loss for the half year ended December 31,2024	-	(3,595)	(3,595)
Balance at December 31, 2024	918,000	(938,191)	(20,191)
Balance as at July 1, 2025	918,000	(941,008)	(23,008)
Total comprehensive income for the half year ended December 31,2025	-	24,867	24,867
Balance at December 31, 2025	918,000	(916,141)	1,859

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.


 Chief Executive Officer

Faiza Naeem
 Director


 Chief Financial Officer

UNITED BRANDS LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF
CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	December 31, 2025	December 31, 2024
Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	15 55,507	30,884
Income taxes paid	(27,652)	(30,456)
Finance costs paid	(5,487)	(12,076)
Long term deposit received	2,897	-
Net cash generated from / (used in) operating activities	25,265	(11,648)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	2,097	3,687
Purchase of property and equipment	(3,645)	(2,825)
Net cash (used in) / generated from investing activities	(1,548)	862
CASH FLOWS FROM FINANCING ACTIVITIES		
Short-term financing paid	(74,002)	(756)
Net cash used in financing activities	(74,002)	(756)
Net decrease in cash and cash equivalents	(50,285)	(11,542)
Cash and cash equivalents at beginning of the period	86,466	64,730
Cash and cash equivalents at end of the period	16 36,181	53,188

The annexed notes 1 to 18 form an integral part of these consolidated condensed interim financial statements.


 Chief Executive Officer


 Director


 Chief Financial Officer

UNITED BRANDS LIMITED

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

1. CORPORATE AND GENERAL INFORMATION

1.1 The Group consists of:

Holding Company - United Brands Limited (the Holding Company)

The Company was incorporated in Pakistan on March 13, 1965 as Batlay Match Industries Limited under the repealed Companies Act, 1913. The Company was renamed as UDL Industries Limited on March 16, 1987 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company was again renamed as United Brands Limited, a public limited company on April 5, 2006 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The shares of the Company are quoted on the Pakistan Stock Exchange.

International Brands (Private) Limited which have a Holding Company structure, holds 96.08% in the Holding Company, which is also the Holding Company's ultimate parent. The registered office of the Ultimate Parent Company is situated at 3rd floor, One IBL Centre, Plot no. 1, Block 7 & 8, Delhi Mercantile Co-operative Housing Society, Tipu Sultan Road, Off Shahrah-e-faisal, Karachi.

The principal activities of the Holding Company are trading and distribution of consumer goods and allied products.

Registered office of the Company is situated at 2nd Floor, One IBL Center, Block No. 7 & 8, Delhi Mercantile Muslim Cooperative Housing Society, Main Shahrah-e-Faisal, Karachi; and

Subsidiary Company - IBL Logistics (Private) Limited (the Subsidiary Company)

The Subsidiary Company is a private limited company incorporated and registered under the Companies Act, 2017 on April 23, 2018.

The principal activities of the Subsidiary Company comprises primarily of transportation and warehousing, trading and distribution of goods and assembling of electrical goods.

The geographical locations and addresses of the subsidiary's business units are as under:

- The registered office of the Subsidiary Company is situated at 2nd Floor, One IBL Center, Block No. 7 & 8, Delhi Mercantile Muslim Cooperative Housing Society, Main Shahrah-e-Faisal, Karachi;

- The Subsidiary Company has a sales office situated at Plot# C-126, sector 6-F, Mehran Town Korangi, Karachi.

- The Subsidiary Company has a warehouse situated at RB 214 Dhudhanwala Ghaziabad Near Machli Form Stop Lower Canal Road, Jarranwala Road, Faisalabad.

Management has prepared these consolidated condensed interim financial statements on a going concern basis, which assumes the realisation of assets and the settlement of liabilities in the normal course of business. As at December 31, 2025, the Company had positive shareholders' equity of Rs. 1.86 million (June 30, 2025: negative shareholders' equity of Rs. 23.01 million), net current liability position of Rs. 32.24 million (June 30, 2025: Rs. 58.60 million) and positive operating cashflows of Rs. 25.27 million (December 31, 2024: negative operating cashflows of Rs. 11.65 million). For the half year ended December 31, 2025, the Company has made a net

UNITED BRANDS LIMITED

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

profit after tax of Rs. 24.87 million (December 31, 2024: net loss after tax of Rs. 3.60 million).

The Company has been closely monitoring the cash flows and forecasts on a monthly basis. The management performed analysis over their cash flow forecast to factor in the impact of a decline in both revenue and collection from customers. The Company will continue to receive support for at least the next twelve months from the date of issuance of these financial statements, if needed, from the Ultimate Parent Company. Based on above analysis and support from the Ultimate Parent Company, management has adequate financing lines to be able to maintain liquidity in order to repay its creditors in the foreseeable future.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 the provisions of, directives and notifications issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

These consolidated condensed interim financial statements do not include all of the information and disclosures required for a full set of annual financial statements, and should be read in conjunction with the annual consolidated financial statement of the Company for the year ended June 30, 2025. These consolidated condensed interim financial statements are unaudited.

2.2 Basis of measurement

These consolidated financial statements have been prepared under historical cost convention except for certain items as disclosed in the relevant notes.

2.3 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

3. MATERIAL ACCOUNTING POLICIES

3.1 The summary of material accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are the same as those

UNITED BRANDS LIMITED

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

applied in the preparation of the annual audited financial statements of the Company as at and for the year ended June 30, 2025.

3.2 Changes in accounting standards, interpretations and pronouncements

a) New standards and amendments to published accounting and reporting standards that are effective during the current period

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 01, 2025. However, these do not have any significant impact on the Company's financial reporting and therefore have not been detailed in these consolidated condensed interim financial statements.

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

There is a new standard and there are certain amendments that will be applicable to the Company for its annual periods beginning on or after July 1, 2026. The new standard refers to IFRS 18 Presentation and Disclosure in Financial Statements with applicability date of January 1, 2027. The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are applicable effective January 1, 2026. The Company's management at present is in the process of assessing the full impacts of the new standard and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

4.1 The preparation of consolidated condensed interim financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan for interim financial reporting, requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

4.2 The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual consolidated financial statements of the Company as at and for the year ended June 30, 2025.

4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual consolidated financial statements as at and for the year ended June 30, 2025.

UNITED BRANDS LIMITED

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	(Unaudited) December 31, 2025	(Audited) June 30, 2025
5. INVENTORIES	----- Rupees in '000 -----	
Raw and packaging materials	99,500	152,304
Finished goods - manufactured	-	2,216
Finished goods - assembled	9,267	4,775
Trading goods - in hand	<u>227,946</u>	<u>422,433</u>
	336,713	581,728
Less: Provision for obsolescence	<u>(12,710)</u>	<u>(49,191)</u>
	324,003	532,537
Trading goods - in transit	-	17,025
	<u>324,003</u>	<u>549,562</u>
6. TRADE AND OTHER RECEIVABLES		
Trade receivables	<u>233,139</u>	471,144
Other receivables	<u>59,899</u>	126,046
	<u>293,038</u>	<u>597,190</u>
7. PREPAYMENTS AND ADVANCES		
Prepayments	<u>1,644</u>	5,215
Advances	<u>26,232</u>	46,081
	<u>27,876</u>	<u>51,296</u>
8. TAX REFUND DUE FROM GOVERNMENT - SALES TAX		

This includes an amount of Rs. 70.64 million relating to sales tax paid in the prior period for which no input was claimed due to dispute with Collector of Customs. The Collector of Customs raised an issue in relation to payment of Federal Excise Duty (FED) on the import of goods made by the Holding Company during the month of June 2020. However, due to restriction placed on the "release of the said consignment" due to FED payment dispute, the sales tax paid could not be adjusted by the in that month. The Holding Company had paid sales tax amounting to Rs. 42.43 million and Rs. 28.21 million in the months of June 2020 and June 2021 respectively for the above mentioned consignment. Since, the sales tax has been paid in relation to the taxable supplies to be made, the Holding Company intends to claim the same. The Holding Company has asked Customs Department to issue a letter to Federal Board of Revenue requesting it to allow claim of input sales tax in the subsequent sales tax periods for the aforementioned amount.

On behalf of the above request by the Holding Company, the Collectorate of Customs Appraisal (EAST) vide their letter No. "C.NO. SI/MISC/164/KAPE/AC-I/2022" has issued intimation to the Large Tax Payer Unit for recognition of sales tax amounting to Rs. 42.43 million and Rs. 28.21 million. On the basis of letter issued, the Holding Company has filed an application to the Commissioner Inland Revenue, for issuance of refund of the above sales tax amount.

UNITED BRANDS LIMITED
NOTES TO AND FORMING PART OF THE CONSOLIDATED
CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

(Unaudited) December 31, 2025	(Audited) June 30, 2025
----- Rupees in '000 -----	

9. TRADE AND OTHER PAYABLES

Trade creditors	111,720	326,093
Accrued liabilities	110,241	278,019
Payable to IBL Operations (Private) Limited	496,864	563,878
Payable to IBL Healthcare Limited	72,102	90,490
Payable to International Brands (Private) Limited	31,595	31,595
Payable to The Searle Company Limited	18,377	18,894
EOBI and SESSI payable	3,929	4,031
Payable to employees' provident fund	322	1,010
Tax deducted at source and payable to statutory authorities	42,283	42,779
Others	1,874	4,862
	889,307	1,361,651

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

10.1.1 During the year ended June 30, 2020, the Deputy Commissioner Inland Revenue issued a notice of demand under section 137(2) of the Income Tax Ordinance, 2001 (the Ordinance) dated January 31, 2020 for recovery of tax amounting to Rs. 94.66 million created pursuant to order dated January 31, 2020 passed under section 122(1) for tax year 2018. The Holding Company has filed a Constitutional Petition No. D-1421 of 2020 before the Honorable High Court of Sindh. The Honorable High Court of Sindh has restrained the Deputy Commissioner Inland Revenue from enforcing the impugned income tax demand till the decision of Commissioner Inland Revenue (Appeals-II). The appeal was heard on December 16, 2021 and is now reserved for order. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Holding Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

10.1.2 During the year ended June 30, 2022, the Assistant / Deputy Commissioner Inland Revenue issued an order dated December 30, 2021 for recovery of withholding tax along with default surcharge amounting to Rs. 156.55 million under section 161 (1) on account of short deduction of tax at the time of making certain payments for the tax year 2018. The Holding Company filed an appeal before Commissioner Inland Revenue Appeal [CIR(A)]. The CIR(A) vide its order dated September 25, 2023 has set aside the matter and directed the officer to allow sufficient time to the holding company to provide relevant records and reach a judicious conclusion after rebutting each and every argument. An appeal has been submitted to ATIR, focusing on legal issues and not acknowledging the details presented during the monitoring proceedings or appeal hearing. Consequently, the case has been remanded to address the issues that need to be rectified or annulled in the given circumstances. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Holding Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

UNITED BRANDS LIMITED

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

10.1.3 During the year ended June 30, 2022, the Assistant / Deputy Commissioner Inland Revenue issued an order dated March 30, 2022 for recovery of withholding tax along with default surcharge amounting to Rs. 200.04 million under section 161(1) on account of short deduction of tax at the time of making certain payments for the tax year 2019. The Holding Company has filed an appeal before Commissioner Inland Revenue Appeal [CIR(A)]. The CIR(A) vide its order dated September 25, 2023 has set aside the matter and directed the officer to allow sufficient time to the Holding Company to provide relevant records and reach a judicious conclusion after rebutting each and every argument. An appeal has been submitted to ATIR, focusing on legal issues and not acknowledging the details presented during the monitoring proceedings or appeal hearing. Consequently, the case has been remanded to address the issues that need to be rectified or annulled in the given circumstances. The management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Holding Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

10.1.4 During the year ended June 30, 2024, the Assistant / Deputy Commissioner Inland Revenue issued an order dated June 29, 2024 for recovery of sales tax along with default surcharge amounting to Rs. 98.98 million under section 11(2) of Sales Tax Act, 1990. The Holding Company has filed an appeal in the Appellate Tribunal Inland Revenue. However, the management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Holding Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

10.1.5 During the year ended June 30, 2024, the Assistant / Deputy Commissioner Inland Revenue issued an order dated June 29, 2024 for recovery of sales tax for the fiscal year 2016-17 along with default surcharge amounting to Rs. 10.76 million under section 11(2) of Sales Tax Act, 1990. The Holding Company has filed an appeal in the Appellate Tribunal Inland Revenue. However, the management based on the opinion of its tax advisor is confident that the outcome will be in favour of the Holding Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

10.1.6 During the year ended June 30, 2024, the Sindh Revenue Board (SRB) issued order dated December 21, 2023 for the period from July 2014 to June 2015 creating a demand of Rs. 246.67 million under section 23 read with section 47 of the Sindh Sales Tax on Services Act, 2011. The demand is created on the basis that the Holding Company acted as Commission Agent and is working locally as agent for foreign based companies and earning commission by selling, trading and distributing goods on behalf of principal which are located outside Pakistan. Thus, entire revenue from sale of goods declared in the consolidated condensed interim financial statements was held subject to SST at the applicable rate. The Holding Company challenged the order before Commissioner (Appeals), SRB who granted stay against recovery of demand, however, the hearing of the main appeal is still pending. The management, based on the opinion of its tax advisor, considers that the legal and factual aspects of the case have not been considered and is confident that the matter will ultimately be decided in favour of the Holding Company. Therefore, no provision has been made in these consolidated condensed interim financial statements.

10.1.7 During the year ended June 30, 2024, Gulbahar Industries (Pvt.) Limited, operating under the brand name "Livvel", filed Suit No. 6471 of 2024 before the Honorable Senior Civil Judge at Karachi East against the Company. The suit pertains to recovery of outstanding dues amounting to Rs. 39.29 million and damages arising from alleged non-fulfillment of contractual

UNITED BRANDS LIMITED

NOTES TO AND FORMING PART OF THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

obligations under the Distribution Agreement dated October 20, 2022.

The Plaintiff has claimed that United Brands failed to meet monthly sales targets, accumulated unsold inventory, and defaulted on payments despite extended incentives and discounts. The Company has submitted a formal response denying the allegations and asserting that the excess inventory was supplied unilaterally by Livvel, contrary to the agreed terms, and that payments were to be made based on actual sales rather than inventory received. The case is currently pending adjudication. The Company based on the advice of its legal council is of the view that the case will ultimately be decided in the favour of the Company, accordingly, no provision has been made in these consolidated condensed interim financial statements in respect of the said claim.

10.2 Commitments

The facilities for opening letter of guarantees as at December 31, 2025 amounted to Rs. 132.09 million (June 30, 2025: Rs. 132.09 million) respectively. The amount remaining unutilised at the period end for letter of guarantees was Nil (2025: Nil)

The facilities are secured by way of pari passu charge against hypothecation of the Company's current assets. The Parent Company has pledged 3,553,873 shares of The Searle Company Limited against letter of guarantees.

	(Unaudited) December 31, 2025	(Unaudited) December 31, 2024
----- Rupees in '000 -----		
11. REVENUE FROM CONTRACTS WITH CUSTOMERS		
Gross sales	502,172	1,298,826
Service Income	119,693	602,294
Less:		
- Trade Discounts	(25,490)	(35,900)
- Sales returns	(6,888)	(46,670)
- Sales tax	(63,721)	(194,901)
- Provincial Sales tax	(14,541)	(38,385)
	511,225	1,585,264
12. OTHER OPERATING INCOME		
Over provisioning	1,112	1,117

UNITED BRANDS LIMITED

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FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	(Unaudited) December 31, 2025	(Unaudited) December 31, 2024
13. OTHER INCOME		
	----- Rupees in '000 -----	
Income from financial assets		
Profit on savings accounts - Islamic	1,078	1,315
Profit on Term Deposit Receipt	1,019	2,213
Exchange gain - net	26	-
Income from non-financial assets		
Liabilities no longer payable written back	15,188	-
	<u>17,311</u>	<u>3,528</u>
14. FINANCE COST		
Exchange loss - net	350	77
Bank charges	1,403	1,184
Finance charges on short-term financing	2,856	10,468
	<u>4,609</u>	<u>11,729</u>

UNITED BRANDS LIMITED

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FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	(Unaudited) December 31, 2025	(Unaudited) December 31, 2024
15. CASH GENERATED FROM OPERATIONS	----- Rupees in '000 -----	
Profit before Income tax	39,343	34,609
Adjustments for non-cash charges and other items		
Depreciation	2,241	2,129
Finance costs	4,609	11,729
Interest income	(2,097)	(3,528)
	4,753	10,330
	44,096	44,939
Effect on cash flow due to working capital changes		
Decrease / (increase) in current assets:		
Inventories	225,559	1,238
Trade and other receivables	304,152	(295,018)
Prepayments and advances	23,420	(14,679)
Sales tax refunds due from Government - net	(69,376)	(23,571)
	483,755	(332,030)
(Increase) / decrease in current liabilities:		
Increase in trade and other payables	(472,344)	255,338
Sales tax payable	-	62,637
	(472,344)	317,975
Cash generated from operations	55,507	30,884
	(Unaudited) December 31, 2025	(Unaudited) December 31, 2024

16. CASH AND CASH EQUIVALENTS

	(Unaudited) December 31, 2025	(Unaudited) December 31, 2024
Cash and bank balances excluding term deposit receipt - note 16.1	36,181	53,188

16.1 Short term investment amounting to Rs. 32.09 million (December 31, 2024: Rs. 32.09 million) is excluded from cash and bank balances as it includes term deposit receipt which is held as a lien against the guarantee issued by the United Bank Limited (formerly Silk Bank Limited, now amalgamated with United Bank Limited).

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17. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties during the period:

Nature of relationship	Nature of transactions	Note	December 31, December 31,	
			2025	2024
			----- Rupees in '000 -----	
Associated companies	- Shared costs	17.1		
	- Cross charged from IBL Operations (Private) Limited		37,712	107,926
	- Cross charged to IBL Operations (Private) Limited		25,071	18,779
	- Sale of goods		86,698	1,823
	- Services rendered		-	137,835
	- Funds received		65,017	139,736
	- Funds paid		124,760	-
	- Purchase of goods	-	81,116	
Employees' provident fund	Contribution paid		1,318	3,521
Key management personnel	Salaries and other employee benefits		7,228	22,428
	Fee for attending meetings to Directors		673	890

17.1 The Company has an agreement with IBL Operations (Private) Limited regarding sharing of expenses relating to sales and administrative infrastructure.

18. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were approved and authorized for issue by the Board of Directors of the Company on February 25, 2026.


 Chief Executive Officer


 Director


 Chief Financial Officer

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Shahrah-e-Faisal, Karachi.
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