



INDUS MOTOR COMPANY LTD.

Condensed Interim Financial Information
For the Quarter ended September 30, 2025
(Un-audited)



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Directors' Report

For the quarter ended September 30, 2025

The Board of Directors is pleased to present the Directors' Report together with the unaudited condensed interim financial statements of Indus Motor Company Limited ("the Company") for the period ended September 30, 2025.

Overview of Pakistan's Economy

Pakistan's economy-maintained stability and has shown gradual recovery during the first quarter of FY 2025-26. The current account posted a deficit of USD 594 Million for the quarter, mainly on account of increase in imports of 8.29%. Inflation averaged 4.2% for the quarter, prompting the State Bank of Pakistan to maintain the policy rate at 11%. The fiscal deficit was at 4% of GDP due to improved revenues and expenditure control. Continued progress under the IMF's Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF) programs strengthened investor confidence and reserves, signaling a steady economic recovery with cautious optimism for the upcoming quarters. The GDP of the fiscal year 2025-26 is projected at 3.6%

Automobile Industry Performance

During the first quarter of FY 2025-26, Pakistan's automobile sector continued its recovery momentum, supported by improved macroeconomic stability and lower auto-financing costs. As per the data released by the Pakistan Automotive Manufacturers Association (PAMA), sales of locally and assembled Passenger Cars (PCs) and Light Commercial Vehicles (LCVs) recorded a year-on-year increase of around 53.2%, reaching approximately 42,267 units compared to the same period last year. Despite the current economic growth, the auto sector is still currently operating at approximately 50% of its installed production capacity, which is well below its normal level.

The imports of used cars also witnessed an upward trend during the quarter, increasing by 54% to 13,537 units, compared to 8,771 units in the same period last year. Moreover, the government introduced a major policy change in September 2025, allowing the commercial import of used cars up to five years old under a new framework. These imports are subject to an additional 40% regulatory duty above the new-vehicle tariff rate for FY 2025-26, which will gradually decline by 10 percentage points each year until FY 2028-29. Although, the government has introduced a liberal policy to balance imported vehicles and locally assembled vehicles, however, this policy will hurt the local auto industry in long term and needs to be revisited.

Overall, the first quarter's performance reflects a steady recovery in the auto sector driven by rising demand and policy adjustments, though challenges such as low-capacity utilization, foreign exchange sensitivity, and used vehicles imports continue to impact the local auto industry's full potential.

Company Review

Indus Motor Company Limited continued its positive momentum during the first quarter ended September 30, 2025, registering a 59% increase in total sales of Completely Knocked Down (CKD) and Completely Built-up (CBU) units to 9,976 units, compared to 6,292 units in the same period last year. Correspondingly, vehicle production increased by 54%, 10,230 units compared to 6,801 units in the same period last year, reflecting sustained demand recovery and the continued popularity of key models such as the Toyota Corolla and Hilux, supported by timely feature upgrades and model improvements in Toyota Yaris. The Company maintained a stable market share of around 15% in the domestic automotive sector.

Directors' Report

For the quarter ended September 30, 2025

Net sales revenue rose to Rs. 61.737 billion, as compared to Rs. 41.602 billion in the corresponding quarter of the previous year. Profits after tax also recorded a notable increase to Rs. 6.719 billion, against Rs. 5.091 billion last year. The improvement in profitability primarily stems from higher sales volumes, effective cost control measures and increased localization efforts, supported by a relatively favorable exchange rate environment.

The Earnings Per Share (EPS) for the quarter stood at Rs. 85.49, compared to Rs. 64.77 in the same period of the previous year. The Board of Directors is pleased to declare a first interim cash dividend of Rs. 51 per share, as against Rs. 39 per share in the corresponding quarter last year. All transactions with related parties during the period were carried out in the ordinary course of business and in compliance with applicable laws and regulations.

Near-Term Business Outlook

Looking ahead, the Board remains cautiously optimistic about the Company's performance in the evolving macroeconomic landscape. Demand recovery is expected to continue, supported by improving consumer confidence and easing inflationary pressures. The Company aims to maintain momentum through further localization, operational efficiency, and product innovation. However, the business environment remains challenging, with continued risks arising from currency volatility, limitation in auto financing, regulatory changes, and competitive pressure from imported used vehicles. Managing cost pressure, especially those related to foreign exchange and raw materials, will be critical, alongside ensuring supply chain continuity.

The Board is committed to agile planning and prudent risk management to sustain growth and shareholder value in the coming period.

Acknowledgment

We extend our heartfelt gratitude to our customers for their enduring loyalty, and to our employees, dealers, vendors, and partners for their steadfast dedication. The Board also appreciates the continued trust and support of our shareholders and stakeholders. We pray for continued progress and seek Almighty's guidance in all our endeavors.

Indus Motor Company Limited



Ali Asghar Jamali

Chief Executive & Director



Shinji Yanagi

Vice Chairman & Director

October 27, 2025
Karachi

ڈائریکٹرز کی رپورٹ

30 ستمبر 2025 کو ختم ہونے والی سہ ماہی کے لیے

بورڈ آف ڈائریکٹرز کو 30 ستمبر 2025 کو ختم ہونے والی مدت کے لیے انڈس موٹر کمپنی لمیٹڈ ("کمپنی") کے غیر آڈٹ شدہ، مختصر عبوری مالیاتی نتائج کے ساتھ، ڈائریکٹرز کی رپورٹ پیش کرنے پر خوشی ہو رہی ہے۔

پاکستان کی معیشت کا جائزہ

پاکستان کی معیشت نے استحکام برقرار رکھا اور مالی سال 2025-26 کی پہلی سہ ماہی کے دوران بتدریج بحالی کا مظاہرہ کیا ہے۔ کرنٹ اکاؤنٹ نے سہ ماہی کے لیے 594 ملین امریکی ڈالر کا خسارہ درج کیا گیا، جس کی بنیادی وجہ درآمدات میں 8.29 فیصد اضافہ ہے۔ اس سہ ماہی کے دوران مہنگائی کی شرح اوسطاً 4.2 فیصد رہی، جس کے بعد اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ کو 11 فیصد پر برقرار رکھا۔ بہتر محصولات اور اخراجات پر قابو پانے کی وجہ سے مالیاتی خسارہ جی ڈی پی کا 4 فیصد پر رہا۔ آئی ایم ایف (IMF) کی توسیعی فنڈ سہولت (EFF) اور لچک اور پائیداری کی سہولت (RSF) پروگراموں کے تحت مسلسل پیشرفت نے سرمایہ کاروں کے اعتماد اور ذخائر کو مضبوط کیا، جس سے آنے والی سہ ماہیوں کے لئے محتاط امید کے ساتھ مستحکم معاشی بحالی کا اشارہ ملتا ہے۔ مالی سال 2025-26 کی جی ڈی پی 3.6 فیصد متوقع ہے۔

آٹوموبائل انڈسٹری کی کارکردگی

مالی سال 2025-26 کی پہلی سہ ماہی کے دوران، پاکستان کے آٹوموبائل سیکٹر نے اپنی بحالی کی رفتار جاری رکھی، جس کی مدد میکرو اکنامک استحکام میں بہتری اور آٹو فنانسنگ کے کم اخراجات کی وجہ سے ہوئی۔ پاکستان آٹو موٹیو مینوفیکچررز ایسوسی ایشن (پاما) کے جاری کردہ اعداد و شمار کے مطابق، مقامی طور پر اور اسمبل شدہ مسافر کاروں اور ہلکی کمرشل گاڑیوں کی فروخت میں سال بہ سال تقریباً 53.2 فیصد کا اضافہ ریکارڈ کیا گیا، جو گزشتہ سال کی اسی مدت کے مقابلے میں تقریباً 42,267 یونٹس تک پہنچ گئی۔ موجودہ معاشی ترقی کے باوجود، آٹو سیکٹر اب بھی اپنی نصب شدہ پیداواری صلاحیت کے تقریباً 50 فیصد پر کام کر رہا ہے، جو اس کی معمول کی سطح سے بہت کم ہے۔

اسی سہ ماہی کے دوران استعمال شدہ گاڑیوں کی درآمدات میں بھی اضافہ کا رجحان دیکھا گیا، جو 54 فیصد اضافے کے ساتھ 13,537 یونٹس تک پہنچ گئی، جو گزشتہ سال کے اسی عرصے میں 8,771 یونٹس تھی۔ اس کے علاوہ، حکومت نے ستمبر 2025 میں پالیسی میں ایک بڑی تبدیلی متعارف کروائی ہے، جس کے تحت ایک نئے فریم ورک کے تحت پانچ سال تک استعمال شدہ کاروں کی تجارتی درآمد کی اجازت دی

گئی ہے۔ یہ درآمدات مالی سال 2025-26 کے لیے نئی گاڑیوں کے ٹیرف کی شرح سے زیادہ اضافی 40 فیصد ریگولیٹری ڈیوٹی کے تابع ہیں، جو مالی سال 2028-29 تک ہر سال بتدریج 10 فیصد پوائنٹس کی کمی واقع ہوگی۔ اگرچہ حکومت نے درآمد شدہ گاڑیوں اور مقامی اسمبلی میں توازن پیدا کرنے کے لئے ایک لبرل پالیسی متعارف کرائی ہے، تاہم، یہ پالیسی بنیادی طور پر مقامی آٹو انڈسٹری کو طویل مدتی نقصان پہنچائیں گی اور اس پر نظر ثانی کی ضرورت ہے۔

مجموعی طور پر، پہلی سہ ماہی کی کارکردگی بڑھتی ہوئی طلب اور پالیسی ایڈجسٹمنٹ کی وجہ سے آٹو سیکٹر میں مستقل بحالی کی عکاسی کرتی ہے، حالانکہ کم صلاحیت کا استعمال، غیر ملکی زرمبادلہ کی حساسیت، اور استعمال شدہ گاڑیوں کی درآمدات جیسے چیلنجز مقامی آٹو انڈسٹری کی پوری صلاحیت کو متاثر کرتے رہتے ہیں۔

کمپنی کا جائزہ

انڈس موٹر کمپنی لمیٹڈ نے 30 ستمبر 2025 کو ختم ہونے والی پہلی سہ ماہی کے دوران اپنی مثبت رفتار جاری رکھی، جس نے مکمل طور پر ناکڈ ڈاؤن (CKD) اور مکمل طور پر تعمیر شدہ (CBU) یونٹس کی کل فروخت میں 59 فیصد اضافہ درج کیا، جو گزشتہ سال کے اسی عرصے میں 6,292 یونٹس کے مقابلے میں 9,976 یونٹس تک پہنچ گیا۔ اسی طرح، گاڑیوں کی پیداوار میں 54 فیصد، 10,230 یونٹس کا اضافہ ہوا جو پچھلے سال کی اسی مدت میں 6,801 یونٹس کے مقابلے میں تھا، جو کہ مانگ کی مستقل بحالی اور ٹویوٹا کرولا اور یارس جیسے اہم ماڈلز کی مسلسل مقبولیت کی عکاسی کرتا ہے، جو بروقت فیچر اپ گریڈ اور ماڈل میں بہتری کے ذریعے معاون ہے۔ کمپنی نے مقامی آٹوموٹو سیکٹر میں تقریباً 15 فیصد کا مستحکم مارکیٹ شیئر برقرار رکھا۔

خالص سیلز ریونیو بڑھ کر 61.737 ارب روپے تک پہنچ گیا، جو گزشتہ سال کی اسی سہ ماہی کے دوران 41.602 ارب روپے تھا۔ ٹیکس کے بعد منافع میں بھی 6.719 ارب روپے کا نمایاں اضافہ ریکارڈ کیا گیا، جو گزشتہ سال 5.091 ارب روپے تھا۔ منافع میں بہتری بنیادی طور پر زیادہ فروخت کے حجم، لاگت پر قابو پانے کے موثر اقدامات، اور مقامی کوششوں میں اضافے سے پیدا ہوتی ہے، جس کی حمایت نسبتاً سازگار زر مبادلہ کی شرح کے ماحول سے ہوتی ہے۔

سہ ماہی کے لئے فی حصص آمدنی (EPS) 85.49 روپے رہی، جو پچھلے سال کی اسی مدت میں 64.77 روپے تھی۔ بورڈ آف ڈائریکٹرز کو 51 روپے فی حصص کے پہلے عبوری نقد منافع کا اعلان کرتے ہوئے خوشی ہو رہی ہے، جو گزشتہ سال کی اسی سہ ماہی میں 39 روپے فی حصص تھی۔ اس مدت کے دوران متعلقہ فریقوں کے ساتھ تمام لین دین کاروبار کے عام کورس اور قابل اطلاق قوانین اور ضوابط کی تعمیل میں کیے گئے۔

قریب مدتی کاروباری نقطہ نظر

بورڈ ترقی پذیر میکرو اکنامک منظر نامے میں کمپنی کی کارکردگی کے بارے میں محتاط طور پر پر امید ہے۔ توقع ہے کہ طلب کی بحالی جاری رہے گی، جس میں صارفین کے اعتماد کو بہتر بنانے اور افراط زر کے دباؤ کو کم کرنے کی حمایت کی گئی ہے۔ کمپنی کا مقصد مزید لوکلائزیشن، آپریشنل کارکردگی اور مصنوعات کی جدت کے ذریعے رفتار کو برقرار رکھنا ہے۔ تاہم، کاروباری ماحول مشکل ہے، کرنسی کے اتار چڑھاؤ، بلند شرح سود، ریگولیٹری تبدیلیوں، اور درآمد شدہ استعمال شدہ گاڑیوں سے مسابقتی دباؤ سے پیدا ہونے والے مسلسل خطرات کے ساتھ ہے۔ سپلائی چین کے تسلسل کو یقینی بنانے کے ساتھ ساتھ، لاگت کے دباؤ کا انتظام کرنا، خاص طور پر غیر ملکی زرمبادلہ اور خام مال سے متعلق، اہم ہوگا۔

بورڈ آنے والے عرصے میں ترقی اور شیئر ہولڈر کی قدر کو برقرار رکھنے کے لیے، جست منصوبہ بندی اور دانشمندانہ رسک مینجمنٹ کے لیے پرعزم ہے۔

اعتراف

ہم اپنے صارفین کا ان کی پائیدار وفاداری اور اپنے ملازمین، ڈیلرز، وینڈرز اور شراکت داروں کا ان کی مستقل لگن پر تہ دل سے شکریہ ادا کرتے ہیں۔ بورڈ ہمارے شیئر ہولڈرز اور اسٹیک ہولڈرز کے مسلسل اعتماد اور حمایت کی بھی تعریف کرتا ہے، ہم مسلسل ترقی کے لیے دعا گو ہیں اور اپنی تمام کوششوں میں اللہ تعالیٰ سے رہنمائی چاہتے ہیں۔

انڈس موٹر کمپنی لمیٹڈ



شنجی یاناگی
وائس چیئرمین اور ڈائریکٹر



علی اصغر جمالی
چیف ایگزیکٹو اور ڈائریکٹر

27 اکتوبر 2025

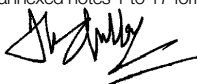
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Condensed Interim Statement of Financial Position

As at September 30, 2025

	Note	September 30 2025 (Unaudited)	June 30 2025 (Audited)
----- (Rupees in '000) -----			
ASSETS			
Non-current Assets			
Property, plant and equipment	4	19,884,705	20,422,998
Intangible assets		64,542	77,203
Long-term loans and advances		114,772	72,255
Long-term deposits		12,273	12,273
Deferred taxation - net		3,249,302	2,951,523
		<u>23,325,594</u>	<u>23,536,252</u>
Current Assets			
Stores and spares		637,186	587,753
Stock-in-trade		35,291,388	21,766,847
Trade debts - unsecured		6,139,172	9,913,463
Loans and advances		1,426,928	2,625,337
Short-term prepayments		48,985	77,850
Accrued return		9,371	34,688
Other receivables		5,013,681	3,971,281
Short-term investments	5	95,617,683	116,863,133
Cash and bank balances		3,940,962	5,397,774
		<u>148,125,356</u>	<u>161,238,126</u>
TOTAL ASSETS		<u>171,450,950</u>	<u>184,774,378</u>
EQUITY			
Share Capital			
Authorised capital			
500,000,000 (June 30, 2025: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
Issued, subscribed and paid-up capital			
78,600,000 (June 30, 2025: 78,600,000) ordinary shares of Rs 10 each		786,000	786,000
Reserves		82,885,918	76,166,638
		<u>83,671,918</u>	<u>76,952,638</u>
LIABILITIES			
Non-Current Liabilities			
Long term loan	6	159,929	159,929
Deferred Revenue		19,899	20,785
		<u>179,828</u>	<u>180,714</u>
Current Liabilities			
Current portion of long term loan	6	39,983	39,983
Current portion of deferred revenue		15,306	15,897
Unclaimed dividend		334,905	337,656
Unpaid dividend		123,140	246,910
Trade payables, other payables and provisions		51,555,647	58,738,325
Warranty Obligations		4,852,528	4,750,931
Advances from customers and dealers		20,502,648	34,107,927
Taxation - net		10,175,048	9,403,397
		<u>87,599,205</u>	<u>107,641,026</u>
TOTAL EQUITY AND LIABILITIES		<u>171,450,950</u>	<u>184,774,378</u>
CONTINGENCIES AND COMMITMENTS			
	7		

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.


Mohammad Ibadullah
 Chief Financial Officer


Ali Asghar Jamali
 Chief Executive & Director


Shinji Yanagi
 Vice Chairman & Director

Condensed Interim Statement of Profit or Loss

For the quarter ended September 30, 2025 (unaudited)

		Quarter ended September 30	
	Note	2025	2024
------(Rupees in '000)-----			
Revenue from contracts with customers	8	61,737,936	41,602,599
Cost of sales	9	(51,196,522)	(36,022,878)
Gross profit		10,541,414	5,579,721
Distribution expenses		(696,868)	(662,519)
Administrative expenses		(854,921)	(584,792)
Other operating expenses		(81,297)	(53,626)
		1,633,086	(1,300,937)
		8,908,328	4,278,784
Workers' Profit Participation Fund and Workers' Welfare Fund		(687,557)	(397,657)
Profit from operations		8,220,771	3,881,127
Other income	11	2,900,106	4,456,143
		11,120,877	8,337,270
Finance cost		(49,700)	(61,773)
Profit before taxation & levy		11,071,177	8,275,497
Levy		(1,671)	(24,961)
Profit before taxation		11,069,506	8,250,536
Taxation		(4,350,226)	(3,159,732)
Profit after taxation		6,719,280	5,090,804
------(Rupees)-----			
Earnings per share - basic and diluted		85.49	64.77

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Mohammad Ibadullah
Chief Financial Officer



Ali Asghar Jamali
Chief Executive & Director



Shinji Yanagi
Vice Chairman & Director

Condensed Interim Statement of Comprehensive Income

For the quarter ended September 30, 2025 (unaudited)

	Quarter ended September 30	
	2025	2024
	------(Rupees in '000)-----	
Profit after taxation for the period	6,719,280	5,090,804
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be subsequently reclassified to profit or loss	-	-
Total comprehensive income for the period	6,719,280	5,090,804

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Mohammad Ibadullah
Chief Financial Officer



Ali Asghar Jamali
Chief Executive & Director



Shinji Yanagi
Vice Chairman & Director

Condensed Interim Statement of Cash Flows

For the quarter ended September 30, 2025 (unaudited)

Note	Quarter ended September 30	
	2025	2024
	----- (Rupees in '000) -----	

CASH FLOWS FROM OPERATING ACTIVITIES

Cash utilized in operations	12	(20,731,230)	(1,516,172)
Net decrease in long-term loans and advances		(42,517)	15,018
Compensation paid on advances received from customers		(12,265)	(31,536)
Increase in deferred revenue		(886)	1,072
Interest paid on long-term loan		(4,120)	(2,511)
Income tax paid		(3,877,996)	(1,694,957)
Net cash outflow from operating activities		(24,669,014)	(3,229,086)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment and intangible assets	(700,894)	(588,721)
Proceeds from disposal of property, plant and equipment	63,816	44,828
Interest received on bank deposits and Term Deposit Receipts	124,620	147,090
Net gain on trade of Pakistan Investment Bonds	225,446	88,483
Net proceeds from / (investments) in Government Securities	2,794,335	(10,185,153)
Net proceeds from redemption of listed mutual fund units	25,365,025	3,920,047
Dividend Income from listed mutual fund units	4,976	103,469
Net cash inflow / (outflow) from investing activities	27,877,325	(6,469,957)

CASH FLOWS FROM FINANCING ACTIVITIES

Dividends paid	(126,521)	(4,572)
Long-term loan installments paid	-	(9,996)
Net cash outflow on financing activities	(126,521)	(14,568)

Net increase / (decrease) in cash and cash equivalents during the period	3,081,789	(9,713,611)
Cash and cash equivalents at the beginning of the period	19,834,866	14,107,143
Cash and cash equivalents at the end of the period	22,916,655	4,393,532

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.


Mohammad Ibadullah
 Chief Financial Officer


Ali Asghar Jamali
 Chief Executive & Director


Shinji Yanagi
 Vice Chairman & Director

Condensed Interim Statement of Changes in Equity

For the quarter ended September 30, 2025 (unaudited)

	Share Capital	Reserves			Total	
	Issued, subscribed and paid-up	Capital	Revenue			
		Premium on issue of ordinary shares	General reserve	Unappropriated profit		Sub-Total
Balance as at July 1, 2024	786,000	196,500	55,951,050	10,292,893	66,440,443	67,226,443
Total comprehensive income for the quarter ended September 30, 2024	-	-	-	5,090,804	5,090,804	5,090,804
Balance as at September 30, 2024	786,000	196,500	55,951,050	15,383,697	71,531,247	72,317,247
Balance as at July 1, 2025	786,000	196,500	62,451,050	13,519,088	76,166,638	76,952,638
Total comprehensive income for the quarter ended September 30, 2025	-	-	-	6,719,280	6,719,280	6,719,280
Balance as at September 30, 2025	786,000	196,500	62,451,050	20,238,368	82,885,918	83,671,918

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.



Mohammad Ibadullah
Chief Financial Officer



Ali Asghar Jamali
Chief Executive & Director



Shinji Yanagi
Vice Chairman & Director

Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2025 (unaudited)

1 THE COMPANY AND ITS OPERATIONS

Indus Motor Company Limited (the Company) was incorporated in Pakistan as a public company limited by shares in December 1989 under the repealed Companies Ordinance, 1984 (now, the Companies Act, 2017) and started commercial production in May 1993. The shares of the Company are quoted on the Pakistan Stock Exchange.

The Company was formed in accordance with the terms of a Joint Venture agreement concluded amongst certain House of Habib companies, Toyota Motor Corporation and Toyota Tsusho Corporation for the purposes of assembling, progressive manufacturing and marketing of Toyota vehicles. The Company also acts as the sole distributor of Toyota and Daihatsu vehicles in Pakistan and has a license for assembling, progressive manufacturing and marketing of Toyota vehicles in Pakistan.

The registered office and factory of the Company is situated at Plot No. NWZ/1/P-1, Port Qasim Industrial Estate, Bin Qasim, Karachi.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of and directives issued under the Act have been followed.

2.2 Change in accounting standards, interpretations and amendments to published accounting and reporting standards

(a) Amendments to published accounting and reporting standards which became effective during the period

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

There are certain amendments 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 amendments will not have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2025 (unaudited)

2.3 The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2025.

3. SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates, assumptions and judgments. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events.

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are consistent with those applied in the annual audited financial statements of the Company as at and for the year ended June 30, 2025.

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

September 30 2025 (Unaudited)	June 30 2025 (Audited)
------(Rupees in '000)-----	

4. PROPERTY, PLANT AND EQUIPMENT

Tangible operating assets	18,094,559	18,054,530
Capital work-in-progress	1,790,146	2,368,468
	19,884,705	20,422,998

Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2025 (unaudited)

4.1 Details of additions and disposals during the period are as follows:

	Additions (at cost)		Disposals (at cost)	
	Quarter ended September 30		Quarter ended September 30	
	2025	2024	2025	2024
----- (Rupees in '000) -----				
Tangible assets				
Buildings on leasehold land:				
Factory	-	128,305	-	-
Others	1,075	1,283	-	-
Plant and machinery	145,150	651,421	1,508	24,322
Motor vehicles	335,694	161,278	108,768	43,213
Furniture and fixtures	1,870	29,867	-	-
Office equipment	8,663	5,353	-	-
Computers and related accessories	150,851	19,091	12,598	3,273
Tools and equipment	3,434	3,223	3,019	-
Jigs, moulds and related equipments	632,479	97,994	-	-
	<u>1,279,215</u>	<u>1,097,815</u>	<u>125,892</u>	<u>70,807</u>
Intangible assets				
Computer software	-	22,496	-	-

4.1.1 Additions to owned assets include transfers from capital work-in-progress amounting to Rs 872.739 million (September 30, 2024: Rs 938.803 million).

	September 30 2025 (Unaudited)	June 30 2025 (Audited)
----- (Rupees in '000) -----		
5 SHORT TERM INVESTMENTS		
Amortized Cost		
- Term Deposit Receipts (TDRs)	18,000,000	12,000,000
At fair value through profit or loss		
- Government securities - Market Treasury Bills	53,052,964	55,740,350
- Listed Mutual Fund Units	24,564,719	49,122,783
	<u>95,617,683</u>	<u>116,863,133</u>
6 LONG TERM LOAN		
Loan Under financing scheme		
- Refinance scheme for renewable energy	199,912	199,912
	<u>199,912</u>	<u>199,912</u>
Less: Current Portion		
- Refinance scheme for renewable energy	(39,983)	(39,983)
	<u>159,929</u>	<u>159,929</u>

Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2025 (unaudited)

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

7.1.1 The status of contingencies as disclosed in annual financial statements of the Company for the year ended June 30, 2025 has remained unchanged.

7.1.2 As at September 30, 2025, the claims not acknowledged as debt by the company amounts to Rs 3,717.498 million (June 30, 2025: Rs 3,717.498 million).

7.1.3 Outstanding bank guarantees as at September 30, 2025 amounted to Rs 28,041.627 million (June 30, 2025: Rs 31,643.769 million). This includes an amount of Rs 13,838.863 million (June 30, 2025: Rs 14,326.659 million) in respect of bank guarantees from a related party.

7.2 Commitments

7.2.1 Commitments in respect of capital expenditure as at September 30, 2025 aggregate to Rs 578.548 million (June 30, 2025: Rs 1,085.842 million).

7.2.2 Commitments in respect of letters of credit, other than for capital expenditure, as at September 30, 2025 amounted to Rs 27,964.295 million (June 30, 2025: Rs 32,592.894 million). The above letters of credit include an amount of Rs 2,480.605 million (June 30, 2025: Rs 1,809.280 million) availed from a related party.

Quarter ended September 30	
2025	2024
------(Rupees in '000)-----	

8 REVENUE FROM CONTRACTS WITH CUSTOMERS

Manufacturing

Manufacturing net sales

58,291,183 37,857,503

Trading net sales

3,446,753 3,745,096

Total Net Sales

61,737,936 41,602,599

9 COST OF SALES

Manufacturing

48,958,301 33,711,131

Trading

2,238,221 2,311,747

Total Cost of Sales

51,196,522 36,022,878

Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2025 (unaudited)

10 SEGMENT REPORTING

	Quarter ended September 30, 2025			Quarter ended September 30, 2024		
	Manufacturing	Trading	Total	Manufacturing	Trading	Total
	(Rupees in '000)					
Net sales	58,291,183	3,446,753	61,737,936	37,857,503	3,745,096	41,602,599
Gross profit	9,332,882	1,208,532	10,541,414	4,146,372	1,433,349	5,579,721
Profit from Operations	7,091,422	1,129,349	8,220,771	2,736,738	1,144,389	3,881,127

11 OTHER INCOME

	Quarter ended September 30	
	2025	2024
	(Rupees in '000)	
Income from Financial Assets		
Return on bank deposits	99,303	104,086
Net gain on investment in listed mutual funds units	806,962	2,019,620
Dividend income from listed mutual fund units	4,976	103,469
Gain on trade of investment in Government Securities	1,793,792	1,974,690
Income from Non Financial Assets		
Freight and other charges income - net of expenses	80,977	76,712
Unclaimed liabilities written back	60,502	96,799
Others	53,594	80,767
	2,900,106	4,456,143

Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2025 (unaudited)

Note	Quarter ended September 30	
	2025	2024
	------(Rupees in '000)-----	

12 CASH (UTILIZED IN) OPERATIONS

Profit before taxation	11,071,177	8,275,497
Adjustment for non-cash charges and other items:		
Depreciation	1,189,385	1,306,852
Amortization	12,661	9,518
Provision for doubtful debts	3,124	(1,191)
Gain on disposal of operating fixed assets	(14,004)	(20,947)
Net gain on investment in listed mutual funds units	(806,962)	(2,019,620)
Dividend income from listed mutual fund units	(4,976)	(103,469)
Return on bank deposits	(99,303)	(104,086)
Gain on trade of investment in Government Securities	(1,793,792)	(1,974,690)
Charge in respect of Workers' Profit Participation Fund	457,650	228,769
Charge in respect of Workers' Welfare Fund	229,907	168,888
Interest expense on long term loan	2,039	2,448
Compensation on advances received from customers	12,048	12,530
Working capital changes	12.1 (30,990,184)	(7,296,671)
	<u>(20,731,230)</u>	<u>(1,516,172)</u>

12.1 Working capital changes

(Increase) in current assets

Stores and spares	(49,433)	61,970
Stock-in-trade	(13,524,541)	(2,976,986)
Trade debts	3,771,167	(819,881)
Loans and advances	1,198,409	910,301
Short-term prepayments	28,865	(8,897)
Other receivables	(1,500,050)	(123,448)
	<u>(10,075,583)</u>	<u>(2,956,941)</u>

(Decrease) in current liabilities

Trade payables, other payables and provisions	(7,308,731)	(2,481,380)
Current Portion of Deferred Revenue	(591)	2,173
Advances from customers and dealers	(13,605,279)	(1,860,523)
	<u>(20,914,601)</u>	<u>(4,339,730)</u>
	<u>(30,990,184)</u>	<u>(7,296,671)</u>

13 CASH AND CASH EQUIVALENTS

Term Deposit Receipts	18,000,000	-
Government Securities	975,693	718,694
Cash and bank balances	3,940,962	3,674,838
	<u>22,916,655</u>	<u>4,393,532</u>

Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2025 (unaudited)

14 TRANSACTIONS AND BALANCES WITH ASSOCIATED UNDERTAKINGS / RELATED PARTIES

14.1 The associated undertakings / related parties comprise of associated companies, staff retirement funds and key management personnel. Transactions carried out with associated undertakings / related parties during the year are as follows:

	Quarter ended September 30	
	2025	2024
	------(Rupees in '000)-----	
With associated undertakings / related parties:		
Sales	221,495	669,181
Purchases	29,591,684	24,158,799
Insurance premium	36,641	95,639
Agency commission	27,550	24,601
Running royalty	674,262	449,034
Return on bank deposits	76,924	62,403
Proceeds from disposal of fixed assets / insurance claim	108	-
Supervisor Fees	-	2,241
Director Fees	750	750
Bank and LC charges	53,107	62,009
Annual Subscription	625	625
With other related parties:		
Contribution to retirement benefit funds	56,483	50,835
With key management personnel:		
- Salaries and benefits	57,347	47,220
- Post employment benefits	3,604	3,127

The related party balances outstanding as at period / year end are as follows:

	September 30 2025 (Unaudited)	June 30 2025 (Audited)
	------(Rupees in '000)-----	
Nature of balances		
Short-term prepayments	6,446	17,865
Bank balances and Term Deposit Receipts	6,921,838	10,486,564
Margin held by bank against LC's	777,167	426,792
Warranty claims, agency commission and other receivables	447,206	457,459
Trade and other payables	7,751,820	8,374,728

Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2025 (unaudited)

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

International Financial Reporting Standard 7, 'Financial Instruments: Disclosure' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Investment of the Company carried at fair value are categorised as follows:

	----- As at September 30, 2025 -----			----- As at June 30, 2025 -----		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	----- Rupees in '000-----					
Financial assets 'at fair value through profit or loss'						
- Listed mutual fund units	-	24,564,719	-	-	49,122,783	-
Government Securities - Market Treasury Bill	-	53,052,964	-	-	55,740,350	-

16 NON-ADJUSTING EVENT AFTER STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on August 28, 2025 has proposed a cash dividend in respect of the year ended June 30, 2025 of Rs 50 (2024: cash dividend of Rs 43) per share. This is in addition to the interim cash dividend of Rs 126 (2024: Rs 71.7) per share resulting in a total dividend for the year of Rs 176 (2024: Rs 114.7) per share. The Directors have also announced appropriation of Rs 9,500 million (2024: Rs 6,500 million) to general reserve. These appropriations have been approved in the Annual General Meeting held on 9th October 2025. The condensed interim financial statements for the quarter ended September 30, 2025 do not include the effect of these appropriations, which will be accounted for in the condensed interim financial statements for the half year ending December 31, 2025.

The Board of Directors in its meeting held on October 27, 2025 have proposed an interim cash dividend of Rs 51 per share (September 30, 2024: Rs 39 per share) in respect of the year ending June 30, 2026. The condensed interim financial information for the quarter ended September 30, 2025, does not include the effect of this dividend, which will be accounted for in the condensed interim financial information for the half year ending December 31, 2025.

Notes to and Forming Part of the Condensed Interim Financial Statements

For the quarter ended September 30, 2025 (unaudited)

17 GENERAL

- 17.1** Corresponding figures have been rearranged and reclassified wherever necessary, for the purpose of better presentation and comparison.
- 17.2** This condensed interim financial information was authorised for issue on October 27, 2025 by the Board of Directors of the Company.
- 17.3** Figures in this condensed interim financial information has been rounded off to the nearest thousand rupees.



Mohammad Ibadullah
Chief Financial Officer



Ali Asghar Jamali
Chief Executive & Director



Shinji Yanagi
Vice Chairman & Director

Company Information

Board of Directors

Mr. Mohamedali R. Habib	Chairman
Mr. Shinji Yanagi	Vice Chairman
Mr. Ali Asghar Jamali	Chief Executive
Mr. Muhammad H. Habib	Director
Mr. Giri Venkatesh	Director
Mr. Shigeki Furuya	Director
Mr. Imran A. Habib	Director
Mr. Asif Qadir	Independent Director
Mr. Riyaz T. Chinoy	Independent Director
Syeda Tatheer Zehra Hamdani	Independent Director

Chief Financial Officer

Mr. Mohammad Ibadullah

Company Secretary

Mr. Muhammad Arif Anzer

Board Audit and Risk Committee Members

Mr. Asif Qadir	Committee Chairman
Mr. Muhammad H. Habib	Member
Mr. Imran A. Habib	Member
Mr. Giri Venkatesh	Member
Mr. Riyaz T. Chinoy	Member
Mr. Shiraz Sanawar	Secretary & Head of Internal Audit

Board Human Resource and Remuneration

Committee Members

Syeda Tatheer Zehra Hamdani	Committee Chairperson
Mr. Mohamedali R. Habib	Member
Mr. Shinji Yanagi	Member
Mr. Riyaz T. Chinoy	Member
Mr. Ali Asghar Jamali	Member
Mr. Khurram Mahmood	Secretary

Board Ethics Committee Members

Mr. Riyaz T. Chinoy	Committee Chairman
Mr. Ali Asghar Jamali	Member
Syeda Tatheer Zehra Hamdani	Member
Mr. Khurram Mahmood	Secretary

Auditors

A.F. Ferguson & Co.
Chartered Accountants,
State Life Building No. 1-C,
I.I. Chundrigar Road, Karachi.

Legal Advisors

A.K. Brohi & Company
Mahmud & Co.
Masood Aziz & Associates
Fazlegahani Advocates
Sajeel Mirza Mann & Shah

Bankers

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Ltd
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400. Pakistan.
UAN: 111-111-500
Tel: 0800 - 23275
Fax (92-21) 34326053
Email: info@cdcsrsl.com

Factory / Registered Office

Plot No. N.W.Z/1/P-1, Port Qasim Authority,
Bin Qasim, Karachi.

Phone: (PABX) (92-21) 34720041-48
(UAN) (92-21) 111-TOYOTA (869-682)
Fax: (92-21) 34720040
Website: www.toyota-indus.com

Credit Rating

Credit Rating Company:
VIS Credit Rating Company Limited
Long term rating: AA+
Short term rating: A-1+

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