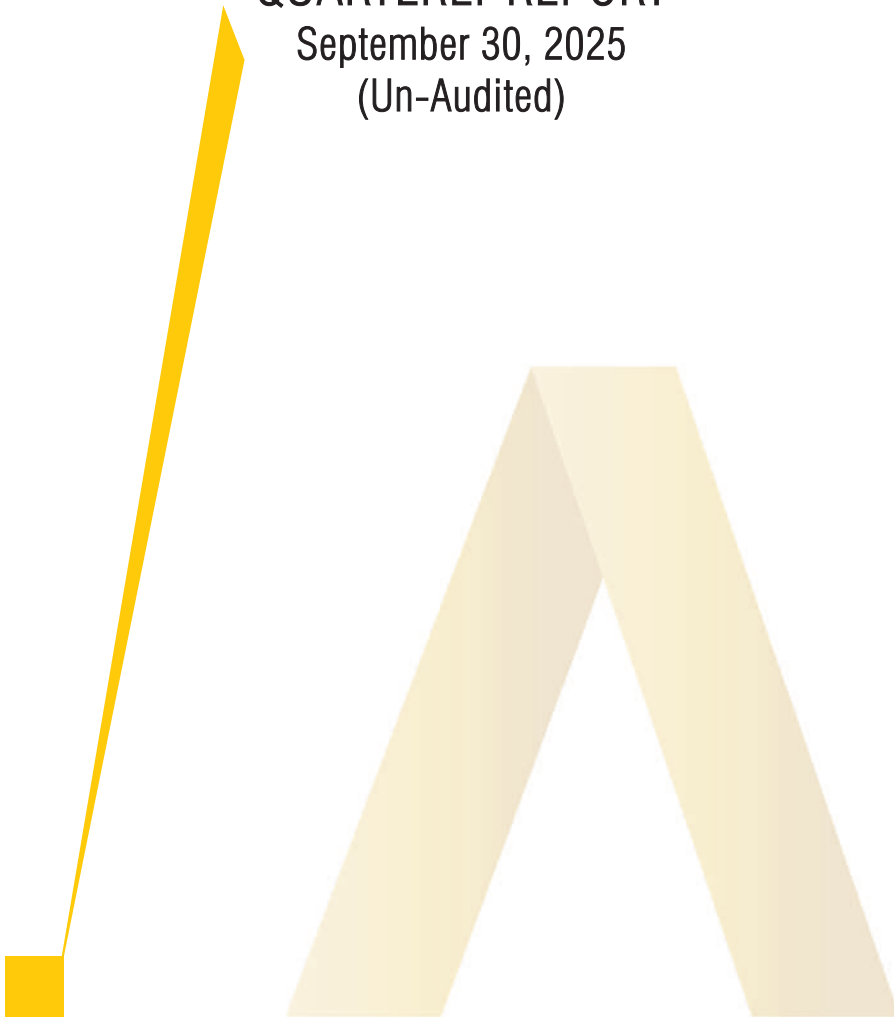


QUARTERLY REPORT
September 30, 2025
(Un-Audited)



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COMPANY INFORMATION

Board of Directors

Muhammad Anwar	(Chairman)
Adil Bashir	
Asif Bashir	
Khurram Mazhar Karim	
Muhammad Shafiq Gill	(Nominee: NIT)
Shahid Arshad	
Minail Mishal Adamjee	

Chief Executive Officer

Khalid Bashir

Chief Financial Officer

Tariq Javed

Company Secretary

Muhammad Haroon Arif

Audit Committee

Shahid Arshad	(Chairman)
Khurram Mazhar Karim	(Member)
Adil Bashir	(Member)

Human Resource & Remuneration Committee

Minail Mishal Adamjee	(Chairman)
Asif Bashir	(Member)
Khurram Mazhar Karim	(Member)

Risk Committee

Asif Bashir	(Chairman)
Shahid Arshad	(Member)
Khurram Mazhar Karim	(Member)

Share Registrar

Corptec Associates (Pvt) Ltd.
503-E, Johar Town, Lahore.

Auditors

Riaz Ahmad & Company
Chartered Accountants

Bankers

MCB Bank Limited
Meezan Bank Limited
Sindh Bank Limited
United Bank Limited

Registered Office

Office No. 801, Tricon Corporate Centre, 73-E,
Main Jail Road, Gulberg II, Lahore
Ph: +92-423-576 0379, 576 0381
Email: info@shams.com.pk
Web: www.shams.com.pk

Project Locations

Kotla Kahloon, District Nankana Sahib, Punjab
3-KM, Faisalabad Road, Chiniot, Punjab

DIRECTORS' REPORT

We are pleased to present the financial performance of Shams Textile Mills Limited for the first quarter ended September 30, 2025.

Overview:

The textile sector continues to face local and global challenges due to volatile market conditions and inflationary pressures. The rising cost of production continues to impact margins leaving a gross profit of PKR 26.241 million. Despite efforts to optimize operational efficiencies, the increase in overheads, along with inflationary pressures, impacted our ability to maintain profitability at the operational level.

Financial summary of the current quarter is as follow:

Rs. in million	30 September 2025	30 September 2024
Sales	919.102	1,313.123
Gross profit	26.241	3.517
Operating expenses	(39.059)	(41.299)
Other income	4.149	3.868
Loss from operation	(8.669)	(33.914)
Finance cost	(35.652)	(29.334)
(Loss) before levy	(44.321)	(63.248)
Levy	(11.489)	(16.414)
(Loss) after levy	(55.81)	(79.66)
(Loss) per share (Rs.)	(6.46)	(9.22)

Future Outlook:

The company recognizes the challenges ahead, particularly in managing rising costs and fluctuating demand. We are taking steps to control expenses, enhance operational efficiencies, and explore opportunities for revenue growth in both the domestic and international market. The management remains focused on overcoming the current difficulties and positioning the company for recovery in the upcoming quarters. We are confident that the strategic measures being implemented will help stabilize performance in the medium to long term.

Acknowledgment:

We extend our gratitude to our shareholders, employees, customers, bankers, lenders and partners for their continued support during these challenging times.

For and On behalf of Board of Directors



Khalid Bashir
Chief Executive

29 October 2025
Lahore



Asif Bashir
Director

ڈائریکٹر رپورٹ

ہمیں یہ بتاتے ہوئے خوشی ہو رہی ہے کہ شمس ٹیکسٹائل ملز لمیٹڈ کی پہلی سہ ماہی 30 ستمبر 2025ء کو اختتام پذیر کی مالی کارکردگی پیش کر رہے ہیں۔

عمومی جائزہ:

ٹیکسٹائل سیکٹر کو مارکیٹ کے غیر مستحکم حالات اور افراط زر کے دباؤ کی وجہ سے مقامی اور عالمی چیلنجز کا سامنا ہے۔ پیداوار کی بڑھتی ہوئی لاگت مارجن کو متاثر کرتی ہے جس کا مجموعی منافع 26.241 ملین روپے ہے۔ آپریشنل افادیت کو بہتر بنانے کی کوششوں کے باوجود، افراط زر کے دباؤ کے ساتھ اور ہیڈز میں اضافے نے آپریشنل سطح پر منافع کو برقرار رکھنے کی ہماری صلاحیت کو متاثر کیا ہے۔ موجودہ سہ ماہی کا مالی خلاصہ حسب ذیل ہے:

(ملین میں)	30 ستمبر 2025ء	30 ستمبر 2024ء
فروخت	919.102	1,313.123
مجموعی منافع	26.241	3.517
آپریٹنگ اخراجات	(39.059)	(41.299)
دیگر آمدنی	4.149	3.868
آپریشنل (نقصان)	(8.669)	(33.914)
مالی اخراجات	(35.652)	(29.334)
لیوی سے قبل (نقصان)	(44.321)	(63.248)
لیوی	(11.489)	(16.414)
لیوی کے بعد (نقصان)	(55.81)	(79.66)
فی حصص (نقصان) روپے	(6.46)	(9.22)

مستقبل کے امکانات:

کمپنی آگے آنے والے چیلنجز کو تسلیم کرتی ہے، خاص طور پر بڑھتی ہوئی لاگت اور مانگ میں اتار چڑھاؤ کے انتظام میں ہم اخراجات کو کنٹرول کرنے، آپریشنل افادیت کو بڑھانے اور ملکی اور بین الاقوامی مارکیٹ دونوں میں آمدنی میں اضافے کے مواقع تلاش کرنے کے لیے اقدامات کر رہے ہیں۔ انتظامیہ موجودہ مشکلات پر قابو پانے اور آنے والی سہ ماہیوں میں بحالی کے لیے کمپنی کو پوزیشن دینے پر مرکوز ہے۔ ہمیں یقین ہے کہ نافذ کیے جانے والے اسٹریٹجک اقدامات درمیانی سے طویل مدتی کارکردگی کو مستحکم کرنے میں مدد کریں گے۔

اظہار تشکر:

ہم اپنے شیئرز، ہولڈرز، ملازمین، صارفین، بینکرز، قرض دہندگان اور شراکت داروں کے ان مشکل اوقات میں مسلسل تعاون کے لیے ان کا شکریہ ادا کرتے ہیں۔

آصف بشیر
ڈائریکٹر

lund boser
خالد بشیر
چیف ایگزیکٹو

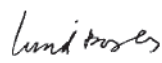
129 اکتوبر 2025ء

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As At September 30, 2025

	Un Audited September 30, 2025 Note	Audited June 30, 2025 (Rupees in thousands)
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
25,000,000 (30 June 2025: 25,000,000) ordinary shares of Rupees 10 each	250,000	250,000
Issued, subscribed and paid-up share capital	86,400	86,400
Reserves	646,123	693,459
Total equity	732,523	779,859
LIABILITIES		
NON CURRENT LIABILITIES		
Long term financing - secured	114,092	124,092
CURRENT LIABILITIES		
Trade and other payables	1,132,517	902,055
Accrued mark-up	20,288	16,905
Short term borrowings	1,177,830	733,547
Current portion of GIDC payable	55,014	45,014
Unclaimed dividend	4,622	4,622
	2,390,273	1,702,143
Total liabilities	2,390,273	1,702,143
CONTINGENCIES AND COMMITMENTS	5	-
TOTAL EQUITY AND LIABILITIES	3,236,888	2,606,094

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



Chief Executive



Chief Financial Officer



Director

		Un Audited September 30, 2025	Audited June 30, 2025
	Note	(Rupees in thousands)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	1,045,941	1,049,957
Long term investments		60,872	52,397
Long term deposits		30,665	30,665
		1,137,478	1,133,019
CURRENT ASSETS			
Stores, spare parts and loose tools		108,741	110,042
Stock-in-trade		1,059,783	847,718
Trade debts		607,787	121,110
Advances		4,489	4,249
Short term prepayments		6,149	-
Other receivable		15,814	11,918
Taxation and levy - net		17,306	18,552
Sales Tax refundable		277,889	331,030
Cash and bank balances		1,452	28,456
		2,099,410	1,473,075
TOTAL ASSETS		3,236,888	2,606,094



Chief Executive



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
(Un-Audited)

For The Period Ended September 30, 2025

	Note	September 30, 2025	September 30, 2024
		(Rupees in thousands)	
REVENUE	7	919,102	1,313,123
COST OF SALES	8	(892,861)	(1,309,606)
GROSS PROFIT		26,241	3,517
DISTRIBUTION COST		(4,847)	(8,132)
ADMINISTRATIVE EXPENSES		(33,837)	(33,167)
OTHER EXPENSES		(375)	-
		(39,059)	(41,299)
		(12,818)	(37,782)
OTHER INCOME		4,149	3,868
(LOSS) / PROFIT FROM OPERATIONS		(8,669)	(33,914)
FINANCE COST		(35,652)	(29,334)
(LOSS) BEFORE LEVY AND TAXATION		(44,321)	(63,248)
LEVY		(11,489)	(16,414)
(LOSS) AFTER LEVY		(55,810)	(79,662)
(LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)		(6.46)	(9.22)

The annexed notes form an integral part of these financial statements.



Chief Executive



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)

For The Period Ended September 30, 2025

	September 30, 2025	September 30, 2024
	(Rupees in thousands)	
(LOSS) AFTER TAXATION	(55,810)	(79,662)
OTHER COMPREHENSIVE LOSS		
Items that may be reclassified subsequently to profit or loss:		
Income / Deficit arising on remeasurement of available for sale investments to fair value	8,474	329
Other comprehensive profit / loss for the period	8,474	329
TOTAL COMPREHENSIVE (LOSS) FOR THE PERIOD	(47,336)	(79,333)

The annexed notes form an integral part of these financial statements.



Chief Executive



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOW (Un-Audited)
For The Period Ended September 30, 2025

	September 30, 2025	September 30, 2024
	Note	(Rupees in thousands)
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated (used in) / from operations	9	(413,344)
Finance cost paid		(32,270)
Income tax paid		(10,617)
Worker profit participation fund paid		-
Long term security deposit		-
Net cash generated (used in) operating activities		(456,231)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment		(15,218)
Proceed from property, plant and equipment		51
Return on bank deposit		21
Dividend received		90
Net cash (used in) / from investing activities		(15,056)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings - net		444,283
Net cash from financing activities		444,283
Net increase / (decrease) in cash and cash equivalents		(27,004)
Cash and cash equivalents at the beginning of the period		28,456
Cash and cash equivalents at the end of the period		1,452

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


Chief Executive


Chief Financial Officer


Director

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Un-Audited)

For The Period Ended September 30, 2025

1. THE COMPANY AND ITS OPERATIONS

Shams Textile Mills Limited is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. Its registered office is situated at 8th Floor Tricon Corporate Centre, 73-E, Main Jail Road, Gulberg II, Lahore. The company is engaged in the business of manufacturing, sale of yarn.

2. BASIS OF PREPARATION

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

This condensed interim financial information do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2025. These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by Section 237 of the Companies Act, 2017.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding audited annual published financial statements of the company for the year ended 30 June 2025

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the company for the year ended 30 June 2025

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (Un-Audited)**

For The Period Ended September 30, 2025

5. CONTINGENCIES AND COMMITMENTS

Contingencies

Bank guarantees of Rupees 99.249 million (30 June 2025: Rupees 99.249 million) are given by the bank of the company in favour of Sui Northern Gas Pipelines Limited against gas connections.

Commitments

Letters of credit for other than capital expenditures amounted to Rupees 6.938 million (30 June 2025: Rupees 358.067 million).

	Un-audited September 30, 2025 (Rupees in thousands)	Audited June 30, 2025
6. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets		
Owned (Note 6.1)	879,397	886,851
Capital work-in-progress (Note 6.2)	166,544	163,106
	1,045,941	1,049,957
6.1 Operating fixed assets - owned		
Opening book value	886,851	729,263
Add: Cost of additions during the period / year (Note 6.1.1)	11,780	230,694
	898,631	959,957
Less: Book value of deletions during the period / year (Note 6.1.2)	26	2,175
	898,605	957,782
Less: Depreciation charged during the period / year	19,210	70,931
Closing book value	879,397	886,851
6.1.1 Cost of additions		
Plant and machinery	11,780	132,174
Building	-	93,576
Vehicles	-	4,944
	11,780	230,694
6.1.2 Book value of deletions		
Plant and machinery	26	1,961
Vehicles	-	214
	26	2,175
6.2 Capital work-in-progress		
Office Building	-	-
Plant and machinery	166,544	163,106
Factory Building	-	-
	166,544	163,106

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (Un-Audited)**

For The Period Ended September 30, 2025

	Unaudited September 30, 2025	Unaudited September 30, 2024
	(Rupees in thousands)	
7. REVENUE		
Local sales	919,102	1,313,123
	919,102	1,313,123
8. COST OF SALES		
Raw material consumed	779,720	934,595
Stores, spares and loose tools consumed	19,691	29,890
Packing materials	17,057	15,383
Salaries, wages and other benefits	83,753	65,794
Fuel and power	162,649	205,299
Repairs and maintenance	2,370	2,472
Insurance	1,796	1,721
Other factory overheads	2,437	2,362
Depreciation	16,829	14,108
	1,086,302	1,271,624
Work-in-process:		
Opening stock	70,249	61,963
Closing stock	(51,428)	(39,985)
	18,821	21,978
Cost of goods manufactured	1,105,123	1,293,602
Finished goods:		
Opening stock	292,806	125,712
Closing stock	(505,068)	(109,708)
	(212,262)	16,004
	892,861	1,309,606
9. CASH GENERATED FROM OPERATIONS		
(Loss) before taxation	(44,321)	(63,248)
Adjustments for non-cash charges and other items:		
Depreciation	19,210	16,433
Dividend received	(90)	(90)
Gain on sale of property, plant and equipment	(26)	-
Allowance for expected credit loss	375	-
Profit on bank deposit	(21)	(3,768)
Finance cost	35,652	29,334
Working capital changes (Note 9.1)	(424,123)	60,916
	(413,344)	39,577

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (Un-Audited)**

For The Period Ended September 30, 2025

	Unaudited September 30, 2025	Unaudited September 30, 2024
	(Rupees in thousands)	
9.1 Working capital changes		
(Increase) / decrease in current assets:		
- Stores, spare parts and loose tools	1,301	4,940
- Stock-in-trade	(212,065)	116,914
- Trade debts	(486,677)	(207,530)
- Loans and advances	(240)	791
- Trade deposit and short term prepayments	(6,149)	(5,493)
- Other receivables	(3,896)	3,020
- Sales tax refundable	53,141	25,904
	(654,585)	(61,454)
Decrease in trade and other payables	230,462	122,370
	(424,123)	60,916

10. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL STATEMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in this condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 30 September 2025	Level 1	Level 2	Level 3	Total
---	----------------	----------------	----------------	--------------

Rupees in thousand

Financial assets

At fair value through other comprehensive income	60,872	-	-	60,872
Total financial assets	60,872	-	-	60,872

Recurring fair value measurements At 30 June 2024	Level 1	Level 2	Level 3	Total
--	----------------	----------------	----------------	--------------

Rupees in thousand

Financial assets

At fair value through other comprehensive income	52,397	-	-	52,397
Total financial assets	52,397	-	-	52,397

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Un-Audited)

For The Period Ended September 30, 2025

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

ii. Valuation techniques used to determine fair values

Specific valuation technique used to value financial instruments was use of quoted market prices.

11. TRANSACTION WITH RELATED PARTIES

The related parties comprise associated undertakings, key management personnel and provident fund trust. The company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

	Un-audited September 30, 2025	Un-audited September 30, 2024
	(Rupees in thousands)	
Associated Companies		
Sale of goods and services	785	1,817
Purchase of goods and services	15,825	104
Insurance premium	10,154	9,565
Mark up paid to powertec	3,363	5,559
Rent expense	225	375
Other related parties		
Company's contribution to employees' provident fund trust	1,504	2,318

12. FINANCIAL RISK MANAGEMENT

The company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the company for the year ended 30 June 2025

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (Un-Audited)**

For The Period Ended September 30, 2025

13. DATE OF AUTHORIZATION FOR ISSUE

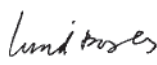
This condensed interim financial information was approved by the Board of Directors of the company and authorized for issue on 29 October 2025.

14. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

15. GENERAL

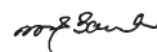
Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



Chief Executive



Chief Financial Officer



Director

www.jamapunji.pk

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*Mobile apps are also available for download for android and ios devices



BOOK POST

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