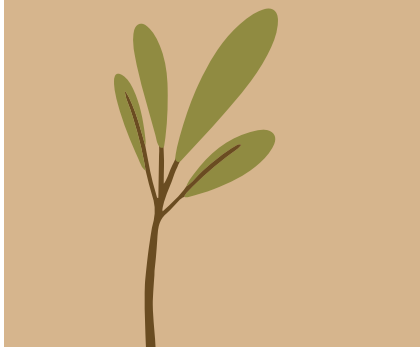


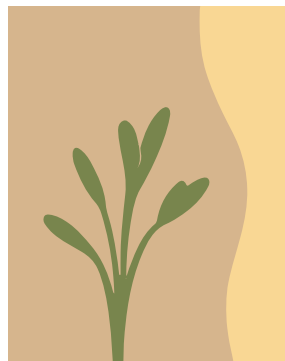
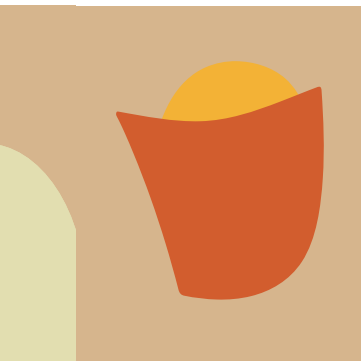


Highnoon

Un-audited
Financial Statements
For the 1st Quarter
Ended 31 March 2026



**Enriching
Life**



CONTENTS

Company Information	2-3
Directors' Report	4-9
Condensed Interim Un-Consolidated Financial Statements	10
Condensed Interim Un-Consolidated Statement of Financial Position	11-12
Condensed Interim Un-Consolidated Statement of Profit or Loss	13
Condensed Interim Un-Consolidated Statement of Comprehensive Income	14
Condensed Interim Un-Consolidated Statement of Cash Flows	15
Condensed Interim Un-Consolidated Statement of Changes in Equity	16
Selected Notes to the Condensed Interim Un-consolidated Financial Statements	17
Condensed Interim Consolidated Financial Statements	30
Condensed Interim Consolidated Statement of Financial Position	31-32
Condensed Interim Consolidated Statement of Profit or Loss	33
Condensed Interim Consolidated Statement of Comprehensive Income	34
Condensed Interim Consolidated Statement of Cash Flows	35
Condensed Interim Consolidated Statement of Changes in Equity	36
Selected Notes to the Condensed Interim Consolidated Financial Statements	37

COMPANY INFORMATION

Board of Directors

Tariq Wajid
Chairman

Dr. Adeel Abbas Haideri
Chief Executive Officer

Tausif Ahmad Khan
Director

Tehmina Saeed Chaudhury
Director

Taufiq Ahmed Khan
Director

Tauqir Ahmed Khan
Director

Dr. Aman Ullah Khan
Director

Chief Financial Officer

Ashfaq Alidina

Senior General Counsel & Company Secretary

Baqar Hasan

Head Internal Auditor

Rizwan Shahid

Registered Office and Plant

17.5 Kilometer Multan Road,
Lahore-53700, Pakistan
UAN: +92 42 111 000 465
Fax: + 92 42 37510037
Email:

corporate.affairs@highnoon.com.pk;
investor.relations@highnoon.com.pk
Web: www.highnoon-labs.com

Corporate Office

901-9th floor, Tricon Corporate
Center 73-E, Jail Road, Lahore
UAN: + 92 304 111 0465
Ph: + 92 42 35158051-2

Legal Advisor

Raja Muhammad Akram & Co.

Tax Advisor

Yousuf Islam & Associates

Auditors

BDO Ebrahim & Co. Chartered
Accountants

Shares Registrar

Corplink (Pvt.) Ltd.
Wings Arcade,
1-K Commercial,
Model Town, Lahore.
Tel: +92 42 3591 6714, 3591 6719
Fax: + 92 42 3586 9637

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Bank Makramah Limited (formerly Summit Bank Limited)
BankIslami Pakistan Limited
Dubai Islamic Bank Limited
Faysal Bank Limited
First Habib Modaraba Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
Mobilink Microfinance Bank Limited
National Bank of Pakistan Limited
Standard Chartered Bank Limited
United Bank Limited

Board and Management Committees

Audit Committee

Dr. Aman Ullah Khan	Chairperson
Tariq Wajid	Member
Tehmina Saeed Chaudhury	Member
Tauqir Ahmed Khan	Member

Human Resources and Remuneration Committee

Tariq Wajid	Chairperson
Dr. Adeel Abbas Haideri	Member
Tehmina Saeed Chaudhury	Member
Taufiq Ahmed Khan	Member

Sustainability Committee

Tehmina Saeed Chaudhury	Chairperson
Dr. Adeel Abbas Haideri	Member
Tauqir Ahmed Khan	Member

Risk Management Committee

Tariq Wajid	Chairperson
Dr. Adeel Abbas Haideri	Member
Taufiq Ahmed Khan	Member
Dr. Aman Ullah Khan	Member

Nomination Committee

Tausif Ahmad Khan	Chairperson
Taufiq Ahmed Khan	Member
Tehmina Saeed Chaudhury	Member

Executive Committee

Dr. Adeel Abbas Haideri	Chairperson
Taufiq Ahmed Khan	Member
Aamir Zafar	Member
Ashfaq Alidina	Member
Dr. Azfar Abbas Haidrie	Member
Syed Zulfiqar Ali Zaidi	Member
Shahnawaz Baig	Member

I.T Steering Committee

Taufiq Ahmed Khan	Chairperson
Dr. Adeel Abbas Haideri	Member
Ashfaq Alidina	Member
Syed Zulfiqar Ali Zaidi	Member
Shahnawaz Baig	Member
Farhan Iftikhar Hashmi	Member

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors are pleased to present their report, together with the condensed interim financial statements of your Company and the Group for the three-month period ended on March 31, 2026.

Your Company stands among the well-established healthcare companies of Pakistan, focused on enriching lives and patient facilitation through manufacture, import, sale and marketing of pharmaceutical and related healthcare products.

ECONOMIC & BUSSINESS OVERVIEW

The Pakistani pharmaceutical sector continued to demonstrate resilience in 2026, supported by improving macroeconomic stability, including a steady exchange rate and a relatively accommodative monetary environment. GDP growth is projected at 3.6%, while inflation has largely moderated to single digits on the back of fiscal consolidation and stable currency conditions.

During the quarter, monetary easing paused with policy rates maintained at 10.5%. However, external geopolitical pressures, particularly tensions in the Gulf region, led to higher petroleum prices, causing inflation to rise from 5.8% in December 2025 to 7.3% in March 2026—slightly above the State Bank's target range.

Despite these short-term challenges, the overall economic stability, along with deregulation of non-essential drug pricing, has eased pressure on the pharmaceutical sector, supporting its recovery from prior economic and regulatory headwinds.

OPERATING RESULTS

The financial performance of the Company during the unaudited quarter ended March 31, 2026, under review, is as follows:

	March 2026	March 2025
Key Financial Highlights	(Rupees in Millions)	
Sales	6,814	6,548
Gross Profit	3,847	3,387
Gross Profit %	56%	52%
Operating Profit	1,723	1,276
Operating Profit %	25%	19%
Finance Cost	(9)	(25)
Other Income	104	98
Profit before tax & levy	1,818	1,349
Tax & levy	(862)	(433)
Profit after tax & levy	956	916
Other comprehensive Income-net of tax	-	-
Total Comprehensive Income for the Quarter	956	916

PERFORMANCE OVERVIEW

Highnoon is ranked as one of the top pharmaceutical companies, its market share is 2.6% with 4-year CAGR of 20.4% versus industry average 18.6% as per IQVIA's report 'MAT December 2025'.

Net sales increased by 4%, primarily driven by an optimal product mix and volume expansion and price-led growth, drawing continuing leverage from its diversified portfolio, enhanced pricing strategies and further strengthening its market positioning.

Consequently, Gross Margins expanded from 52% to 56%, reflecting a 14% growth as compared to corresponding quarter in 2025. Despite challenges being faced by Pharma Industry, Highnoon effectively mobilized operational and strategic efficiencies, capitalized on regulatory pricing shifts, and maintained strong market intelligence. This enabled the company to not only sustain but enhance profitability, achieving a 14% profit-to-sales ratio for the quarter and reflecting a growth of 4% in profit after taxes versus same quarter last year.

Highnoon has consistently aimed high and maintained a strong momentum towards achievement of key milestones. For gauging its performance, the Company makes use of various indicators like peer's position in relevant therapeutic class, industry growth and the impact of changes in laws/regulation on Company's performance. Key Performance Indicators are then formulated so proactively remedial actions can be taken in case of any variance with the actual performance at regular intervals.

EARNINGS PER SHARE

Based on unaudited condensed interim financial statements for the quarter ended March 31, 2026, Basic Earnings Per Share (EPS) is Rs. 18.04 (2025: 17.28).

GROUP PERFORMANCE

The Directors are pleased to present the unaudited Condensed Interim Consolidated Financial Statements of Highnoon Laboratories Limited the ("Holding Company") and Curexa Health (Private) Limited its wholly owned Subsidiary company ("the Subsidiary") together mentioned as ("the Group") for the quarter ended March 31, 2026.

The summarized financial performance of the Group during the quarter ended March 31, 2026, under review, is as follows:

	March 2026	March 2025
	(Rupees in Millions)	
Key Financial Highlights		
Profit before tax and levy	1,949	1,411
Tax & levy	(901)	(457)
Profit after tax and levy	1,048	954
Earning Per Share (Rs.)	19.78	18.02

FUTURE OUTLOOK

Looking forward, the pharmaceutical sector is expected to benefit from structural tailwinds, including demographic growth, rising disease burden, increasing health awareness, and expanding healthcare infrastructure. At the same time, evolving regulatory frameworks and cost pressures will require disciplined execution and strategic adaptability.

Highnoon's strategic priorities going forward include:

- Building a stronger innovation pipeline,
- Enhancing digital capabilities and data analytics,
- Deepening manufacturing excellence and strengthening quality systems, and
- Strengthening institutional partnerships across the healthcare ecosystem.

The Company remains committed to pursuing profitable growth that is sustainable, ethical, and aligned with national healthcare priorities.

ACKNOWLEDGMENT

The Board of Directors extends its sincere gratitude to all employees for their unwavering dedication and commitment throughout the quarter. We also acknowledge the invaluable support of our shareholders, customers, and partners, whose trust and collaboration have been pivotal in driving strategic objectives and sustainable growth. Looking ahead, we remain committed to upholding the highest standards of corporate governance and delivering long-term value to all our stakeholders.

AUTHORIZATION

The Board, in compliance with the requirement of Section 227(5) of Companies Act 2017, authorized the Chief Executive Officer and a director to sign the Directors' Report on behalf of the Board.

For, and on behalf of the Board



Dr. Adeel Abbas Haideri
Chief Executive Officer



Taufiq Ahmed Khan
Director

Lahore: 29th April 2026.

مستقبل پر ایک نظر

مستقبل قریب میں توقع ہے کہ فارماسیوٹیکل شعبہ ساختی عوامل سے فائدہ اٹھائے گا، جن میں آبادی میں اضافہ، بیماریوں کے بڑھتے ہوئے بوجھ، صحت سے متعلق شعور میں اضافہ اور صحت کے شعبے کے بنیادی ڈھانچے کی توسیع شامل ہیں۔ اسی دوران، بدلتے ہوئے ضابطہ جاتی فریم ورک اور لاگت کے دباؤ کے پیش نظر حکمت عملی پر منظم عملدرآمد اور چلک ناگزیر ہوگی۔

آگے بڑھتے ہوئے ہائی نون کی حکمت عملی کے تحت ترجیحات میں شامل ہیں:

- کئی نئی ادویات کی تیاری کی منصوبہ بندی
- ڈیجیٹل صلاحیتوں اور ڈیٹا اینالیٹکس کو بہتر بنانا،
- پیداواری معیار کو مزید بہتر کرنا اور معیارات کے نظام کو مضبوط بنانا، اور
- صحت کے شعبے کے ماحولیاتی نظام میں ادارہ جاتی شراکت داریوں کو مستحکم کرنا۔

کمپنی پائیدار، اخلاقی اور قومی صحت کے ترجیحی اہداف سے ہم آہنگ منافع بخش نمو کے حصول کے لیے اپنے پرعزم ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز اپنے تمام ملازمین کا دل سے شکریہ ادا کرتے ہیں جنہوں نے پورے سہ ماہی کے دوران اپنی غیر متزلزل لگن اور عزم کا مظاہرہ کیا۔ ہم اپنے شیئر ہولڈرز، صارفین اور شراکت داروں کے قیمتی تعاون کا بھی شکریہ ادا کرتے ہیں جن کے اعتماد اور شراکت نے ہماری اسٹریٹجک مقاصد اور پائیدار ترقی کو آگے بڑھانے میں ہم کو مدد اور اکیلا آئندہ کی جانب، ہم کارپوریٹ گورننس کے اعلیٰ ترین معیارات کو برقرار رکھنے اور اپنے تمام اسٹیک ہولڈرز کے لیے طویل مدتی قدر فراہم کرنے کے لیے پرعزم ہیں۔

اجازت نامہ

بورڈ نے کمپنیز ایکٹ 2017 کے سیکشن 227(5) کی ضروریات کے تحت، چیف ایگزیکٹو آفیسر اور ایک ڈائریکٹر کو بورڈ کی طرف سے ڈائریکٹرز کی رپورٹ پر دستخط کرنے کا اختیار دیا ہے۔

منجانب بورڈ آف ڈائریکٹرز



توفیق احمد خان
ڈائریکٹر



ڈاکٹر عدیل عباس حیدری
چیف ایگزیکٹو آفیسر
لاہور: 29 اپریل 2026

کارکردگی کا جائزہ

ہائی نون کو صرف اول کی فارماسیوٹیکل کمپنیوں میں شمار کیا جاتا ہے۔ آئی کیو وی کی رپورٹ 'MAT' دسمبر 2025 کے مطابق اس کا مارکیٹ شیئر 2.6 فیصد ہے، جبکہ اس کی چار سالہ CAGR 20.4 فیصد رہی ہے، جو صنعت کے اوسط 18.6 فیصد سے زیادہ ہے۔

خالص فروخت میں 4 فیصد اضافہ ہوا، جو بنیادی طور پر موزوں مصنوعات کے امتزاج، حجم میں توسیع اور قیمتوں میں اضافے سے حاصل ہونے والی نمو کے باعث ممکن ہوا۔ کمپنی نے اپنے متنوع پورٹ فولیو، قیمتوں کے رد و بدل کی بہتر حکمت عملیوں اور مارکیٹ میں اپنی پوزیشن کو مزید مضبوط بنانے کے ذریعے مسلسل فائدہ اٹھایا۔

تینتہا مجموعی منافع کا تناسب 52 فیصد سے بڑھ کر 56 فیصد ہو گیا، جو 2025 کی اسی سہ ماہی کے مقابلے میں 14 فیصد اضافے کی عکاسی کرتا ہے۔ فارما صنعت کو درپیش چیلنجز کے باوجود، ہائی نون نے عملیاتی اور اسٹریٹیجک کارکردگی کو مؤثر انداز میں بروئے کار لایا، قیمتوں سے متعلق ضابطہ بندی جاتی تبدیلیوں سے فائدہ اٹھایا اور مضبوط مارکیٹ فہم کو برقرار رکھا۔ اس کے نتیجے میں کمپنی نے صرف منافع کو برقرار رکھنے میں کامیاب رہی بلکہ اسے بہتر بھی بنایا، اور اس سہ ماہی میں فروخت کے مقابلے میں منافع کا تناسب 14 فیصد حاصل کیا، جبکہ گزشتہ سال کی اسی سہ ماہی کے مقابلے میں بعد از ٹیکس منافع میں 4 فیصد اضافہ حاصل کیا گیا ہے۔

ہائی نون نے ہمیشہ اعلیٰ اہداف کے حصول کی جانب گامزن رہتے ہوئے مضبوط رفتار برقرار رکھی ہے۔ اپنی کارکردگی کو جانچنے کے لیے، کمپنی مختلف اشاریوں کا استعمال کرتی ہے، جیسے متعلقہ تھریپینک کلاس میں ہم پلہ اداروں کی پوزیشن، انڈسٹری کی مجموعی ترقی، اور قوانین و ضوابط میں تبدیلیوں کا کمپنی کی کارکردگی پر اثر۔ ان تجزیوں کی بنیاد پر اہداف طے کیے جاتے ہیں تاکہ باقاعدہ وقفوں کے بعد حقیقی کارکردگی سے کسی بھی انحراف کی صورت میں اصلاحی اقدامات کیے جاسکیں۔

فی شیئر آمدنی

غیر آڈٹ شدہ عبوری مالیاتی گوشواروں کے مطابق، جو 31 مارچ 2026 کو ختم ہونے والی تین ماہ کے لیے تیار کیے گئے ہیں، بنیادی فی شیئر آمدنی روپے 18.04 رہی، جو 2025 میں روپے 17.28 تھی۔

گروپ کی کارکردگی

ڈائریکٹرز کو خوشی محسوس ہو رہی ہے کہ وہ ہائی نون لیبارٹریز لمیٹڈ ("ہولڈنگ کمپنی") اور اس کی مکمل ملکیٹی ڈیلی کمپنی کیور کیسہ بیٹھ (پرائیویٹ) لمیٹڈ ("ڈیلی کمپنی")، جنہیں مجموعی طور پر ("گروپ") کہا جاتا ہے، کی غیر آڈٹ شدہ جامع عبوری مالیاتی بیانات 31 مارچ 2026 کو ختم ہونے والی تین ماہ لیے پیش کر رہے ہیں۔

31 مارچ 2026 کو ختم ہونے والی تین ماہ کیلئے گروپ کی مالی کارکردگی کا خلاصہ کے درج ذیل ہے۔

31 مارچ 2025	31 مارچ 2026
1,411	1,949
(457)	(901)
954	1,048
18.02	19.78

روپے ملین میں

اہم مالیاتی جھلکیاں

قبل از ٹیکس اور لیوی منافع
ٹیکس اور لیوی
بعد از ٹیکس منافع
فی شیئر آمدنی

ڈائریکٹرز رپورٹ

ڈائریکٹرز 31 مارچ 2026 کو ختم ہونے والی سہ ماہی کے لئے کمپنی اور گروپ کی رپورٹ برصغیر متحدہ مختصر عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

آپ کی کمپنی پاکستان کی معروف ہیلتھ کیئر کمپنیوں میں شامل ہے، دواسازی اور متعلقہ مصنوعات کی تیاری، درآمد، فروخت اور مارکیٹنگ کے ذریعے زندگیوں کو بہتر بنانے اور مریضوں کو سہولت فراہم کرنے پر مرکوز ہے۔

معاشی اور کاروباری جائزہ

پاکستانی فارماسیوٹیکل شعبے نے 2026 میں بھی لچک کا مظاہرہ جاری رکھا، جسے بہتر ہوتی ہوئی میکرو اکنامک استحکام نے سہارا دیا، جس میں مستحکم شرح مبادلہ اور نسبتاً سازگار مالیاتی ماحول شامل ہیں۔ جی ڈی پی کی شرح نمو 3.6 فیصد متوقع ہے، جبکہ مالیاتی نظم و ضبط اور مستحکم کرنی کی بدولت مہنگائی بڑی حد تک سنبھل ڈیجٹ تک محدود ہو گئی ہے۔

اس سہ ماہی کے دوران مالیاتی نرمی کا سلسلہ رُک گیا اور پالیسی ریٹ 10.5 فیصد پر برقرار رکھا گیا۔ تاہم، بیرونی جغرافیائی سیاسی دباؤ، خصوصاً خلیج خطے میں کشیدگی کے باعث پیٹرولیم مصنوعات کی قیمتوں میں اضافہ ہوا، جس کے نتیجے میں مہنگائی دسمبر 2025 کے 5.8 فیصد سے بڑھ کر مارچ 2026 میں 7.3 فیصد تک پہنچ گئی۔ جو اسٹیٹ بینک کے ہدف سے قدرے زیادہ ہے۔

ان قلیل مدتی مشکلات کے باوجود، مجموعی معاشی استحکام کے ساتھ ساتھ کم ضروری ادویات کی قیمتوں کے ضوابط میں نرمی نے فارماسیوٹیکل شعبے پر دباؤ کم کیا ہے، جس سے اسے سابقہ معاشی اور ریگولیٹری رکاوٹوں سے بحالی میں مدد ملی ہے۔

آپریٹنگ نتائج

کمپنی کی 31 مارچ 2026 کو ختم ہونے والی تین ماہ کی غیر آڈٹ شدہ مالی کارکردگی درج ذیل ہے۔

31 مارچ 2026 31 مارچ 2025

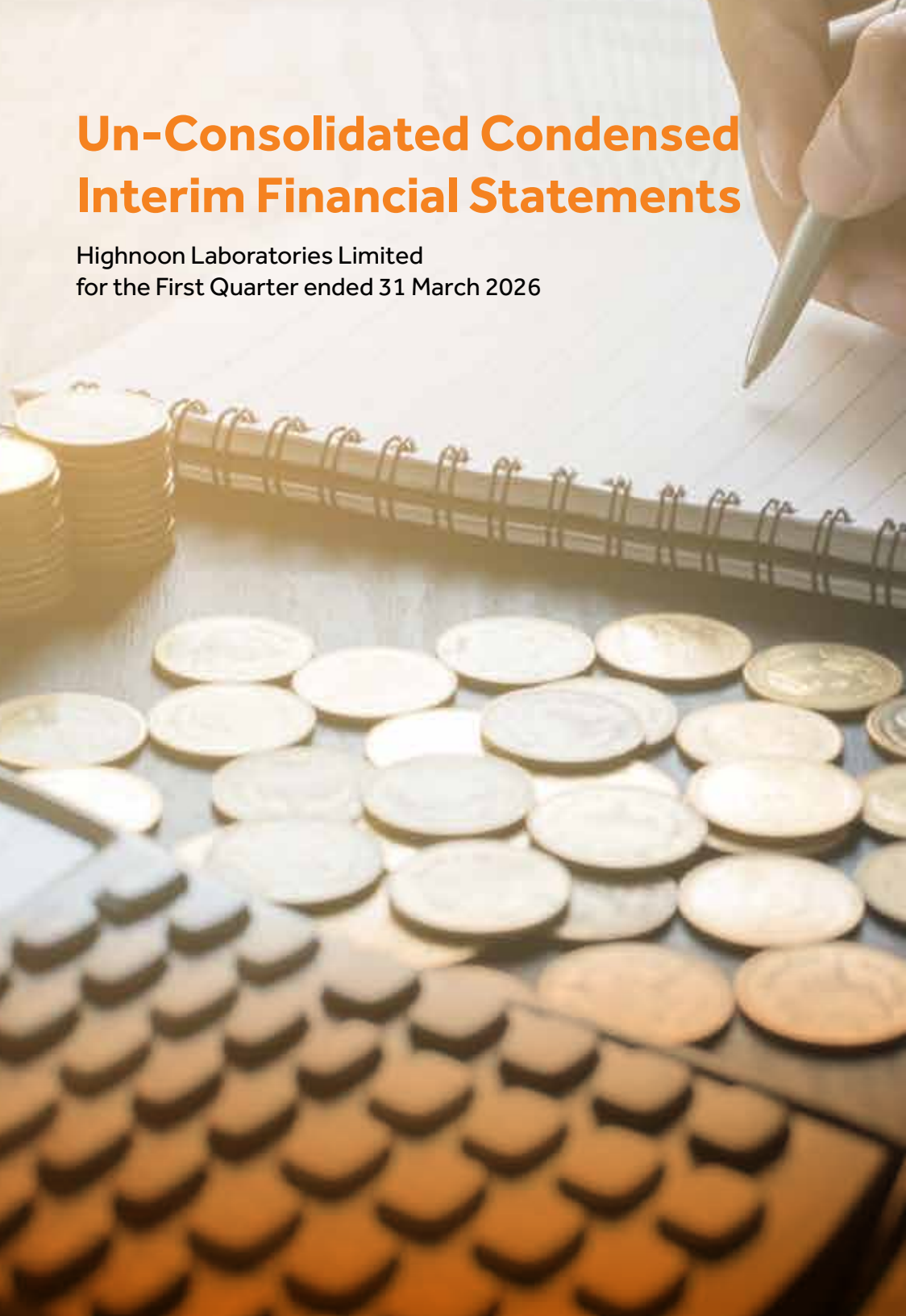
روپے لاکھ میں

اہم مالیاتی جھلکیاں

6,548	6,814	فروخت
3,387	3,847	گراس منافع
52%	56%	گراس منافع فیصد
1,276	1,723	آپریٹنگ منافع
19%	25%	آپریٹنگ منافع فیصد
(25)	(9)	مالی لاگت
98	104	دیگر آمدنی
1,349	1,818	ٹیکس اور لیوی سے پہلے منافع
(433)	(862)	ٹیکس اور لیوی
916	956	ٹیکس اور لیوی کے بعد منافع
-	-	دیگر کپیر ہیٹنسو آمدن بعد از ٹیکس
916	956	سالانہ کل کپیر ہیٹنسو آمدن

Un-Consolidated Condensed Interim Financial Statements

Highnoon Laboratories Limited
for the First Quarter ended 31 March 2026



Condensed Interim Statement of Financial Position

As at 31 MARCH 2026 (Un Audited)

		Un Audited March 31, 2026	Audited December 31, 2025
Note		------(Rupees)-----	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	3,830,616,511	3,719,579,406
Intangible assets		33,632,048	37,851,548
Long-term investment		325,000,000	325,000,000
Long-term deposits		16,141,758	81,588,597
Long-term loans and advances		664,834,847	437,821,751
		4,870,225,164	4,601,841,302
CURRENT ASSETS			
Inventories	8	4,344,480,837	5,088,463,951
Trade receivables	9	5,106,744,665	4,207,368,520
Advances, trade deposits and prepayments		987,943,692	625,622,547
Other receivables		246,996,589	224,606,241
Short term investments	10	3,476,869,954	3,059,622,682
Tax refunds due from the Government		135,862,211	136,872,796
Cash and bank balances	11	751,973,828	468,796,488
		15,050,871,776	13,811,353,225
TOTAL ASSETS		19,921,096,940	18,413,194,527

The annexed notes from 1 to 24 form an integral part of these financial statements.



Dr. Adeel Abbas Haideri
Chief Executive Officer



Taufiq Ahmed Khan
Director



Ashfaq Alidina
Chief Financial Officer

Condensed Interim Statement of Financial Position

As at 31 MARCH 2026 (Un Audited)

		Un Audited March 31, 2026	Audited December 31, 2025
Note		------(Rupees)-----	
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
		1,000,000,000	1,000,000,000
<hr/>			
Issued, subscribed and paid up share capital	12	529,833,630	529,833,630
Capital reserve			
Surplus on revaluation of operating fixed assets		836,766,445	842,005,340
Revenue reserves		12,759,092,186	11,798,168,844
Total equity		14,125,692,261	13,170,007,814
<hr/>			
NON CURRENT LIABILITIES			
Lease liabilities		370,117,741	380,821,593
Long term loan - secured	13	229,229,968	2,423,493
Deferred tax liabilities		204,351,890	204,351,890
Deferred liabilities		141,555,080	145,253,907
		945,254,679	732,850,883
<hr/>			
CURRENT LIABILITIES			
Trade and other payables		3,160,433,062	2,983,181,105
Contract liabilities		145,777,431	227,677,836
Unclaimed dividend		304,559,821	304,559,821
Current portion of long term liabilities		135,118,885	117,974,112
Taxation - net		1,104,260,801	876,942,956
		4,850,150,000	4,510,335,830
TOTAL EQUITY AND LIABILITIES		19,921,096,940	18,413,194,527
CONTINGENCIES AND COMMITMENTS	14		

The annexed notes from 1 to 24 form an integral part of these financial statements.


Dr. Adeel Abbas Haideri
Chief Executive Officer


Taufiq Ahmed Khan
Director


Ashfaq Alidina
Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Un Audited)

For the Three Months ended March 31, 2026

	Note	Un Audited March 31, 2026	Un Audited March 31, 2025
------(Rupees)-----			
Revenue from contracts with customers- net	15	6,813,970,462	6,548,244,001
Cost of revenue	16	(2,967,193,828)	(3,161,427,234)
Gross profit		3,846,776,634	3,386,816,767
Distribution, selling and promotional expenses		(1,652,674,222)	(1,687,130,782)
Administrative and general expenses		(313,877,541)	(308,547,193)
Other operating expenses		(156,789,465)	(114,835,502)
Profit from operations		1,723,435,406	1,276,303,290
Other income	17	104,431,334	97,749,392
Finance cost		(9,589,893)	(24,758,670)
Profit before income tax and levy		1,818,276,847	1,349,294,012
Levy		-	(4,838,674)
Profit before income tax		1,818,276,847	1,344,455,338
Taxation		(862,592,400)	(428,814,172)
Profit for the period		955,684,447	915,641,166
Earnings per share - basic and diluted	18	18.04	17.28

The annexed notes from 1 to 24 form an integral part of these financial statements.


Dr. Adeel Abbas Haideri
Chief Executive Officer


Taufiq Ahmed Khan
Director


Ashfaq Alidina
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Un Audited)

For the Three Months ended March 31, 2026

	Un Audited March 31, 2026	Un Audited March 31, 2025
Note	------(Rupees)-----	
Profit for the period	955,684,447	915,641,166
Other comprehensive income:		
Items not to be reclassified to profit or loss in subsequent periods	-	-
Items to be reclassified to profit or loss in subsequent periods	-	-
Total comprehensive income for the period	955,684,447	915,641,166

The annexed notes from 1 to 24 form an integral part of these financial statements.



Dr. Adeel Abbas Haideri
Chief Executive Officer



Taufiq Ahmed Khan
Director



Ashfaq Alidina
Chief Financial Officer

Condensed Interim Statement of Cash Flow (Un Audited)

For the Three Months ended March 31, 2026

	Note	Three Months Period Ended 31 March	
		2026	2025
------(Rupees)-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	19	1,386,739,360	186,777,495
Income tax paid		(635,274,555)	(274,937,634)
Gratuity paid		(6,397,383)	-
Finance cost paid		(7,440,131)	(24,758,670)
Loan to employees - net		(27,013,096)	-
		(676,125,165)	(299,696,304)
Net cash generated from / (used in) operating activities		710,614,195	(112,918,809)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	7.1	(238,028,843)	(46,055,494)
Long term deposits - net		65,446,839	(768,446)
Short term investments - net		(366,290,429)	93,271,555
Return on deposit		10,865,062	2,524,354
Long term advances		-	(9,933,376)
Loan to subsidiary		(200,000,000)	-
Dividend income on short term investments		-	73,500,119
Proceeds from disposal of operating fixed assets		67,323,120	14,610,500
Net cash flows (used in) / generated from investing activities		(660,684,251)	127,149,212
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease liabilities		(10,703,852)	(24,275,821)
Long term loan obtained	13.1	244,925,322	-
Repayment of long term loan	13.1	(974,074)	(32,224,074)
Net cash flows generated from / (used in) financing activities		233,247,396	(56,499,895)
Net increase / (decrease) in cash and cash equivalents		283,177,340	(42,269,492)
Cash and cash equivalents at beginning of the period		468,796,488	709,206,965
Cash and cash equivalents at end of the period	11.2	751,973,828	666,937,473

The annexed notes from 1 to 24 form an integral part of these financial statements.


Dr. Adeel Abbas Haideri
Chief Executive Officer


Taufiq Ahmed Khan
Director


Ashfaq Alidina
Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Un Audited)

For the Three Months ended March 31, 2026

	Share capital	Capital Reserves		Revenue reserves		Total
		Surplus on revaluation of operating fixed assets	General reserve	Unappropriated profits	Sub total	
----- Rupees -----						
Balance as at January 01, 2025 - (Audited)	529,833,630	865,425,008	114,000,000	9,711,907,063	9,825,907,063	11,221,165,701
Total comprehensive income for the period ended March 31, 2025						
Profit for the period	-	-	-	915,641,166	915,641,166	915,641,166
Other comprehensive income for the period	-	-	-	915,641,166	915,641,166	915,641,166
Surplus transferred to unappropriated profit						
Incremental depreciation relating to surplus on revaluation - net of tax	-	(7,853,933)	-	7,853,933	7,853,933	-
Balance as at March 31, 2025 - (Unaudited)	529,833,630	857,571,075	114,000,000	10,635,402,162	10,749,402,162	12,136,806,867
Balance as at January 01, 2026 - (Audited)	529,833,630	842,005,340	114,000,000	11,684,168,844	11,798,168,844	13,170,007,814
Total comprehensive income for the period ended March 31, 2026						
Profit for the period	-	-	-	955,684,447	955,684,447	955,684,447
Other comprehensive income for the period	-	-	-	955,684,447	955,684,447	955,684,447
Surplus transferred to unappropriated profit						
Incremental depreciation relating to surplus on revaluation - net of tax	-	(5,238,895)	-	5,238,895	5,238,895	-
Balance as at March 31, 2026 - (Unaudited)	529,833,630	836,766,445	114,000,000	12,645,092,186	12,759,092,186	14,125,692,261

The annexed notes from 1 to 24 form an integral part of these financial statements.



Dr. Adeel Abbas Haideri
Chief Executive Officer



Taufiq Ahmed Khan
Director



Ashfaq Alidina
Chief Financial Officer

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

Highnoon Laboratories Limited ("the Company") was incorporated in Pakistan under the repealed Companies Ordinance 1984 (now Companies Act, 2017) ("the Act") and its shares are quoted on Pakistan Stock Exchange (PSX) since November 1994. The Company is principally engaged in the manufacture, import, sale and marketing of pharmaceutical and related consumer products.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 17.5 km, Multan Road, Lahore.

The geographical locations and addresses of the Company's business units including production facilities are as under:

Business Units	Geographical Location	Address
Manufacturing facility	Lahore	17.5 KM, Multan Road, Lahore
Corporate Office	Lahore	Office# 901 Tricon Corporate Centre, Jail Road, Lahore.
Sales office	Karachi	202 Anam Empire, Block 7/8 KCHS, Shahrah e Faisal, Karachi
Sales office	Lahore	14-G, Block L, Gulberg - III, Lahore
Sales office	Rawalpindi	132 Hali Road, Westridge - I, Peshawar Road, Rawalpindi

3. BASIS OF PREPARATION

3.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. These 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 Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

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

3.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except otherwise stated.

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

3.3 Separate financial statements

These condensed interim financial statements are the separate financial statements of the Company in which investment in the subsidiary is accounted for on the basis of cost less accumulated impairment losses, if any; consolidated financial statements are presented separately.

The Company has following investment:

Company name	Country of incorporation	Percentage of shareholding	Nature of business
The Subsidiary Curexa Health (Private) Limited	Pakistan	The Subsidiary 100%	The Subsidiary The principal object is to carry out business as manufacturer and dealer of all kinds of pharmaceuticals.

3.4 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupee ("Rs"), which is also the functional currency of the Company.

4. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the period ended March 31, 2026

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2026, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

4.2 New accounting standards, amendments and interpretations that are not yet effective

In addition to the above standards and amendments, improvements to various accounting standards and conceptual framework have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after January 01, 2026. The Company expects that such improvements to the standards will not have any material impact on the Company's condensed interim financial statements in the period of initial application.

5. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended December 31, 2025 except for the policies mentioned and the adoption of amendments to approved accounting and reporting standards as applicable in Pakistan which became effective for the current period as disclosed in Note 4.1 to these condensed interim financial statements. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

6. SIGNIFICANT ESTIMATES AND JUDGMENTS AND OTHER ACCOUNTING POLICY INFORMATION

6.1 Significant estimates and judgements

The preparation of these condensed interim financial statements, in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the audited financial statements of the Company for the year ended December 31, 2025.

	Note	Un Audited March 31, 2026	Audited December 31, 2025
------(Rupees)-----			
7. PROPERTY, PLANT AND EQUIPMNET			
Operating fixed assets	7.1	2,859,721,199	2,883,497,808
Right of use assets	7.1	548,151,351	557,996,242
Capital work in progress	7.1	422,743,961	278,085,356
		3,830,616,511	3,719,579,406

7.1

Period ended March 31, 2026 (Un-audited)		
Operating owned fixed assets	Right of use assets	Capital work in progress

Period ended March 31, 2026

Opening	2,883,497,808	557,996,242	278,085,356
Additions	46,685,118	-	191,343,725
Transfers/Disposals	(9,256,663)	-	(46,685,120)
Depreciation for the Period	(61,205,064)	(9,844,891)	-
Closing net book value	2,859,721,199	548,151,351	422,743,961

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

		Un Audited March 31, 2026	Audited December 31, 2025
	Note	------(Rupees)-----	
8	INVENTORIES		
Raw materials			
In hand		2,440,009,365	2,771,431,365
In transit		213,620,574	449,765,074
With third party		127,552,877	135,911,573
		2,781,182,816	3,357,108,012
Packing material			
In hand		770,550,956	700,639,386
Work in process		19,972,074	25,046,346
		790,523,030	725,685,732
Stores, spare parts and loose tools		165,762,019	163,223,850
Work in progress		330,790,335	502,840,820
Finished goods			
Trading - in hand		183,323,469	108,189,203
Manufactured		293,027,746	430,855,218
		476,351,215	539,044,421
Provision for slow moving and obsolete items		(200,128,578)	(199,438,884)
		4,344,480,837	5,088,463,951
9	TRADE RECEIVABLES		
Export sales		276,181,859	165,891,286
Local sales		4,898,671,704	4,109,586,132
		5,174,853,563	4,275,477,418
Less: allowance for expected credit losses	9.1	(68,108,898)	(68,108,898)
		5,106,744,665	4,207,368,520
9.1	Allowance for expected credit losses:		
Opening balance		68,108,898	57,645,999
Charge during the period	9.1.1	-	10,462,899
		68,108,898	68,108,898

9.1.1 The impact of ECL for the period is insignificant, hence, no allowance is made during the period.

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

		Un Audited March 31, 2026	Audited December 31, 2025
Note		------(Rupees)-----	
10	SHORT TERM INVESTMENTS		
	Mutual funds - fair value through profit or loss	2,874,229,823	2,659,250,468
	Term deposit receipts - at amortized cost	602,640,131	400,372,214
		3,476,869,954	3,059,622,682

10.1 These represents investments in term deposit receipts. They carry average profit at the rate of ranging from 9.02% to 16% (2025: 9.02% to 16%) with maturity up to October 2026.

		Un Audited March 31, 2026	Audited December 31, 2025
Note		------(Rupees)-----	
11	CASH AND BANK BALANCES		
	Cash in hand	100,000	100,000
	Balance with banks		
	Current accounts		
	- Local currency	48,650,367	201,119,358
	- Foreign currency	229,086,319	228,704,609
	Savings accounts	474,137,142	38,872,521
		751,873,828	468,696,488
		751,973,828	468,796,488

11.1 These represents savings accounts which carries average profit at the rate of ranging from 6.46% to 9.10% (2025: 6.46% to 9.10%).

11.2 Cash and cash equivalents

The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cashflows at the end of financial period / year as follows:

Cash and bank balances	751,973,828	468,796,488
Cash and cash equivalents as per statement of cashflows	751,973,828	468,796,488

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

			Un Audited March 31, 2026	Audited December 31, 2025
Note			------(Rupees)-----	
12.	ISSUED, SUBSCRIBED AND PAID UP			
	SHARE CAPITAL			
	5,905,000 (2025: 5,905,000) ordinary shares of Rs. 10 each fully paid in cash		59,050,000	59,050,000
	95,000 (2025: 95,000) ordinary shares of Rs.10 each issued for consideration other than cash		950,000	950,000
	46,983,363 (2025: 46,983,363) ordinary shares of Rs. 10 each issued as bonus shares		469,833,630	469,833,630
			529,833,630	529,833,630
13	LONG TERM LOAN - SECURED			
	Long term loans	13.1	250,271,037	6,319,789
	Less: Current portion shown under current liabilities		(21,041,069)	(3,896,296)
			229,229,968	2,423,493
13.1	The movement of long term loan is as follows:			
	Opening balance as at January 01	13.1.1	6,319,789	447,716,085
	Loan obtained during the period / year	13.1.2	244,925,322	-
	Principal payments made during the period / year		(974,074)	(441,396,296)
			250,271,037	6,319,789
	Less: Current portion shown under current liabilities		(21,041,069)	(3,896,296)
	Closing balance as at March 31 / December 31		229,229,968	2,423,493
13.1.1	This includes loan obtained from MCB Bank Limited with maturity date of June 10, 2029 under facility for setting up solar based power project under SBP financing scheme for renewable energy having sanctioned limit of Rs. 50 million (2025: Rs. 50 million) and carries markup at the rate of 2% + 0.5% per annum payable quarterly (2025: 2% + 0.5%) whereas principal is repayable in 27 equal quarterly instalments starting from December 10, 2022. This facility is secured against lien on mutual funds up to Rs. 67 million placed in MCB Investment Management Limited. The loan has been measured at its fair value in accordance with IFRS 9 (Financial Instruments) using effective interest rate of 3 months KIBOR at respective draw down date. The difference between fair value of loan and loan proceeds has been recognised as deferred grant as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.			

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

- 13.1.2 During the year 2026, the Company entered into a long term financing arrangement with islamic bank under State Bank of Pakistan - Islamic Long Term Financilig Facility (ILTFF) amounting to Rs. 245 million. This loan carries a profit rate at SBP Policy Rate minus 3% and is repayable in 8 semi annual installments with a 1 year grace period commencing from first disbursement.

The scheme qualifies for the recognition criteria of a Government Grant as per IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. As a result, the liability has been broken down into two components. First one being recognition of a financial liability in accordance with IFRS 9 Financial Instruments which has been measured at fair value, that is, present value of future cashflows at the prevailing market rate. Second component is the recognition of deferred income as a liability. This is the difference between the fair value of the financing facility and loan proceeds received from the bank.

14. CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

There have been no significant changes in contingencies as reported in the annual audited financial statements of the Company for the year ended December 31, 2025.

	Un Audited March 31, 2026	Audited December 31, 2025
Note	-----	-----
	------(Rupees) -----	
14.2 Commitments		
The Company has commitments against:		
Letter of credit	1,214,189,602	881,124,006
Bank contracts	437,247,605	489,730,620
Ijarah rentals	14.2.1 316,163,606	322,126,814
Capital work in progress	80,240,684	80,240,684
	2,047,841,497	1,773,222,124

14.2.1 Future payments under Ijarah

Within one year	79,378,707	80,627,044
After one year but not more than five years	236,784,899	241,499,770
	14.3 316,163,606	322,126,814

- 14.3 This represents a five-year Ijarah contract with First Habib Modaraba against company vehicles, rentals of which are calculated with reference to 6 month KIBOR + 0.5% subject to a 5% floor and 35% ceiling. The rate is subject to revision on semi annual basis.

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

	Un Audited March 31, 2026	Un Audited March 31, 2025
Note	------(Rupees)-----	
15. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET		
Manufacturing:		
Local sales	7,405,467,098	6,680,153,054
Export sales	200,873,176	596,006,392
	<u>7,606,340,274</u>	<u>7,276,159,446</u>
Trading	482,972,690	356,037,067
Toll manufacturing	178,211,260	234,425,890
	<u>8,267,524,224</u>	<u>7,866,622,403</u>
Less:		
Trade discounts	(864,992,864)	(1,046,105,970)
Sales tax	(70,923,861)	(64,959,104)
Sales returns	(517,637,037)	(207,313,328)
	<u>(1,453,553,762)</u>	<u>(1,318,378,402)</u>
	<u>15.1 6,813,970,462</u>	<u>6,548,244,001</u>

15.1 Geographical information

Revenue from external customers - net

Pakistan	6,614,299,288	6,054,931,723
Afghanistan via an agent	-	373,311,451
United Arab Emirates	94,333,299	36,554,919
Srilanka	20,894,068	32,682,658
France	59,961,057	30,061,769
Sudan	15,637,413	4,173,295
Cambodia	4,241,012	3,980,665
Kenya	-	6,177,926
Mauritius	-	1,052,637
Zambia	4,604,325	5,316,958
	<u>6,813,970,462</u>	<u>6,548,244,001</u>

16 COST OF REVENUE

Opening stock of finished goods	8	539,044,421	743,231,873
Cost of goods manufactured		2,603,309,409	2,529,507,673
Purchased finish products		301,191,213	261,968,686
Available stock for sale		<u>3,443,545,043</u>	<u>3,534,708,232</u>
Closing stock of finished goods	8	(476,351,215)	(373,280,998)
Cost of goods sold		<u>2,967,193,828</u>	<u>3,161,427,234</u>

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

	Un Audited March 31, 2026	Un Audited March 31, 2025
17 OTHER INCOME		
Return on deposits and mark-up on interest bearing accounts	10,865,062	9,244,458
Dividend income on short term investment	-	73,500,119
Unrealized gain on re-measurement of short term investment to fair value	50,956,843	-
Realized gain on short term investment	12,283,163	-
Interest on loan to subsidiary	15,175,697	-
Royalty income from subsidiary	2,890,405	7,505,495
Royalty income from associate	825,000	-
Gain on disposal of operating fixed asset	11,381,337	7,242,880
Scrap sales	53,827	91,127
Other income	-	165,313
	<u>104,431,334</u>	<u>97,749,392</u>

18. EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the company which is based on:

	Un Audited March 31, 2026	Un Audited March 31, 2025
Profit after taxation	955,684,447	915,641,166
Weighted average number of ordinary shares	52,983,363	52,983,363
Earnings per share	18.04	17.28

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

	Un Audited March 31, 2026	Un Audited March 31, 2025
Note	------(Rupees)-----	
19 CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax and levy	1,818,276,847	1,349,294,012
Adjustments for non-cash and other items:		
Depreciation of operating fixed assets	7.1 71,049,955	69,684,355
Amortization of intangible assets	4,219,500	3,368,863
Provision / reversal for defined benefit obligation	2,698,556	9,023,981
Provision for slow moving and obsolete stocks	8 689,694	193,624,310
Provision for Workers' Profit Participation Fund	98,819,394	70,103,746
Provision for Workers Welfare Fund	39,527,758	26,639,424
Provision for Central Research Fund	19,763,879	13,185,170
Finance cost	6,384,832	24,758,670
Exchange (gain) / loss - net	(1,339,235)	4,741,849
Gain on disposal of property plant and equipment	17 (11,381,337)	(7,242,880)
Un-realized gain on remeasurement of investments	17 (50,956,843)	-
Return on deposits	17 (10,865,062)	(2,524,354)
Dividend income on short term investment	17 -	(73,500,119)
	168,611,091	331,863,015
Cash flow before working capital changes	1,986,887,938	1,681,157,027
Working capital changes:		
(Increase) / decrease in current assets:		
Stock in trade	743,293,420	88,999,616
Trade debts	(898,036,910)	(2,101,163,283)
Advances, trade deposits and prepayments	(362,321,145)	(230,683,871)
Other receivables	(22,390,348)	113,788,210
Tax refunds due from the Government	1,010,585	16,477,448
Increase / (decrease) in current liabilities:		
Trade and other payables	20,196,225	681,021,462
Contract liabilities	(81,900,405)	(62,819,114)
	(600,148,578)	(1,494,379,532)
Cash generated from operations	1,386,739,360	186,777,495

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

20. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise subsidiary, associated companies, companies in which directors are interested, staff retirement funds and directors and key management personnel. The transactions with related parties are carried out under the related party transactions policy approved by the Board of Directors of the Company. Details of transactions with related parties and balances with them at period end, other than those which have been disclosed elsewhere in these financial statements, are as follows:

20.1 Transactions during the period:

Name of related party	Relationship	Nature of transaction	Un Audited	Un Audited
			March 31, 2026	March 31, 2025
			----- (Rupees) -----	
Curexa Health (Private) Limited	Subsidiary (100% owned subsidiary)	Sales during the period	318,056,650	163,668,525
		Purchases	811,588	21,849,847
		Royalty Income	2,890,405	1,023,327
		Interest on loan to subsidiary	15,175,697	-
		Loan to subsidiary	200,000,000	-
		Payments made by subsidiary on behalf of the Company	3,523,834	-
Route 2 health (Private) Limited	Associate (Common directorship and shareholder of 0.45% (2025:0.45%))	Sales during the period - net	-	79,453,870
		Purchase return	-	5,270,993
		Royalty Income	825,000	6,482,168
Retirement benefit plans / funds	Staff retirement funds and welfare trust	Contribution to provident fund	55,880,055	52,925,777
		Contribution to staff welfare trust	1,001,315	910,231

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

20.2 Balance outstanding as at reporting date:

Name of related party	Relationship	Nature of transaction	Un Audited	Audited
			March 31, 2026	December 31, 2025
----- (Rupees) -----				
Curexa Health (Private) Limited	Subsidiary (100% owned subsidiary)	Trade receivables	422,491,440	101,544,385
		Other receivables	26,151,873	29,675,707
		Accrued Income	16,358,600	1,182,903
		Trade and other payables	129,808,816	128,997,228
		Loan receivable	625,000,000	425,000,000
Route 2 health (Private) Limited	Associate (Common directorship and shareholder of 0.45% (2025:0.45%))	Trade receivables	825,000	-
Retirement benefit plans / funds	Staff retirement funds and welfare trust	Payable to provident fund	18,359,665	16,903,336
		Payable to staff welfare trust	877,721	1,030,236

20.3 No cost has been charged by the Company to Curexa Health (Private) Limited (a wholly owned subsidiary) for the marketing and distribution services extended during the period as approved by the Board of Directors.

20.4 Transactions with key management personnel under the terms of employment are excluded from related party transactions.

Notes to the Condensed Interim Financial Statements (Un Audited)

For the Three Months ended March 31, 2026

21 CORRESPONDING FIGURES

Corresponding figures have been re-arranged or reclassified wherever necessary, for better and fair presentation. However no significant rearrangement / reclassification has been done during the period except for the following:

Reclassification from	Reclassification to	Amount (Rupees)
Statement of profit or loss		
Research and development expenses	Administrative and general expenses	5,660,704

The impact of above reclassifications has also been accounted for in the statement of cashflows.

22 SEGMENT REPORTING

The chief operating decision maker (i.e. the Board of Directors) considers the whole business as one operating segment.

23 DATE OF AUTHORIZATION OF ISSUE

The Board of Directors of the Company authorized these financial statements for issuance on 29th April 2026.

24 GENERAL

The figures in these financial statements are rounded off to the nearest rupee, unless otherwise stated.



Dr. Adeel Abbas Haideri
Chief Executive Officer



Taufiq Ahmed Khan
Director



Ashfaq Alidina
Chief Financial Officer

A hand holding a pen is writing on a spiral-bound notebook. In the foreground, there are stacks of coins and a calculator. The scene is lit with warm, golden light, suggesting a financial or accounting context.

Consolidated Condensed Interim Financial Statements

Highnoon Laboratories Limited
for the First Quarter ended 31 March 2026

Condensed Interim Consolidated Statement of Financial Position As at 31 March 2026 (Un Audited)

		Un Audited March 31, 2026	Audited December 31, 2025
Note		------(Rupees)-----	
ASSETS			
NON CURRENT ASSETS			
	7	4,501,604,257	4,400,566,790
Property, plant and equipment			
		33,632,048	37,851,548
Intangible assets			
		834,230	834,230
Goodwill			
		31,037,403	84,586,147
Long-term deposits			
		82,138,942	54,421,386
Long-term loans and advances			
		4,649,246,880	4,578,260,101
CURRENT ASSETS			
	8	5,051,306,288	5,713,841,339
Inventories			
	9	5,453,010,764	4,400,848,568
Trade receivables			
		1,078,017,895	657,630,072
Advances, trade deposits and prepayments			
		184,960,611	176,743,922
Other receivables			
	10	3,476,869,954	3,059,622,682
Short term investments			
		237,595,708	265,482,460
Tax refunds due from the Government			
	11	1,028,569,277	584,225,906
Cash and bank balances			
		16,510,330,497	14,858,394,949
TOTAL ASSETS		21,159,577,377	19,436,655,050

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.


Dr. Adeel Abbas Haideri
Chief Executive Officer


Taufiq Ahmed Khan
Director


Ashfaq Alidina
Chief Financial Officer

Condensed Interim Consolidated Statement of Financial Position As at 31 March 2026 (Un Audited)

		Un Audited March 31, 2026	Audited December 31, 2025
Note		------(Rupees)-----	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
Authorized share capital 100,000,000			
(2025: 100,000,000) shares of Rs. 10 each			
		1,000,000,000	1,000,000,000
<hr/>			
Issued, subscribed and paid up share capital	12	529,833,630	529,833,630
Capital reserve			
Surplus on revaluation of property, plant and equipment		1,033,062,658	1,041,210,488
Revenue reserves		13,238,165,287	12,181,933,023
Total Equity		14,801,061,575	13,752,977,141
NON CURRENT LIABILITIES			
Lease liabilities		370,117,741	380,821,593
Long term loan - secured	13	229,229,968	2,423,493
Deferred tax liabilities		250,433,156	250,433,156
Deferred liabilities		141,555,080	145,253,907
		991,335,945	778,932,149
CURRENT LIABILITIES			
Trade and other payables		3,175,487,511	3,066,846,080
Contract liabilities		167,851,948	236,624,569
Unclaimed dividend		304,559,821	304,559,821
Current portion of long term liabilities		135,118,885	117,974,112
Short term borrowings		479,900,891	301,798,222
Taxation - net		1,104,260,801	876,942,956
		5,367,179,857	4,904,745,760
TOTAL EQUITY AND LIABILITIES		21,159,577,377	19,436,655,050
<hr/>			
CONTINGENCIES AND COMMITMENTS			
	14		

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.


Dr. Adeel Abbas Haideri
Chief Executive Officer


Taufiq Ahmed Khan
Director


Ashfaq Alidina
Chief Financial Officer

**Condensed Interim Consolidated
Statement of Profit or Loss (Un Audited)**
For The Three Months Ended March 31, 2026

		Un Audited March 31, 2026	Un Audited March 31, 2025
	Note	------(Rupees)-----	
Revenue from contracts with customers- net	15	7,520,045,908	7,025,898,202
Cost of revenue	16	(3,141,505,702)	(3,342,282,703)
Gross profit		4,378,540,206	3,683,615,499
Distribution, selling and promotional expenses		(1,968,883,406)	(1,874,627,715)
Administrative and general expenses		(366,653,405)	(347,603,076)
Other operating expense		(162,331,568)	(120,269,365)
		(2,497,868,379)	(2,342,500,156)
Profit from operations		1,880,671,827	1,341,115,343
Other income		87,814,893	97,833,917
Finance cost		(19,818,307)	(27,757,244)
Profit before income tax and levy		1,948,668,413	1,411,192,016
Levy		-	(4,838,674)
Profit before income tax		1,948,668,413	1,406,353,342
Taxation		(900,583,979)	(451,789,185)
Profit for the period		1,048,084,434	954,564,157
Earnings per share - basic and diluted (Rupees)	17	19.78	18.02

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.


Dr. Adeel Abbas Haideri
Chief Executive Officer


Taufiq Ahmed Khan
Director


Ashfaq Alidina
Chief Financial Officer

**Condensed Interim Consolidated
Statement of Comprehensive Income (Un Audited)**
For The Three Months Ended March 31, 2026

	Un Audited March 31, 2026	Un Audited March 31, 2025
Note	-----	-----
	----- (Rupees) -----	
Profit after tax for the period	1,048,084,434	954,564,157
Items not to be reclassified to profit or loss in subsequent periods	-	-
Items to be reclassified to profit or loss in subsequent periods	-	-
Total comprehensive income for the period	1,048,084,434	954,564,157

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.



Dr. Adeel Abbas Haideri
Chief Executive Officer



Taufiq Ahmed Khan
Director



Ashfaq Alidina
Chief Financial Officer

**Condensed Interim Consolidated
Statement of Cash Flow (Un Audited)**
For The Three Months Ended March 31, 2026

	Note	Three Months Period Ended 31 March	
		2026	2025
------(Rupees)-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	18	1,236,510,549	251,427,657
Income tax paid		(673,266,134)	(291,573,183)
Gratuity paid		(6,397,383)	-
Finance cost paid		(15,015,248)	(29,808,930)
Workers' Welfare Fund paid		(5,130,405)	-
Long term advances - net		(27,717,557)	-
		(727,526,727)	(321,382,113)
Net cash generated from / (used in) operating activities		508,983,822	(69,954,456)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(194,751,893)	(70,514,296)
Long term deposits - net		53,548,744	(768,446)
Short term investments - net		(366,290,429)	93,271,555
Return on deposit		10,865,062	2,524,354
Additions in long-term advances		-	(9,200,002)
Dividend income on short term investments		-	73,500,119
Proceeds from disposal of operating fixed assets		20,638,000	14,610,500
Net cash flows (used in) / generated from investing activities		(475,990,516)	103,423,784
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease liabilities-net		(10,703,852)	(24,275,821)
Long term loan obtained	13.1	244,925,322	(36,689,927)
Repayment of long term loan	13.1	(974,074)	-
Long term advances (payable) - net		-	(232,500)
Net cash flows generated from / (used in) financing activities		233,247,396	(61,198,248)
Net increase / (decrease) in cash and cash equivalents		266,240,702	(27,728,920)
Cash and cash equivalents at beginning of the period		282,427,684	709,517,074
Cash and cash equivalents at end of the period	11.2	548,668,386	681,788,154

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.


Dr. Adeel Abbas Haideri
Chief Executive Officer


Taufiq Ahmed Khan
Director


Ashfaq Alidina
Chief Financial Officer

**Condensed Interim Consolidated
Statement of Changes in Equity (Un Audited)**
For The Three Months Ended March 31, 2026

	Share capital	Capital Reserves		Revenue reserves			Total
		Surplus on revaluation of operating fixed assets	General reserve	Unappropriated profits	Sub total		
Balance as at January 01, 2025	529,833,630	1,077,558,758	114,000,000	10,073,737,871	10,187,737,871	11,795,130,259	
Total comprehensive income for the period	-	-	-	954,564,157	954,564,157	954,564,157	
Profit for the period	-	-	-	-	-	-	
Other comprehensive loss for the period	-	-	-	954,564,157	954,564,157	954,564,157	
Surplus transferred to unappropriated profit							
Incremental depreciation relating to surplus on revaluation - net of tax	-	(11,086,083)	-	11,086,083	11,086,083	-	
Balance as at March 31, 2025	529,833,630	1,066,472,675	114,000,000	11,039,388,111	11,153,388,111	12,749,694,416	
Balance as at January 01, 2026	529,833,630	1,041,210,488	114,000,000	12,067,933,023	12,181,933,023	13,752,977,141	
Total comprehensive income for the period	-	-	-	1,048,084,434	1,048,084,434	1,048,084,434	
Profit for the period	-	-	-	-	-	-	
Other comprehensive loss for the period	-	-	-	1,048,084,434	1,048,084,434	1,048,084,434	
Surplus transferred to unappropriated profit							
Incremental depreciation relating to surplus on revaluation - net of tax	-	(8,147,830)	-	8,147,830	8,147,830	-	
Balance as at March 31, 2026	529,833,630	1,033,062,658	114,000,000	13,124,165,287	13,238,165,287	14,801,061,575	

The annexed notes from 1 to 23 form an integral part of these consolidated financial statements.

109

Dr. Adeel Abbas Haideri
Chief Executive Officer



Taufiq Ahmed Khan
Director



Ashfaq Alidina
Chief Financial Officer

Notes to the Condensed Interim Consolidated Financial Statements (Un Audited)

For The Three Months Ended March 31, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

The Highnoon Group (the Group) comprises of Highnoon Laboratories Limited (the Holding Company) and Curexa Health (Private) Limited (the Subsidiary Company).

The Holding Company was incorporated in Pakistan under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017) (the Act) and its shares are quoted on Pakistan Stock Exchange since November 1994. The Holding Company is principally engaged in the manufacture, import, sale and marketing of pharmaceutical and allied consumer products.

The Subsidiary Company was incorporated with the principle object to carry on business as manufacturer, importer and dealers of all kinds of pharmaceutical.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Group is situated at 17.5 KM , Multan Road, Lahore.

Business Units	Geographical Location	Address
Manufacturing facility	Lahore	17.5 KM, Multan Road, Lahore
Corporate Office	Lahore	Office# 901 Tricon Corporate Centre, Jail Road, Lahore.
Subsidiary Registered office/ Manufacturing facility	Lahore	517- Sundar Industrial Estate, Raiwind, Lahore
Sales office	Karachi	202 Anam Empire, Block 7/8 KCHS, Shahrah e Faisal, Karachi
Sales office	Lahore	14-G, Block L, Gulberg - III, Lahore
Sales office	Rawalpindi	132 Hali Road, Westridge - I, Peshawar Road, Rawalpindi

3. BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

Notes to the Condensed Interim Consolidated Financial Statements (Un Audited)

For The Three Months Ended March 31, 2026

3.2 Basis of measurement

These condensed interim consolidated financial statements have been prepared under the historical cost convention, except for:

- the measurement of certain items of property, plant and equipment at revalued amounts, and
- recognition of employee retirement benefits at present value.

These financial statements are the consolidated condensed interim financial statements of the Group in which investment in subsidiary is accounted for on the basis of acquisition method. Standalone financial statements of the Holding Company and its Subsidiary are presented separately.

3.3 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pak rupee (Rupee), which is also the functional currency of the Group.

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the period ended March 31, 2026

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2026, but are considered not to be relevant or to have any significant effect on the Group's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these consolidated condensed interim financial statements.

4.2 New accounting standards, amendments and interpretations that are not yet effective

In addition to the above standards and amendments, improvements to various accounting standards and conceptual framework have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after January 01, 2026. The Group expects that such improvements to the standards will not have any material impact on the Group's consolidated condensed interim financial statements in the period of initial application.

5 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2025 except for the policies mentioned and the adoption of amendments to approved accounting and reporting standards as applicable in Pakistan which became effective for the current period as disclosed in Note 4.1 to these consolidated condensed interim financial statements. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Notes to the Condensed Interim Consolidated Financial Statements (Un Audited) For The Three Months Ended March 31, 2026

6 SIGNIFICANT ESTIMATES AND JUDGMENTS AND OTHER ACCOUNTING POLICY INFORMATION

6.1 Significant estimates and judgements

The preparation of these consolidated condensed interim financial statements, in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates. During the preparation of these consolidated condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and assumptions are consistent with those that were applied to the audited consolidated financial statements of the Group for the year ended December 31, 2025.

		Un Audited March 31, 2026	Audited December 31, 2025
Note		------(Rupees) -----	
7	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	3,528,493,787	3,563,700,192
	Right of use assets	548,151,351	557,996,242
	Capital work in progress	422,743,961	278,085,356
	Advances against capital assets	2,215,158	785,000
		4,501,604,257	4,400,566,790

Period ended March 31, 2026 (Un-audited)			
7.1	Operating owned fixed assets	Right of use assets	Capital work in progress
Opening	3,563,700,192	557,996,242	278,085,356
Additions	48,663,130	-	191,343,725
Transfers/Disposals	(9,256,663)	-	(46,685,120)
Depreciation for the Period	(74,612,872)	(9,844,891)	-
Closing net book value	3,528,493,787	548,151,351	422,743,961

**Notes to the Condensed Interim
Consolidated Financial Statements (Un Audited)**
For The Three Months Ended March 31, 2026

	Un Audited March 31, 2026	Audited December 31, 2025
Note	------(Rupees)-----	
8 INVENTORIES		
Raw materials		
In hand	2,599,750,527	2,895,773,291
In transit	214,456,073	453,265,870
With third party	127,552,877	135,911,573
	2,941,759,477	3,484,950,734
Packing material		
In hand	850,715,013	786,072,374
In transit	19,972,074	25,046,346
	870,687,087	811,118,720
Stores, spare parts and loose tools	187,438,743	183,851,002
Work in progress	386,180,603	555,862,103
Finished goods		
Trading - in hand	576,168,717	246,760,736
Manufactured	293,027,746	634,506,634
	869,196,463	881,267,370
Provision for slow moving and obsolete items	(203,956,085)	(203,208,590)
	5,051,306,288	5,713,841,339
9 TRADE RECEIVABLES		
Export sales	276,181,859	165,891,286
Local sales	5,306,786,359	4,364,914,736
	5,582,968,218	4,530,806,022
Less: allowance for expected credit losses	9.1 (129,957,454)	(129,957,454)
	5,453,010,764	4,400,848,568
9.1 Allowance for expected credit losses:		
Opening balance	129,957,454	57,651,504
Charge / (reversal) during the period / year	9.1.1 -	72,305,950
	129,957,454	129,957,454

9.1.1 The impact of ECL for the period is insignificant, hence, no allowance is made during the period.

**Notes to the Condensed Interim
Consolidated Financial Statements (Un Audited)**
For The Three Months Ended March 31, 2026

		Un Audited March 31, 2026	Audited December 31, 2025
	Note	------(Rupees)-----	
10	SHORT TERM INVESTMENTS		
	Mutual funds - fair value through profit or loss	2,874,229,823	2,659,250,468
	Term deposit receipts - at amortized cost	602,640,131	400,372,214
		3,476,869,954	3,059,622,682

10.1 These represents investments in term deposit receipts. They carry average profit at the rate of ranging from 9.02% to 16% (2025: 9.02% to 16%) with maturity up to October 2026.

		Un Audited March 31, 2026	Audited December 31, 2025
	Note	------(Rupees)-----	
11	CASH AND BANK BALANCES		
	Cash in hand	704,858	399,622
	Balance with banks		
	Current accounts		
	- Local currency	160,196,346	203,826,885
	- Foreign currency	229,086,319	228,704,609
	Saving accounts	638,581,754	151,294,790
		1,027,864,419	583,826,284
		1,028,569,277	584,225,906

11.1 These represents savings accounts which carries average profit at the rate of ranging from 6.46% to 9.10% (2025: 6.46% to 9.10%).

11.2 Cash and cash equivalents

The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cashflows at the end of financial period / year as follows:

		Un Audited March 31, 2026	Audited December 31, 2025
		------(Rupees)-----	
	Cash and bank balances	1,028,569,277	584,225,906
	Short term borrowings	(479,900,891)	(301,798,222)
	Cash and cash equivalents as per statement of cashflows	548,668,386	282,427,684

Notes to the Condensed Interim Consolidated Financial Statements (Un Audited)

For The Three Months Ended March 31, 2026

	Note	Un Audited March 31, 2026	Audited December 31, 2025	
------(Rupees)-----				
12	SHARE CAPITAL			
12.1	Issued, subscribed and paid up share capital			
	5,905,000 (2025: 5,905,000) ordinary shares of Rs. 10 each fully paid in cash	59,050,000	59,050,000	
	95,000 (2025: 95,000) ordinary shares of Rs.10 each 'issued for consideration other than cash	950,000	950,000	
	46,983,363 (2025: 46,983,363) ordinary shares of Rs. 10 each issued as bonus shares	469,833,630	469,833,630	
		529,833,630	529,833,630	
13	LONG TERM LOAN - SECURED			
	Long term loans	13.1	250,271,037	6,319,789
	Less: Current portion shown under current liabilities	13.1	(21,041,069)	(3,896,296)
			229,229,968	2,423,493
13.1	The movement of long term loan is as follows:			
	Opening balance as at January 01,	13.1.1	6,319,789	447,716,085
	Loan obtained	13.1.2	244,925,322	-
	Principal payments made during the period / year		(974,074)	(441,396,296)
			250,271,037	6,319,789
	Less: Current portion shown under current liabilities		(21,041,069)	(3,896,296)
	Closing balance as at March 31 / December 31,		229,229,968	2,423,493

13.1.1 This includes loan obtained from MCB Bank Limited with maturity date of June 10, 2029 under facility for setting up solar based power project under SBP financing scheme for renewable energy having sanctioned limit of Rs. 50 million (2025: Rs. 50 million) and carries markup at the rate of 2% + 0.5% per annum payable quarterly (2025: 2% + 0.5%) whereas principal is repayable in 27 equal quarterly instalments starting from December 10, 2022. This facility is secured against lien on mutual funds up to Rs. 67 million placed in MCB Investment Management Limited. The loan has been measured at its fair value in accordance with IFRS 9 (Financial Instruments) using effective interest rate of 3 months KIBOR at respective draw down date. The difference between fair value of loan and loan proceeds has been recognised as deferred grant as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

Notes to the Condensed Interim Consolidated Financial Statements (Un Audited)

For The Three Months Ended March 31, 2026

13.1.2 During the year 2026, the Company entered into a long term instead of Financing arrangement with islamic bank under State Bank of Pakistan - Islamic Long Term Financing Facility (ILTF) amounting to Rs. 245 million. This loan carries a profit rate at SBP Policy Rate minus 3% and is repayable in 8 semi annual installments with a 1 year grace period commencing from first disbursement.

The scheme qualifies for the recognition criteria of a Government Grant as per IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. As a result, the liability has been broken down into two components. First one being recognition of a financial liability in accordance with IFRS 9 Financial Instruments which has been measured at fair value, that is, present value of future cashflows at the prevailing market rate. Second component is the recognition of deferred income as a liability. This is the difference between the fair value of the financing facility and loan proceeds received from the bank.

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

There have been no significant changes in contingencies as reported in the annual audited consolidated financial statements of the Group for the year ended December 31, 2025.

	Un Audited March 31, 2026	Audited December 31, 2025
Note	------(Rupees)-----	
14.2 Commitments		
The Group has commitments against:		
Letter of credit	1,214,189,602	956,401,169
Bank contracts	513,425,105	489,730,620
Ijarah rentals	14.2.1 316,163,606	350,131,549
Capital expenditure	80,240,684	80,240,684
	2,124,018,997	1,876,504,022

14.2.1 Future payments under Ijarah:

Within one year	79,378,707	87,634,402
After one year but not more than five years	236,784,899	262,497,147
	14.3 316,163,606	350,131,549

14.3 This represents a five-year ijarah contract with First Habib Modaraba against company vehicles, rentals of which are calculated with reference to 6 month KIBOR + 0.5% subject to a 5% floor and 35% ceiling. The rate is subject to revision on semi annual basis.

**Notes to the Condensed Interim
Consolidated Financial Statements (Un Audited)**
For The Three Months Ended March 31, 2026

	Note	Un Audited March 31, 2026	Un Audited March 31, 2025
------(Rupees) -----			
15	REVENUE FROM CONTRACTS WITH CUSTOMERS - NET		
Manufacturing:			
Local sales		7,390,381,293	7,156,224,698
Export sales		200,873,176	600,441,829
		7,591,254,469	7,756,666,527
Trading		1,259,011,850	615,787,136
Toll manufacturing		178,211,260	234,425,890
		9,028,477,579	8,606,879,553
Less:			
Trade discounts		(914,084,682)	(1,225,832,245)
Sales tax		(73,919,044)	(70,891,964)
Sales returns		(520,427,945)	(284,257,142)
		(1,508,431,671)	(1,580,981,351)
		7,520,045,908	7,025,898,202

16 COST OF REVENUE

Opening stock of finished goods	8	881,267,370	876,576,503
Cost of goods manufactured		2,828,243,582	2,746,770,792
Purchased finish products		301,191,213	282,666,907
Available stock for sale		4,010,702,165	3,906,014,202
Closing stock of finished goods	8	(869,196,463)	(563,731,499)
Cost of goods sold		3,141,505,702	3,342,282,703

17 EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share of the Group which is based on:

Profit after taxation	Rupees	1,048,084,434	954,564,157
Weighted average number of ordinary shares	Number of shares	52,983,363	52,983,363
Earnings per share	Rupees	19.78	18.02

**Notes to the Condensed Interim
Consolidated Financial Statements (Un Audited)**
For The Three Months Ended March 31, 2026

	Note	Un Audited March 31, 2026	Un Audited March 31, 2025
------(Rupees)-----			
18 CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levy and taxation		1,948,668,413	1,406,353,342
Adjustments for non-cash and other items:			
Depreciation of operating fixed assets	7.1	84,457,763	80,362,226
Amortization of intangible assets		4,219,500	3,368,863
Provision / reversal for defined benefit obligation (Reversal) / provision for slow moving and obsolete stocks	8	2,698,556	9,023,981
Provision for Workers' Profit Participation Fund		747,495	193,624,310
Provision for Workers Welfare Fund		85,503,588	73,659,818
Provision for Central Research Fund		32,597,248	28,061,852
Finance cost		16,144,687	13,896,385
Exchange loss / (gain) - net		16,613,246	27,757,244
Gain on disposal of property plant and equipment		(1,339,235)	4,741,849
Un-realized gain on remeasurement of investments		(11,381,337)	(7,242,880)
Return on deposits		(50,956,843)	-
Dividend income on short term investment		(10,865,062)	(2,524,354)
		-	(73,500,119)
		168,439,606	351,229,175
Cash flow before working capital changes		2,117,108,019	1,757,582,517
Working capital changes:			
(Increase) / decrease in current assets:			
Stock in trade		661,787,556	147,858,640
Trade debts		(1,050,822,961)	(2,073,309,457)
Advances, trade deposits and prepayments		(420,387,823)	(254,163,115)
Other receivables		(8,216,689)	114,758,793
Tax refunds due from the Government		27,886,752	16,477,448
Increase / (decrease) in current liabilities:			
Trade and other payables		(22,071,684)	611,825,370
Contract liabilities		(68,772,621)	(69,602,539)
		(880,597,470)	(1,506,154,860)
Cash generated from operations		1,236,510,549	251,427,657

Notes to the Condensed Interim Consolidated Financial Statements (Un Audited)

For The Three Months Ended March 31, 2026

19 BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The related parties of the Group comprise subsidiary, associated companies, companies in which directors are interested, staff retirement funds and directors and key management personnel. The transactions with related parties are carried out under the related party transactions policy approved by the Board of Directors of the Group. Details of transactions with related parties and balances with them at period end, other than those which have been disclosed elsewhere in these consolidated financial statements, are as follows:

19.1 Transactions during the period:

Name of related party	Relationship	Nature of transaction	Un Audited	Un Audited
			March 31, 2026	March 31, 2025
			------(Rupees)-----	
Route 2 Health (Private) Limited	Associate (Common) directorship and shareholder of 0.45% (2025:0.45%)	Sales during the period	-	79,453,870
		Royalty Income	825,000	6,482,168
		Purchase return	-	5,270,993
Retirement benefit plans /funds	Staff retirement funds and welfare trust	Contribution to provident fund	61,905,382	56,541,882
		Contribution to staff welfare trust	1,001,315	910,231
			Un Audited	Audited
			March 31, 2026	December 31, 2025
			------(Rupees)-----	

19.2 Balance outstanding as at reporting date:

Route 2 health (Pvt) Ltd	Associate (Common) directorship and shareholder of 0.45% (2025:0.45%)	Trade receivables	825,000	-
Retirement benefit plans / funds	Staff retirement funds and welfare trust	Payable to provident fund	22,444,517	19,974,618
		Payable to staff welfare trust	877,721	1,030,236

Notes to the Condensed Interim Consolidated Financial Statements (Un Audited)

For The Three Months Ended March 31, 2026

19.3 Transactions with key management personnel under the terms of employment are excluded from related party transactions.

20 CORRESPONDING FIGURES

Corresponding figures have been re-arranged or reclassified wherever necessary, for better and fair presentation. However no significant rearrangement / reclassification has been done during the period except for the following:

Reclassification from	Reclassification to	Amount
Consolidated statement of profit or loss		
Research and development expenses	Administrative and general expenses	5,660,704

The impact of above reclassifications has also been accounted for in the consolidated condensed interim statement of cashflows.

21 SEGMENT REPORTING

The chief operating decision maker (i.e., the Board of Directors) considers the whole business as one operating segment.

22 DATE OF AUTHORIZATION OF ISSUE

The Board of Directors of the Group authorized these consolidated condensed interim financial statements for issuance on 29th April 2026.

23 GENERAL

The figures in these consolidated condensed interim financial statements are rounded off to the nearest rupee, unless otherwise stated.



Dr. Adeel Abbas Haideri
Chief Executive Officer

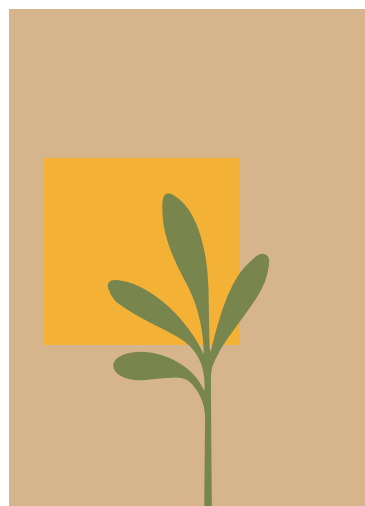
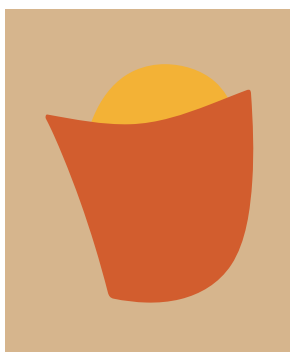


Taufiq Ahmed Khan
Director



Ashfaq Alidina
Chief Financial Officer

Enriching Life



Highnoon

Address : 17.5 KM, Multan Road,
Lahore - 53700, Pakistan.

UAN : +92 (42) 111-000-465

Phone : +92 (42) 37510023-27

Fax : +92 (42) 37510037

Email : info@highnoon.com.pk

Web : www.highnoon-labs.com

