

INDEPENDENT AUDITOR'S REPORT

To the members of
Saudi Pak Industrial and Agricultural Investment Company Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of **Saudi Pak Industrial and Agricultural Investment Company Limited** (the Company), which comprise the unconsolidated statement of financial position as at December 31, 2025 and the unconsolidated statement of profit and loss account, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated cash flow statement for the year then ended, and notes to the unconsolidated financial statements, including a material accounting policies information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit and loss account, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated cash flow statement together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note 22.3.1 to the accompanying unconsolidated financial statements describing the status of tax contingencies. Our opinion is not modified in respect of this matter.

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Key Audit Matter

Key audit matter is the matter that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the current year. This matter was addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Following is the key audit matter:

Key audit matter	How the matter was addressed in our audit
<p>Accuracy of expected credit loss allowance (Note 9, 10, 19 & 31)</p> <p>The Company recognizes expected credit loss (ECL) allowance in accordance with IFRS 9: Financial Instruments as applied under the Application Instructions issued by the State Bank of Pakistan (SBP) through BPRD Circular No. 07 of 2023.</p> <p>Because of the high degree of estimation uncertainty and judgement involved in the calculation of ECL we considered the area of ECL provision as a key audit matter.</p>	<p>With respect to measurement of expected credit loss allowance, we performed, among others, the following audit procedures:</p> <ol style="list-style-type: none"> a. Read the Company's IFRS 9 based measurement of expected credit loss allowance policy; b. Performed risk assessment procedures over the credit loss allowance on exposure within the DFI's unconsolidated financial statements. This included identifying portfolios susceptible to material misstatement, particularly those involving significant judgement in estimating expected credit losses (ECL) due to assumptions, methodologies, and input data. c. Assessing the design and implementation of key controls established by the DFI's over measurement of ECL and provision calculated as per PR.; d. Evaluated the reasonableness of the Company's determination of significant increase in credit risk (SICR) and the resultant basis for classification of exposures into various stages. For a sample of exposures, we checked the appropriateness of the Company's staging; e. Checked the key data sources used in ECL model and for a sample of obligors the correctness of historical data input in ECL model has been tested; f. Checked the accuracy of the Exposure at Default (EAD), appropriateness of the Probability of Default (PD) and calculations of the Loss Given Default (LGD) used in the Company's ECL model. Also read the internal risk rating reports to test the correctness of internal credit risk ratings used in the ECL model on sample basis; g. For Stage 3 items, checked that the impairment provisions recognized in the unconsolidated financial statements are the higher of those determined under IFRS 9 or the applicable Prudential Regulations; h. Checked the completeness of financial assets including off balance sheet items included in ECL calculation; i. Checked the arithmetical accuracy of the ECL model; and j. Evaluated the adequacy of the financial statement disclosures.

Information Other than the Unconsolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises of information to be included in the annual report that shall also include the directors' report but does not include the unconsolidated financial statements and our auditor's report thereon. The other information obtained at the date of audit report is information included in directors' report while the complete set of annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the unconsolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the unconsolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained at the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these unconsolidated financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

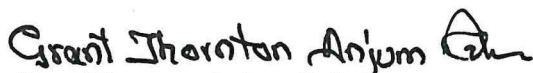
We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the unconsolidated statement of financial position, the unconsolidated statement of profit and loss account, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated cash flow statement together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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


Grant Thornton Anjum Rahman
Chartered Accountants
Place: Islamabad
Date: March 06, 2026
UDIN: AR2025101642KVP75LSI