SHAMS Textile

HALF YEARLY REPORT

31 December 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

Independent Auditor's Review Report

To the members of Shams Textile Mills Limited

Report on review of Condensed Interim Financial Statements

Introduction

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

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to the requirement of Section 237(1)(b) of the Companies Act, 2017, only cumulative figures for the half year, presented in second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended 31 December 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's review report is Syed Mustafa Ali.

RIAZ AHMAD & COMPANY
Chartered Accountants

Lahore

Date: 27 February, 2026

UDIN: RR202510168BXpUA2IJW

DIRECTORS' REPORT

The Board of Directors of your Company is pleased to present the Directors' Report on the operations and financial performance of the Company for the period July 2025 to December 2025.

OVERVIEW:

During the half year (July to December 2025), the Company reported total sales of Rs 1.899 billion and a gross profit of Rs 118.476 million. Despite these figures, the Company experienced a net loss of Rs (54.999) million mainly due to the non-operational status of Unit I and Unit II, coupled with suboptimal utilization of Unit III, which did not operate at full capacity.

FINANCIAL SUMMARY:

Rs. in million	31 December 2025	31 December 2024
SALES	1,899,063	2,815,121
GROSS PROFIT	118,477	99,762
OPERATING EXPENSES	(88,044)	(81,728)
OTHER INCOME	19,209	17,012
PROFIT FROM OPERATIONS	49,642	35,046
FINANCE COST	(80,954)	(58,442)
(LOSS) BEFORE LEVY AND TAXATION	(31,312)	(23,396)
LEVY	(23,687)	(35,256)
(LOSS) BEFOR TAXATION	(54,999)	(58,652)
TAXATION	-	-
(LOSS) AFTER TAXATION	(54,999)	(58,652)
(LOSS) PER SHARE (Rs.)	(6.37)	(6.79)

FUTURE OUTLOOK:

The operating environment for the industry is expected to remain challenging in the near term due to elevated energy tariffs, high finance costs, and continued volatility in cotton prices. Furthermore, inconsistent demand in both domestic and export markets has resulted in sustained pricing pressure, limiting the industry's ability to fully pass on increased input costs and thereby affecting margins.

The Board and management remain focused on strengthening operational performance through improved efficiency, optimized energy utilization, reduction in wastage, and disciplined cost control measures. Emphasis will also be placed on prudent working capital management, stable customer relationships, and selective market diversification to enhance order consistency and capacity utilization.

While external uncertainties persist, the Company is committed to adopting prudent financial and operational strategies aimed at stabilizing performance and gradually restoring profitability, thereby safeguarding long-term shareholder value.

ACKNOWLEDGEMENTS:

We would like to extend our sincere appreciation to the Board of Directors for their leadership and guidance, and to our employees, stakeholders, and lending partners for their continued cooperation and support.

For and On behalf of Board of Directors

Khalid Bashir
Chief Executive

Asif Bashir
Director

27 February, 2026
Lahore

ڈائریکٹرز رپورٹ

آپ کی کمپنی کے بورڈ آف ڈائریکٹرز کو یہ خوشی ہے کہ وہ جولائی 2025ء سے دسمبر 2025ء تک کی مدت کے لیے کمپنی کی آپریشنز اور مالی کارکردگی پر مبنی ڈائریکٹرز رپورٹ پیش کر رہے ہیں۔

عمومی جائزہ:

نصف سال جولائی تا دسمبر 2025ء کے دوران کمپنی نے مجموعی فروخت 1.899 ارب روپے اور مجموعی منافع 118.476 ملین روپے رپورٹ کیا۔ ان اعداد و شمار کے باوجود، کمپنی کو (54.999) ملین روپے کا خسارہ ہوا، جس کی بنیادی وجہ یونٹ-I اور یونٹ-II کا مکمل طور پر بند ہونا اور یونٹ-III کا مکمل صلاحیت پر نہ چلنا ہے۔

مالیاتی خلاصہ

(مبلغ ملین میں)	31 دسمبر 2025ء	31 دسمبر 2024ء
فروخت	1,899,063	2,815,121
مجموعی منافع	118,477	99,762
آپریٹنگ اخراجات	(88,044)	(81,728)
دیگر آمدنی	19,209	17,012
آپریشنز سے منافع	49,642	35,046
مالی لاگت	(80,954)	(58,442)
لیوی اور ٹیکسیشن سے پہلے (نقصان)	(31,312)	(23,396)
لیوی	(23,687)	(35,256)
ٹیکسیشن سے پہلے (نقصان)	(54,999)	(58,652)
ٹیکسیشن	-	-
ٹیکسیشن کے بعد (نقصان)	(54,999)	(58,652)
فی حصص (نقصان) روپے	(6.37)	(6.79)

مستقبل کے امکانات

صنعت کے لیے آپریٹنگ ماحول آئندہ مدت میں چیلنجنگ رہنے کا امکان ہے، جس کی وجوہات میں توانائی کے بلند نرخ، مالی اخراجات میں اضافہ، اور کپاس کی قیمتوں میں مسلسل اُتار چڑھاؤ شامل ہیں۔ مزید برآں، مقامی اور برآمدی منڈیوں میں غیر مستقل طلب کے باعث قیمتوں پر دباؤ برقرار ہے، جس کی وجہ سے صنعت کے لیے بڑھتی ہوئی لاگت کو مکمل طور پر منتقل کرنا ممکن نہیں ہو پا رہا، اس طرح منافع پر اثر پڑ رہا ہے۔

بورڈ اور انتظامیہ آپریشنز کارکردگی کو بہتر بنانے پر توجہ مرکوز رکھے ہوئے ہیں، جس میں کارکردگی میں بہتری، توانائی کے بہتر استعمال، ضیاع میں کمی، اور اخراجات پر سخت کنٹرول شامل ہیں۔ اس کے ساتھ ساتھ ورکنگ کیپیٹل کے محتاط انتظام، صارفین کے ساتھ مستحکم تعلقات، اور منتخب مارکیٹ ڈائی ورسیفکیشن پر بھی زور دیا جائے گا تاکہ آرڈرز میں تسلسل اور پیداواری صلاحیت کے بہتر استعمال کو یقینی بنایا جا سکے۔

اگرچہ بیرونی غیر یقینی صورتحال برقرار ہے، کمپنی محتاط مالی اور آپریشنز حکمت عملی اپنانے کے لیے پرعزم ہے تاکہ کارکردگی کو مستحکم کیا جا سکے اور بتدریج منافع بحال کیا جا سکے، جس سے طویل مدتی شیئرز ہولڈرز ویلیو کا تحفظ ممکن ہو سکے۔

اظہار تشکر

ہم بورڈ آف ڈائریکٹرز کی رہنمائی، ملازمین اور اسٹیک ہولڈرز کے تعاون کے تہہ دل سے شکر گزار ہیں۔

منجانب/ برائے بورڈ آف ڈائریکٹرز

خالد بشیر
چیف ایگزیکٹو

آصف بشیر
ڈائریکٹر

27 فروری 2026ء
لاہور

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
As At 31 December 2025

	Note	Un Audited 31 December 2025	Audited 30 June 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			
8,640,000 (30 June 2025: 8,640,000) ordinary shares of Rupees 10 each		86,400	86,400
Reserves		652,785	693,459
Total equity		739,185	779,859
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing - secured	4	110,304	124,092
Gas Insfrastructure Development Cess (GIDC) payable		-	-
Lease liabilities		18,693	-
		128,997	124,092
CURRENT LIABILITIES			
Trade and other payables		930,014	902,055
Accrued mark-up		29,811	16,905
Short term borrowings		1,039,383	733,547
Current portion of non-current liabilities		61,526	45,014
Unclaimed dividend		4,622	4,622
		2,065,356	1,702,143
Total liabilities		2,194,353	1,826,235
CONTINGENCIES AND COMMITMENTS	5	-	-
TOTAL EQUITY AND LIABILITIES		2,933,538	2,606,094

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

Chief Executive | Director | Chief Financial Officer

	Note	Un Audited 31 December 2025	Audited 30 June 2025
		(Rupees in thousands)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	1,024,799	1,049,957
Right-of-use assets		22,263	-
Long term investments		66,722	52,397
Long term security deposits		34,971	30,665
Deferred income tax asset - net		-	-
		1,148,755	1,133,019
CURRENT ASSETS			
Stores and spare parts		112,385	110,042
Stock-in-trade		916,397	847,718
Trade debts		349,810	121,110
Advances		11,405	4,249
Short term prepayments		4,392	-
Other receivables		15,315	11,918
Taxation and levy - net		22,190	18,552
Sales tax refundable		300,937	331,030
Cash and bank balances		51,952	28,456
		1,784,783	1,473,075
TOTAL ASSETS		2,933,538	2,606,094

Chief Executive | Director | Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
(Un-Audited)
For The Half Year Ended 31 December 2025

	Note	HALF YEAR ENDED		QUARTER ENDED	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
		(Rupees in thousand)			
REVENUE FROM CONTRACTS WITH CUSTOMERS	7	1,899,063	2,815,121	979,961	1,501,998
COST OF SALES	8	(1,780,585)	(2,715,359)	(887,724)	(1,405,753)
GROSS PROFIT		118,478	99,762	92,237	96,245
DISTRIBUTION COST		(17,601)	(17,741)	(12,754)	(9,609)
ADMINISTRATIVE EXPENSES		(65,413)	(63,026)	(31,576)	(29,859)
OTHER EXPENSES		(5,031)	(961)	(4,656)	(961)
		(88,045)	(81,728)	(48,986)	(40,429)
		30,433	18,034	43,251	55,816
OTHER INCOME		19,209	17,012	15,060	13,144
PROFIT FROM OPERATIONS		49,642	35,046	58,311	68,960
FINANCE COST		(80,954)	(58,442)	(45,302)	(29,108)
(LOSS) / PROFIT BEFORE LEVY AND TAXATION		(31,312)	(23,396)	13,009	39,852
LEVY		(23,687)	(35,256)	(12,198)	(19,935)
(LOSS) / PROFIT BEFORE TAXATION		(54,999)	(58,652)	811	19,917
TAXATION		-	-	-	1,093
(LOSS) / PROFIT AFTER TAXATION		(54,999)	(58,652)	811	21,010
(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)		(6.37)	(6.79)	0.09	2.43

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

Chief Executive | Director | Chief Financial Officer

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)

For The Half Year Ended 31 December 2025

	HALF YEAR ENDED		QUARTER ENDED	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Rupees in thousand)			
(LOSS)/PROFIT AFTER TAXATION	**(54,999)**	(58,652)	**811**	21,010
OTHER COMPREHENSIVE INCOME / (LOSS)				
Items that will not be reclassified to profit or loss:				
Surplus / (deficit) arising on remeasurement of investments at fair value through other comprehensive income	**14,325**	(17,360)	**5,851**	(17,689)
Items that may be reclassified subsequently to profit or loss	**-**	-	**-**	-
Other comprehensive income / (loss) for the period	**14,325**	(17,360)	**5,851**	(17,689)
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	**(40,674)**	(76,012)	**6,662**	3,321

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

Chief Executive | Director | Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)

For The Half Year Ended 31 December 2025

	SHARE CAPITAL	Reserves								TOTAL EQUITY
		Capital			Revenue			TOTAL RESERVE		
		Premium on issue of right shares	Fair value reserve FVTOCI investments	Sub total	General reserve	Un-appropriated profit / accumulated loss	Sub total			
	(Rupees in thousands)									
Balance as at 30 June 2024 (Audited)	86,400	86,400	47,423	133,823	600,000	111,095	711,095	844,918	931,318
Loss for the period	-	-	-	-	-	(58,652)	(58,652)	(58,652)	(58,652)
Other comprehensive loss for the period	-	-	(17,360)	(17,360)	-	-	-	(17,360)	(17,360)
Total comprehensive loss for the period	-	-	(17,360)	(17,360)	-	(58,652)	(58,652)	(76,012)	(76,012)
Balance as at 31 December 2024 (Un-audited)	86,400	86,400	30,063	116,463	600,000	52,443	652,443	768,906	855,306
Loss for the period	-	-	-	-	-	(78,542)	(78,542)	(78,542)	(78,542)
Other comprehensive income for the period	-	-	3,095	3,095	-	-	-	3,095	3,095
Total comprehensive loss for the period	-	-	3,095	3,095	-	(78,542)	(78,542)	(75,447)	(75,447)
Balance as at 30 June 2025 (Audited)	86,400	86,400	33,158	119,558	600,000	(26,099)	573,901	693,459	779,859
Loss for the period	-	-	-	-	-	(54,999)	(54,999)	(54,999)	(54,999)
Other comprehensive income for the period	-	-	14,325	14,325	-	-	-	14,325	14,325
Total comprehensive loss for the period	-	-	14,325	14,325	-	(54,999)	(54,999)	(40,674)	(40,674)
Balance as at 31 December 2025 (Un-audited)	86,400	86,400	47,483	133,883	600,000	(81,098)	518,902	652,785	739,185

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

Chief Executive

Director

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-Audited)

For The Half Year Ended 31 December 2025

	Note	Half Year Ended 31 December 2025	31 December 2024
		(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	9	(177,438)	17,401
Finance cost paid		(68,048)	(56,961)
Income tax and levy paid		(27,325)	(32,956)
Workers' profit participation fund paid		-	(3,824)
Long term security deposits made		(4,306)	(28,143)
Net cash used in operating activities		(277,117)	(104,483)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(14,746)	(99,574)
Additions in right-of-use assets		(1,107)	-
Proceeds from disposal of property, plant and equipment		8,718	-
Dividend received		180	180
Return on bank deposits received		1,848	5,799
Net cash used in investing activities		(5,107)	(93,595)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(116)	-
Short term borrowings - net		305,836	180,485
Net cash from financing activities		305,720	180,485
Net increase / (decrease) in cash and cash equivalents		23,496	(17,593)
Cash and cash equivalents at the beginning of the period		28,456	59,013
Cash and cash equivalents at the end of the period		51,952	41,420

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

Chief Executive | Director | Chief Financial Officer

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

For The Half Year Ended 31 December 2025

1. THE COMPANY AND ITS OPERATIONS

1.1 Shams Textile Mills Limited ("the Company") 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 Office No. 801, Tricon Corporate Centre, 73-E, Main Jail Road, Gulberg II, Lahore. The Company is engaged in the business of manufacturing, sale and trading of yarn.

1.2 The Board of Directors of the Company in its meeting held on 29 October 2025 has approved the disposal of old plant and machinery of Spinning unit I of the Company (with insignificant carrying amount) located at Chiniot. Further, one of the two manufacturing units of the Company remained temporarily closed for a few months during the half year in view of low demand and prices of yarn and the Company was unable to fully utilize the plant capacity resulting in losses. The management has carried out a going concern assessment of the Company and believes that the going concern assumption used for the preparation of these condensed interim financial statements is appropriate and no material uncertainty exists. The assessment is based on: the Company has embarked upon various capital expenditure projects including solar power generation that shall result in savings in costs and ultimate profitability; the Company is availing fresh borrowing limits from a financial institution for operations of the Company; chief executive of the Company, his spouse and his son (executive director) are committed to support the Company to continue as a going concern; and firm commitment to ramp-up production in view of favorable prices. As at the reporting date, the balance due to chief executive of the Company, his spouse and his son (executive director) is interest free and they have provided support to the Company. Accordingly, no material uncertainties leading to a significant doubt about going concern have been identified.

2. BASIS OF PREPARATION

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

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

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

2.2 These condensed interim financial statements 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, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2025.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements 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 these condensed interim financial statements, 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 STATEMENTS (Un-Audited)

For The Half Year Ended 31 December 2025

	Un-audited 31 December 2025	Audited 30 June 2025
	(Rupees in thousands)	
4 LONG TERM FINANCING - SECURED		
From banking company		
Opening balance	137,880	-
Add: Obtained during the period / year	-	137,880
	137,880	137,880
Less: Current portion shown under current liabilities	(27,576)	(13,788)
	110,304	124,092

5. CONTINGENCIES AND COMMITMENTS

Contingencies

i) There is no significant change in the status of contingencies as disclosed in the preceding annual audited financial statements of the Company for the year ended 30 June 2025.

Commitments

i) Letters of credit for capital expenditures amounted to Rupees Nil (30 June 2025: Rupees 7.571 million).

ii) Letters of credit for other than capital expenditures amounted to Rupees 405.565 million (30 June 2025: Rupees 358.067 million).

	Un-audited 31 December 2025	Audited 30 June 2025
	(Rupees in thousands)	
6 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets (Note 6.1)	868,141	886,851
Capital work-in-progress (Note 6.2)	156,658	163,106
	1,024,799	1,049,957
6.1 Operating fixed assets		
Opening book value	886,851	729,263
Add: Cost of additions during the period / year (Note 6.1.1)	21,194	230,694
Less: Book value of deletions during the period / year (Note 6.1.2)	(1,074)	(2,175)
Less: Depreciation charged during the period / year	(38,830)	(70,931)
	868,141	886,851
6.1.1 Cost of additions		
Plant and machinery	20,594	132,174
Factory building on freehold land	-	68,205
Residential and other building on freehold land	-	25,371
Factory equipment	600	-
Vehicles	-	4,944
	21,194	230,694
6.1.2 Book value of deletions		
Plant and machinery	1,040	1,961
Vehicles	34	214
	1,074	2,175
6.2 Capital work-in-progress		
Plant and machinery	156,658	163,106

7 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is recognised at a point in time as per the terms and conditions of underlying contracts with customers. Sales of yarn represent 97.35% (31 December 2024: 97.08%) of the total sales of the Company. Remaining sales represent waste sales. 100% (31 December 2024: 100%) of the sales of the Company relates to customers in Pakistan.

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

For The Half Year Ended 31 December 2025

	Un-Audited			
	Half Year Ended		Quarter Ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Rupees in thousand)			
8 COST OF SALES				
Raw materials consumed	1,067,634	2,158,777	287,914	1,224,182
Salaries, wages and other benefits	154,999	132,058	71,246	66,264
Stores and spare parts consumed	59,265	59,581	39,574	29,691
Packing materials consumed	27,550	42,548	10,493	27,165
Repair and maintenance	4,177	5,671	1,807	3,199
Fuel and power	382,349	443,630	219,700	238,331
Insurance	3,711	3,443	1,915	1,722
Other factory overheads	5,075	4,672	2,638	2,310
Depreciation	34,348	28,939	17,519	14,831
	1,739,108	2,879,319	652,806	1,607,695
Work-in-process:				
Opening stock	70,249	61,963	51,428	39,985
Closing stock	(61,331)	(81,911)	(61,331)	(81,911)
	8,918	(19,948)	(9,903)	(41,926)
Cost of goods manufactured	1,748,026	2,859,371	642,903	1,565,769
Finished goods and waste:				
Opening stock	292,806	125,712	505,068	109,708
Closing stock	(260,247)	(269,724)	(260,247)	(269,724)
	32,559	(144,012)	244,821	(160,016)
	1,780,585	2,715,359	887,724	1,405,753

	Un-audited Half Year Ended	
	31 December 2025	31 December 2024
	(Rupees in thousand)	
9 CASH (USED IN) / GENERATED FROM OPERATIONS		
Loss before levy and taxation	(31,312)	(23,396)
Adjustments for non-cash charges and other items:		
Depreciation on property, plant and equipment	38,830	33,880
Depreciation on right of-use-assets	377	-
Gain on disposal of property, plant and equipment	(7,644)	-
Finance cost	80,954	58,442
Allowance for expected credit losses	2,365	-
Profit on deposits with banks	(1,848)	(5,799)
Provision for slow moving and obsolete stores and spare parts	2,666	961
Dividend income	(180)	(180)
Working capital changes (Note 9.1)	(261,646)	(46,507)
	(177,438)	17,401
9.1 Working capital changes		
(Increase) / decrease in current assets:		
- Stores and spare parts	(5,009)	(8,822)
- Stock-in-trade	(68,679)	(154,179)
- Trade debts	(231,065)	(235,466)
- Advances	(7,156)	(7,102)
- Short term prepayments	(4,392)	(3,442)
- Other receivables	(3,397)	2,243
- Sales tax refundable	30,093	79,321
	(289,605)	(327,447)
Increase in trade and other payables	27,959	280,940
	(261,646)	(46,507)

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

For The Half Year Ended 31 December 2025

10 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these 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 31 December 2025 (Un-audited)	Level 1	Level 2	Level 3	Total
	Rupees in thousand			
Financial assets				
Fair value through other comprehensive income	66,772	-	-	66,772

Recurring fair value measurements At 30 June 2025 (Audited)	Level 1	Level 2	Level 3	Total
	Rupees in thousand			
Financial assets				
Fair value through other comprehensive income	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.

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

The Company's policy is to recognize 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 (such as publicly traded derivatives, and trading and equity securities) 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 maximize 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 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise associated undertakings, other related parties, 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:

I. Transactions

	Un-Audited			
	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Rupees in thousand)			
Associated companies				
Sale of goods and services	1,010	3,395	225	1,578
Purchase of goods and services	158,386	193,538	142,561	193,434
Insurance premium	10,157	9,620	3	55
Rent expense	450	750	225	375
Interest on loan amount	6,730	10,137	3,367	5,559
Other related parties				
Company's contribution to employees' provident fund trust	3,446	4,927	1,942	2,609

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

For The Half Year Ended 31 December 2025

	Un-Audited			
	Half year ended		Quarter ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Rupees in thousand)			
Remuneration of chief executive, directors and executives	32,525	30,281	16,263	15,141
Loan obtained from chief executive and his spouse	11,300	-	11,300	-
Loan repaid to chief executive and his spouse	2,050	11,501	2,050	11,501
Loan obtained from director	-	4,985	-	4,985
Loan repaid to director	-	5,000	-	-

ii. Period end balances

	As at 31 December 2025 (Un-audited)		
	Associated Companies	Other related Parties	Total
	(Rupees in thousand)		
Trade and other payables	11,314	123,215	134,529
Long term investments	7,708	-	7,708
Short term borrowings	100,000	-	100,000

	As at 30 June 2025 (Audited)		
	Associated Companies	Other related Parties	Total
	(Rupees in thousand)		
Trade and other payables	9,325	111,965	121,290
Long term borrowings	4,959	-	4,459
Short term borrowings	100,000	-	100,000

12 DISCLOSURE REQUIREMENT FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS THEIR CORE BUSINESS ACTIVITIES

	Un-audited 31 December 2025	Audited 30 June 2025
	(Rupees in thousands)	
Description		
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	197,841	-
Interest or mark-up accrued on any conventional loan or advance	22,936	16,905
Long-term and short-term Shariah compliant Investments	10,113	11,981
Shariah-compliant bank deposits, bank balances, and TDRs	13,657	1,284

	Un-Audited			
	Half Year Ended		Quarter Ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Rupees in thousand)			
Revenue earned from a Shariah-compliant business segment	1,899,063	2,815,121	979,961	1,501,998
Break-up of late payments or liquidated damages	-	-	-	-
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates				
Dividend income	-	-	-	-
Unrealized loss on re-measurement of investments fair value through other comprehensive income	(1,868)	(8,788)	(3,010)	(6,920)

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

For The Half Year Ended 31 December 2025

	Un-Audited			
	Half Year Ended		Quarter Ended	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	(Rupees in thousand)			
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs				
Profit on deposits with banks	81	688	57	87
Exchange gain earned from actual currency	-	-	-	-
Exchange gains earned using conventional derivative financial instruments	-	-	-	-
Profit paid on Islamic mode of financing	-	-	-	-
Total Interest earned on any conventional loan or advance	1,767	5,112	1,767	1,944
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non compliant income				
Shariah-compliant				
Profit on deposits with banks	81	688	57	87
Gain on disposal of property, plant and equipment - net	7,644	-	7,617	-
Scrap sales	3,596	3,198	2,962	3,193
Rental income	5,941	7,834	2,567	7,830
Non-compliant				
Dividend income	180	180	90	90
Profit on deposits with banks	1,767	5,112	1,767	1,944

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc

Name	Relationship
National Bank of Pakistan (Islamic)	Bank balance
Meezan Bank Limited	Bank balance
Faysal Bank Limited (Islamic)	Bank balance
United Bank Limited - Ameen Islamic Banking	Bank balance and short term borrowings

13 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.

14 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 27 February, 2026.

15 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

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

16 GENERAL

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

Chief Executive	Director	Chief Financial Officer

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