UN-AUDITED QUARTER REPORT SEPTEMBER 30, 2025

SURAJ

سورج

Content

GOVERNANCE

FINANCIAL STATEMENTS

Company Information

Board of Directors

Mr. Khalid Bashir (Chairman)
Mr. Adil Bashir
Mr. Ahsan Bashir
Mr. Asif Bashir
Ms. Maheen Hisham Adamjee
Mr. Mohammad Iqbal
Mr. Shams Rafi

Chief Executive Officer

Mr. Nadeem Maqbool

Chief Financial Officer

Mr. Naeem Sheikh

Audit Committee

Mr. Shams Rafi (Chairman)
Mr. Asif Bashir
Mr. Mohammad Iqbal

HR, Nomination & Remuneration Committee

Ms. Maheen Hisham Adamjee (Chairperson)
Mr. Khalid Bashir
Mr. Nadeem Maqbool

Risk Management Committee

Mr. Asif Bashir (Chairman)
Mr. Nadeem Maqbool
Mr. Shams Rafi

Share Registrar

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

Auditors

Riaz Ahmad & Co.
Chartered Accountants

Company Secretary

Mr. Shahzad Nazir

Bankers

Allied Bank Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
MCB Islamic Bank Limited
United Bank Limited
Habib Metropolitan Bank Limited
Samba Bank Limited
FINCA Microfinance Bank Limited
Meezan Bank Limited
Bank Alfalah Limited

Registered Office

Tricon Corporate Center, 8th Floor, 73-E, Main Jail Road, Gulberg II, Lahore
Ph: +92-423-5760379, 35760382
Fax: +92-423-5760376
Email: corp.info@suraj.com
Web: www.suraj.com

Project Locations

Nooriabad, District Dadu, Sindh.
Kotla Kahloon, District Nankana Sahib, Punjab.
Bhaikot, Rawind, District Lahore, Punjab.

Directors' Report

On behalf of the Board of Directors, I present the Un-Audited Financial Statements of Suraj Cotton Mills Limited for the first quarter ended 30 September 2025.

Overview

The Company's performance during the period under review remained strong despite a challenging business environment. For the first quarter ended 30 September 2025, net profit stood at Rs. 396 million, compared to Rs. 186 million in the same period last year, reflecting a growth of 110.09 percent. Earnings per share (EPS) rose to Rs. 8.12 from Rs. 3.83, showing continued financial strength.

Profitability improved mainly due to higher other income from investment activities, supported by favorable equity market performance and higher dividend income. While gross margins remained stable, the Company maintained tight control over costs and financing requirements through prudent working-capital management.

Sales amounted to Rs. 6.49 billion, compared to Rs. 7.60 billion in the same quarter last year, reflecting a decline of 14.6 percent, primarily due to lower sales volumes amid weak market demand. As a result, finished goods inventory increased, reflecting slower offtake in both local and export markets. Distribution and administrative expenses were effectively managed, while finance costs declined by 36 percent due to lower borrowings and improved liquidity management.

Financial Performance

The Company's financial performance for the period ended September 30, 2025, as compared to the corresponding period last year, is presented below;

Brief Income Statement	2025	2024	% Change
	(PKR in Million)		
Sales	6,489	7,603	(14.64%)
Gross profit	488	485	0.79%
Operating profit	607	386	57.51%
Financial cost	39	61	(35.82%)
Profit before taxation	568	325	75.09%
Taxation	171	138	23.9%
Net Profit	396	186	110.09%
Earnings per Share (EPS)	8.12	3.83	112.01%

Future Outlook

The textile industry continues to face a multitude of challenges arising from the import of cheaper yarn and fabric from regional competitors and the high cost of doing business in Pakistan. The industry finds it difficult to compete with this influx due to elevated energy tariffs, which place domestic manufacturers at a clear disadvantage. Higher production costs have severely affected the spinning sector, forcing a large portion of the country's capacity to curtail operations. Earlier optimism regarding the cotton crop has waned, as concerns have emerged over both quantity and quality. Consequently, the industry is once again dependent on imported cotton, adding pressure to the country's foreign exchange reserves. However, subdued global demand has kept international cotton prices relatively low, offering some relief in raw material costs.

Pakistan's spinning sector, long recognized for its efficiency and quality, is now facing reduced demand and partial shutdowns of medium and large-scale units. This deindustrialization trend poses a serious threat to employment generation and foreign exchange earnings. Nevertheless, the Company's continuous modernization and investment in efficiency improvements over the years have enabled it to sustain operations and maintain cost competitiveness even in these challenging times. Recent increases in taxation on both

Directors' Report

corporate and individual levels have further strained the industry. While the need to enhance government revenue is acknowledged, a more balanced and equitable fiscal approach is essential for sustainable economic growth.

The long-term solution lies in promoting regionally competitive energy prices, adopting a growth-oriented and stable monetary policy, and providing consistent export facilitation measures. Higher capacity utilization, greater export volumes, and incentives for investment are essential to restore growth momentum. Suraj Cotton Mills Limited remains committed to maintaining competitiveness, preserving profitability, and maximizing stakeholder value.

Acknowledgements

The Board of Directors expresses its sincere appreciation to the Company's shareholders, employees, and financial partners for their continued support. The Board also acknowledges the commitment and professionalism of the management team in navigating industry challenges with diligence and foresight.

Chief Executive | Director

October 29, 2025
Lahore

ڈائریکٹرز رپورٹ

کاری اور کارکردگی کی بہتری میں سرمایہ کاری نے اسے آپریشنز کو برقرار رکھنے اور ان مشکل اوقات میں بھی لاگت کی مسابقت کو برقرار رکھنے کے قابل بنایا ہے۔ دونوں کارپوریٹ اور انفرادی سطحوں پر ٹیکس میں حالیہ اضافہ نے صنعت کو مزید دباؤ میں ڈال دیا ہے۔ اگرچہ حکومتی محصولات کو بڑھانے کی ضرورت کو تسلیم کیا جاتا ہے، پائیدار اقتصادی نمو کے لیے زیادہ متوازن اور مساوی مالیاتی نقطہ نظر ضروری ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز کمپنی کے حصص یافتگان، ملازمین اور مالیاتی شراکت داروں کی مسلسل حمایت کو سراہتا ہے۔ بورڈ صنعتی مشکلات کو مستعدی اور دور اندیشی کے ساتھ نیویگیٹ کرنے میں انتظامی ٹیم کے عزم اور پیشہ ورانہ مہارت کا بھی اعتراف کرتا ہے۔

چیف ایگزیکٹو

ڈائریکٹر

29 اکتوبر 2025ء

لاہور

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے، میں 30 ستمبر 2025 کو ختم ہونے والی سہ ماہی کے لئے سورج کاٹن ملز لمیٹڈ کے نظر ثانی شدہ مالی گوشوارے پیش کرتا ہوں۔

جائزہ

مشکل کاروباری ماحول کے باوجود زیر جائزہ مدت کے دوران کمپنی کی کارکردگی مضبوط رہی۔ 30 ستمبر 2025 مختتمہ پہلی سہ ماہی کے لیے، خالص منافع 396 ملین روپے رہا جبکہ پچھلے سال کی اسی مدت میں 186 ملین روپے تھا، جو 110.09 فیصد نمو کو ظاہر کرتا ہے۔ فی حصص آمدنی (EPS) 3.83 روپے سے بڑھ کر 8.12 روپے ہو گئی جو مسلسل مالی مضبوطی کو ظاہر کر رہی ہے۔

منافع میں بہتری بنیادی طور پر سرمایہ کاری کی سرگرمیوں سے دیگر آمدنی زیادہ ہونے کی وجہ سے ہوئی، جس کو ایکویٹی مارکیٹ کی سازگار کارکردگی اور منافع کی زیادہ آمدنی سے سہارا ملا ہے۔ جبکہ مجموعی مارجن مستحکم رہے، کمپنی نے ورکنگ کیپٹل کے مناسب انتظامات کے ذریعے لاگت اور فنانسنگ کی ضروریات پر سخت کنٹرول برقرار رکھا۔

فروخت کی رقم گزشتہ سال اسی سہ ماہی میں 7.60 بلین روپے کے مقابلے 6.49 بلین روپے رہی، جو کہ بنیادی طور پر مارکیٹ کی کمزور طلب کے درمیان فروخت کے کم حجم کی وجہ سے 14.6 فیصد کمی کو ظاہر کرتی ہے۔ نتیجتاً، تیار شدہ سامان کی انوینٹری میں اضافہ ہوا، جو دونوں مقامی اور برآمدی منڈیوں میں سست روی کی عکاسی کرتا ہے۔ تقسیم اور انتظامی اخراجات کا مؤثر طریقے سے انتظام کیا گیا، جبکہ کم قرضوں اور بہتر لیکویڈیٹی مینجمنٹ کی وجہ سے مالیاتی اخراجات میں 36 فیصد کمی واقع ہوئی۔

مالی کارکردگی

گزشتہ سال کے مقابلے میں 30 ستمبر 2025 مختتمہ مدت کے لئے کمپنی کی مالی کارکردگی ذیل میں پیش کی گئی ہے:

آمدنی کا مختصر بیان	2025	2024	فیصد تبدیلی
	(پاکستانی روپے ملین میں)		
فروخت	6,489	7,603	(14.64٪)
مجموعی منافع	488	485	(0.79٪)
آپریٹنگ منافع	607	386	57.51
مالی اخراجات	39	61	(35.82٪)
منافع قبل از ٹیکس	568	325	75.09
ٹیکسیشن	171	138	23.9٪
خالص منافع	396	186	110.09٪
فی شیئر آمدنی (EPS)	8.12	3.83	112.01٪

مستقبل کا نقطہ نظر

ٹیکسٹائل کی صنعت کو علاقائی حریفوں سے سستے یارن اور فیبرک کی درآمد اور پاکستان میں کاروبار کرنے کی زیادہ لاگت سے پیدا ہونے والی بہت سی مشکلات کا سامنا ہے۔ صنعت کو توانائی کے زیادہ نرخوں کی وجہ سے اس influx کا مقابلہ کرنا مشکل نظر آرہا ہے، جس سے مقامی صنعت کاروں کو واضح نقصان پہنچتا ہے۔ زیادہ پیداواری لاگت نے سپننگ کے شعبے کو بُری طرح متاثر کیا ہے، جس سے ملک کی صلاحیت کا ایک بڑا حصہ آپریٹنز کو کم کرنے پر مجبور ہے۔ کپاس کی فصل کے حوالے سے پہلے کی اُمید ختم ہو گئی ہے، کیونکہ دونوں مقدار اور معیار پر خدشات اُبھرے ہیں۔ نتیجتاً، ایک بار پھر صنعت کا انحصار درآمد شدہ کپاس پر ہے، جس سے ملک کے زرمبادلہ کے ذخائر پر دباؤ بڑھ رہا ہے۔ تاہم، کم عالمی طلب نے بین الاقوامی کپاس کی قیمتوں کو نسبتاً کم رکھا، جس سے خام مال کی قیمتوں میں کچھ راحت ملی ہے۔

پاکستان کا اسپننگ سیکٹر، جو طویل عرصہ سے اپنی کارکردگی اور معیار کے لیے پہچانا جاتا ہے، اب کم طلب اور درمیانہ اور بڑے پیمانے پر یونٹس کی جزوی بندش کا سامنا کر رہا ہے۔ یہ غیر صنعتی رجحان روزگار پیدا کرنے اور غیر ملکی زرمبادلہ کی کمائی کے لیے ایک سنگین خطرہ ہے۔ بہر حال، سالوں میں کمپنی کی مسلسل جدید

Financial Statements

FOR THE PERIOD ENDED 30 SEPTEMBER 2025

Condensed Interim Statement of Financial Position
AS AT 30 SEPTEMBER 2025

	Note	Un-Audited Sep 30 - 2025	Audited June 30-2025
		(Rupees in thousand)	
			(Restated)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
100,000,000 (30 June 2025: 100,000,000) ordinary shares of Rupees 10 each		1,000,000	1,000,000
Issued, subscribed and paid up share capital	4	488,094	488,094
Reserves	5	13,856,091	13,057,701
TOTAL EQUITY		14,344,185	13,545,795
LIABILITIES			
NON CURRENT LIABILITIES			
Long term financing	6	2,299,582	2,470,692
Deferred liabilities	7	1,649,280	1,586,297
		3,948,862	4,056,989
CURRENT LIABILITIES			
Trade and other payables	8	4,199,225	3,836,359
Accrued mark-up		37,859	38,841
Short term borrowings		601,418	1,164,739
Current portion of non current liabilities	9	1,164,143	1,153,152
Provision for taxation - net		488,816	489,700
Unclaimed dividends		8,577	8,577
		6,500,038	6,691,368
TOTAL LIABILITIES		10,448,900	10,748,357
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITY AND LIABILITIES		24,793,085	24,294,152

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

CHIEF EXECUTIVE OFFICER DIRECTOR CHIEF FINANCIAL OFFICER

	Note	Un-Audited Sep 30 - 2025	Audited June 30-2025
		(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	8,400,369	8,546,997
Investment properties		472,690	472,690
Long term investments	12	1,804,196	1,364,971
Long term deposits		129,284	129,284
		10,806,539	10,513,942
CURRENT ASSETS			
Stores, spares and loose tools	13	430,742	567,742
Stock in trade	14	7,282,548	7,389,621
Trade debts	15	3,090,943	3,220,558
Loans and advances	16	71,973	144,171
Short term deposits and prepayments		159,258	81,194
Other receivables		966,628	968,188
Short term investments	17	1,883,872	1,238,626
Cash and bank balances		93,916	163,444
		13,979,880	13,773,544
Non-current assets classified as held for sale		6,666	6,666
		13,986,546	13,780,210
TOTAL ASSETS		24,793,085	24,294,152

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Profit or Loss (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Note	Sep 30 - 2025	Sep 30 - 2024
		(Rupees in thousand)	
Revenue	18	6,489,899	7,602,905
Cost of Sales	19	(6,001,421)	(7,118,260)
Gross Profit		488,478	484,645
Distribution Cost	20	(56,946)	(64,816)
Administrative Expenses	21	(80,893)	(80,976)
Other Expenses	22	(46,218)	(65,544)
		(184,057)	(211,336)
		304,421	273,309
Other Income	23	303,069	112,381
Profit from Operations		607,490	385,690
Finance Cost	24	(39,249)	(61,151)
Profit Before Levy and Taxation		568,241	324,539
Levy	25	(27,186)	(31,419)
Profit After Taxation		541,055	293,120
Taxation	26	(144,559)	(106,410)
Profit After Taxation		396,496	186,710
Earnings per Share - Basic and diluted (Rupees)		8.12	3.83

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Comprehensive Income (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Sep 30 - 2025	Sep 30 - 2024
	(Rupees in thousand)	
PROFIT AFTER TAXATION	396,496	186,710
Other comprehensive income / (Loss):		
Loss arising on remeasurement of investments at fair value through other comprehensive income - net of tax	401,894	41,380
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income / (loss) for the period - net of tax	401,894	41,380
Total comprehensive income for the period	798,390	228,090

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Changes in Equity (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Share Capital	Reserves							Total	Total Equity
		Capital Reserves			Revenue Reserves					
		Share premium reserve	Fair value reserve on FVTOCI investments	Sub total	General Reserve	Unapprop-riated profit	Sub total			
	----	----	----	----	(Rupees in thousand)	----	----		----	----
Balance as at 30 June 2024 - (Audited)	488,094	29,000	78,007	107,007	3,714,000	7,825,911	11,539,911		11,646,918	12,135,012
Transactions with owners:										
Final dividend for the year ended 30 June 2024 @ Rupees 5.00 per Share	-	-	-	-	-	(244,048)	(244,048)		(244,048)	(244,048)
Transfer of gain on disposal of FVTOCI investment to retained earnings	-	-	(190,524)	(190,524)	-	190,524	190,524		-	-
Profit for the year	-	-	-	-	-	1,118,683	1,118,683		1,118,683	1,118,683
Other comprehensive loss for the period - restated	-	-	536,148	536,148	-	-	-		536,148	536,148
Total comprehensive income for the period	-	-	536,148	536,148	-	1,118,683	1,118,683		1,654,831	1,654,831
Balance as at 30 June 2025 - (Audited)	488,094	29,000	423,631	452,631	3,714,000	8,891,070	12,605,070		13,057,701	13,545,795
Profit for the period	-	-	-	-	-	396,496	396,496		396,496	396,496
Other comprehensive loss for the period - restated	-	-	401,894	401,894	-	-	-		401,894	401,894
Total comprehensive income for the period	-	-	401,894	401,894	-	396,496	396,496		798,390	798,390
Balance as at 30 September 2025 - (Un-Audited)	488,094	29,000	825,525	854,525	3,714,000	9,287,566	13,001,566		13,856,091	14,344,185

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

CHIEF EXECUTIVE OFFICER DIRECTOR CHIEF FINANCIAL OFFICER

Condensed Interim Statement of Cash Flows (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Note	Sep 30 - 2025	Sep 30 - 2024
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		568,241	324,539
Adjustment for non-cash and other items:			
Depreciation		185,740	182,483
Gain on disposal of property, plant and equipment		(4,355)	(2,828)
Unrealized (gain) / loss on remeasurement of investments at FVTPL		(239,125)	8,418
Provision for Workers' Profit Participation Fund		30,490	17,309
Provision for Workers' Welfare Fund		6,076	1,070
Profit on bank deposits		(5,344)	(15,909)
Dividend income		(29,790)	(91,815)
Exchange (gain) / loss		(2,822)	(1,104)
Finance cost		39,249	61,151
Cash flows from operating activities before working capital changes		539,088	483,314
EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES			
(Increase) / decrease in current assets:			
Stores, spares and loose tools		137,000	100,858
Stock in trade		107,073	1,380,944
Trade debts		132,437	(1,024,963)
Loans and advances		72,198	59,581
Trade deposits and short term prepayments		(78,064)	(59,968)
Other receivables		1,560	26,736
Increase in current liabilities:			
Trade and other payables		504,022	(57,346)
Net cash from /(used in) working capital		876,226	425,842
CASH GENERATED FROM /(USED IN) OPERATIONS		1,415,314	909,156
Finance cost paid		(40,231)	(66,914)
Workers' profit participation fund paid		(107,978)	(105,988)
Profit on bank deposits received		5,344	15,909
Income tax paid		(172,629)	(125,949)
NET CASH FROM /(USED IN) OPERATING ACTIVITIES		1,099,820	626,214

Condensed Interim Statement of Cash Flows (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Note	Sep 30 - 2025	Sep 30 - 2024
		(Rupees in thousand)	
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(44,255)	(547,344)
Proceeds from disposal of property, plant and equipment		3,000	3,000
Investments - net		(423,452)	130,717
Dividend received		29,790	91,815
NET CASH USED IN INVESTING ACTIVITIES		(434,917)	(321,812)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing - net		(171,110)	(165,403)
(Decrease)/ increase in short term borrowings - net		(563,321)	(479,091)
NET CASH (USED IN) / FROM FINANCING ACTIVITIES		(734,431)	(644,494)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(69,528)	(340,092)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		163,444	378,804
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		93,916	38,712

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

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

1. THE COMPANY AND ITS ACTIVITIES

1.1 Suraj Cotton Mills Limited (the Company) is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at Office No. 802, Tricon Corporate Centre,73-E, Main Jail Road, Gulberg II, Lahore. The Company is engaged in manufacturing, sale, trading and dealing in yarn and cloth.

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 , 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.

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. ACCOUNTING POLICIES

The accounting policies 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 PERIOD ENDED 30 SEPTEMBER 2025

		Note	Un-Audited Sep 30 - 2025	Audited Jun 30-2025
			(Rupees in thousand)	

4 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Un-Audited Sep 30 - 2025	Audited June 30 - 2025		Un-Audited Sep 30 - 2025	Audited Jun 30-2025
No of Shares				
17,400,000	17,400,000	Ordinary shares of Rupees 10 each fully paid up in cash	174,000	174,000
31,409,515	31,409,515	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	314,094	314,094
48,809,515	48,809,515		488,094	488,094

5. RESERVES

	Un-Audited Sep 30 - 2025	Audited Jun 30-2025
Capital reserves:		
Share premium reserve	29,000	29,000
Fair value reserve on FVTOCI investments - net of deferred income tax	825,525	423,631
	854,525	452,631
Revenue reserves:		
General reserve	3,714,000	3,714,000
Unappropriated profit	9,287,566	8,891,070
	13,001,566	12,605,070
	13,856,091	13,057,701

6. LONG TERM FINANCING - SECURED

	Un-Audited Sep 30 - 2025	Audited Jun 30-2025
Opening balance	3,063,146	3,781,031
Repaid during the period / year	(171,110)	(717,885)
	2,892,036	3,063,146
Less: Current portion shown under current liabilities	(592,454)	(592,454)
	2,299,582	2,470,692

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

		Note	Un-Audited Sep 30 - 2025	Audited Jun 30-2025
			(Rupees in thousand)	
7	DEFERRED LIABILITIES			
	Deferred income - Government grant		404,977	404,977
	Deferred income tax liability - net		1,244,303	1,181,320
			1,649,280	1,586,297
8	TRADE AND OTHER PAYABLES			
	Creditors		1,476,953	1,196,629
	Contract liabilities - unsecured		104,474	113,296
	Accrued liabilities		1,799,510	1,670,867
	Infrastructure cess payable		551,902	521,110
	Income tax deducted at source		13,879	10,538
	Workers' profit participation fund		30,490	107,978
	Workers' welfare fund		222,017	215,941
			4,199,225	3,836,359
9	CURRENT PORTION OF NON CURRENT LIABILITIES			
	Current portion of long term financing		592,454	592,454
	Current portion of deferred income - Government grant		151,440	140,449
	Current portion of GIDC		420,249	420,249
			1,164,143	1,153,152

10 CONTINGENCIES AND COMMITMENTS

CONTINGENCIES

i) The Company filed a complaint dated 20 April 2022 against Chief Commissioner Inland Revenue in terms of section 10(1) of the Federal Tax Ombudsman (FTO) Ordinance, 2000 for delay in processing / sanctioning of sales tax refund of Rupees 69.657 million for the tax periods from December 2013 to October 2017. As per the tax department, the Company used to fall under zero-rated regime. Two electricity connections of the Company were included in Sales Tax General Order dated 13 September 2007 for the purpose of zero-rating. No zero-rated facility was however available on another electricity connection till 21 November 2017. On 21 November 2017, this electricity connection was included in Sales Tax General Order for zero-rating. The Company filed writ petition before Honourable Lahore High Court, Lahore (LHC) against recovery notices issued by Lahore Electric Supply Company Limited for recovery of sales tax for above-mentioned periods. Petition was disposed by LHC on 21 September 2017 with direction that only tax department or competent authority, under law, shall be entitled to recover arrears of sales tax. LESCO vide letter dated 21 May 2021 directed the Company to deposit sales tax in its account since tax department has already recovered sales tax of Rupees 69.657 million which was deposited by the Company. Later, the Company requested for issuance of refund under section 66 of the Sales Tax Act, 1990. FTO vide order dated 01 June 2022 recommended the tax department to direct Commissioner Inland Revenue to process / sanction Company's refund claims for for the tax periods from December 2013 to October 2017 on provision of requisite documents by the Company. The Company is confident of favourable outcome of the matter, hence no provision thereagainst has been made in these financial statements.

ii) Guarantees of Rupees 810.980 million (2025: Rupees 810.980 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections and Director Excise and Taxation, Karachi against infrastructure cess and others.

COMMITMENTS

i) Contracts for capital expenditure are approximately of Rupees 68.803 million (2025: Rupees NIL).

ii) Letters of credit other than for capital expenditure are of Rupees 1,283.450 million (2025: Rupees 6,657.684 million).

			Un-Audited	Audited
			Sep 30 - 2025	Jun 30-2025
		Note	(Rupees in thousand)	
11	PROPERTY, PLANT AND EQUIPMENT			
	Operating fixed assets - tangible	(11.1)	8,386,328	8,410,684
	Capital work in progress	(11.2)	14,041	136,313
			8,400,369	8,546,997
11.1	OPERATING FIXED ASSETS - TANGIBLE			
	Opening book value		8,410,684	8,345,728
	Add: Additions during the period / year -cost	(11.1.1)	166,527	875,016
			8,577,211	9,220,744
	Less: Deletions during the period / year		(5,145)	(28,451)
			8,572,066	9,192,293
	Less: Depreciation during the period / year		(185,738)	(781,609)
	Book value at the end of the period / year		8,386,328	8,410,684
11.1.1	ADDITIONS DURING THE PERIOD / YEAR - COST			
	Factory building		-	8,731
	Office premises		-	52,892
	Plant and machinery		146,148	649,184
	Electric installation		7,803	39,713
	Factory equipment		-	114,841
	Vehicles		12,576	9,655
			166,527	875,016
11.1.2	CAPITAL WORK IN PROGRESS			
	Plant and machinery		14,041	136,313
			14,041	136,313
12	LONG TERM INVESTMENT			
	Equity instruments - at FVTOCI		1,799,011	1,359,786
	Knightbridge Residential Real Estate Partners (Partnership Firm)		5,185	5,185
			1,804,196	1,364,971
13	STORE , SPARE PARTS AND LOOSE TOOLS			
	Stores		416,369	610,874
	Spares parts		21,496	31,538
	Loose tools		439	644
	Stores in transit		71,525	567
			509,829	643,623
	Less: Provision for slow moving, obsolete and damaged store items		(79,087)	(75,881)
			430,742	567,742

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

		Note	Un-Audited Sep 30 - 2025	Audited Jun 30-2025
			(Rupees in thousand)	
14	STOCK IN TRADE			
	Raw material in transit		67,974	954,134
	Raw material		2,923,696	2,825,136
	Work in process		363,298	342,632
	Finished goods		3,911,750	3,250,591
	Waste		15,830	17,128
			7,282,548	7,389,621
15	TRADE DEBTS			
	Secured against letters of credit		104,514	63,481
	Unsecured		3,023,518	3,204,245
			3,128,032	3,267,726
	Less: Allowance for expected credit loss		(37,089)	(47,168)
			3,090,943	3,220,558
16	LOANS AND ADVANCES			
	Employees		3,034	2,031
	Advances to suppliers		55,224	117,508
	Letters of credit		6,444	16,844
	Due from related parties		7,271	7,788
			71,973	144,171
17	SHORT TERM INVESTMENTS			
	Equity investments	17.1	1,046,583	725,280
	Mutual funds	17.2	405,933	111,191
	Debt instruments - term deposit receipts		431,356	402,155
			1,883,872	1,238,626
17.1	Securities held at fair value through profit or loss			
	Carrying value		695,740	566,359
	Unrealised gain / (loss)		350,843	158,921
			1,046,583	725,280
17.2	Mutual funds			
	Alfalah GHP Money Market Fund		252,187	-
	MCB Cash Management Optimizer		53,057	-
	Atlas Money Market Fund		100,689	-
	NBP Islamic Stock Fund		-	55,410
	NBP Stock Fund		-	55,323
			405,933	111,191

		Un-Audited					
		Sep 30 - 2025			Sep 30 - 2024		
		Spinning	Weaving	Total	Spinning	Weaving	Total
		(Rupees in Thousand)					
18	SALES						
	Local	4,603,876	3,178,505	7,782,381	5,129,302	4,031,935	9,161,237
	Export	-	372,024	372,024	37,066	87,018	124,084
	Inter Segments	(1,664,506)	-	(1,664,506)	(1,682,416)	-	(1,682,416)
		2,939,370	3,550,529	6,489,899	3,483,952	4,118,953	7,602,905
18.1	Disaggregation of the Company's revenue from contracts with customer is as follows.						
	Segments						
	Sale of yarn	4,123,177	-	4,123,177	4,736,945	-	4,736,945
	Sale of fabric	-	3,533,231	3,533,231	-	4,109,943	4,109,943
	Sale of waste	480,699	17,298	497,997	429,423	9,010	438,433
	Inter-segment eliminations	(1,664,506)	-	(1,664,506)	(1,682,416)	-	(1,682,416)
	Total revenue from contracts with customers	2,939,370	3,550,529	6,489,899	3,483,952	4,118,953	7,602,905
	Geographic markets						
	Pakistan	4,603,876	3,178,505	7,782,381	5,129,302	4,031,935	9,161,237
	Germany	-	-	-	34,896	-	34,896
	Italy	-	8,342	8,342	-	-	-
	Protugal	-	341,654	341,654	-	87,018	87,018
	Sri Lanka	-	-	-	2,170	-	2,170
	Spain	-	22,028	22,028	-	-	-
	Inter-segment eliminations	(1,664,506)	-	(1,664,506)	(1,682,416)	-	(1,682,416)
	Total revenue from contracts with customers	2,939,370	3,550,529	6,489,899	3,483,952	4,118,953	7,602,905
	Timing of revenue recognition						
	Goods transferred at a point in time	2,939,370	3,550,529	6,489,899	3,483,952	4,118,953	7,602,905
	Total revenue from contracts with customers	2,939,370	3,550,529	6,489,899	3,483,952	4,118,953	7,602,905

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

		Un-Audited	
		Sep 30 - 2025	Sep 30 - 2024
		-------(Rupees in Thousand)-----	
19.	COST OF SALES		
	Raw material consumed	4,793,610	5,379,333
	Sizing expenses	42,394	35,773
	Stores, spares and loose tools consumed	81,946	76,937
	Packing materials consumed	52,794	50,691
	Salaries, wages and other benefits	446,790	413,924
	Fuel and power	989,866	1,067,151
	Repairs and maintenance	69,719	68,833
	Insurance	11,186	12,218
	Depreciation	177,766	175,003
	Other factory overheads	10,682	9,985
		6,676,753	7,289,848
	Work-in-process:		
	Opening stock	342,632	396,277
	Closing stock	(363,298)	(385,296)
		(20,666)	10,981
	Cost of goods manufactured	6,656,087	7,300,829
	Finished goods:		
	Opening stock	3,272,914	2,840,591
	Closing stock	(3,927,580)	(3,023,160)
		(654,666)	(182,569)
		6,001,421	7,118,260
20	DISTRIBUTION COST		
	Salaries and other benefits	4,427	3,914
	Commission to selling agents	32,170	52,272
	Outward freight and shipment	16,138	7,165
	Clearing and forwarding	3,330	1,167
	Export development surcharge	881	298
		56,946	64,816
21	ADMINISTRATIVE EXPENSES		
	Salaries, wages and other benefits	52,089	52,490
	Rent, rates and taxes	880	998
	Electricity and gas	3,307	5,495
	Traveling and conveyance	6,194	2,373
	Repair and maintenance	2,278	2,721
	Vehicle running and maintenance	3,194	4,207
	Printing and stationery	1,504	1,360
	Communication	478	218
	Fee and subscription	1,312	2,102
	Insurance	854	863

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

		Un-Audited	
		Sep 30 - 2025	Sep 30 - 2024
		-------(Rupees in Thousand)-----	
	Depreciation	7,974	7,480
	Entertainment	829	654
	Donation	-	15
		80,893	80,976
22	OTHER OPERATING EXPENSES		
	Legal and professional	486	1,600
	Auditors' remuneration	1,135	565
	Workers profit participation fund	30,532	17,314
	Workers welfare fund	11,602	6,614
	Un-realized gain on remeasurement of investment	-	8,418
	Provision for Expected Credit Losses	-	30,988
	Provision for slow moving, obsolete and store items	2,429	-
	Other	34	45
		46,218	65,544
23	OTHER OPERATING INCOME		
	Exchange gain / (loss)	2,822	1,104
	Profit on bank deposits	5,344	15,909
	Dividend income	29,790	91,815
	Gain on disposal of investments at fair value through profit or loss	11,103	
	Unrealised gain on re-measurement of investments at fair	239,125	-
	Reversal of allowance for expected credit loss	9,272	-
	Sale of empties and scrap	1,258	725
	Gain on disposal of operating fixed assets	4,355	2,828
		303,069	112,381
24	FINANCE COST		
	Interest / mark-up on:		
	Long term financing	19,847	24,345
	Short term borrowings	16,303	33,803
	Bank charges and commission	3,099	3,003
		39,249	61,151
25	LEVY		
	Charge for the period:		
	Current	27,186	31,419
	Deferred	-	-
		27,186	31,419
26	TAXATION		
	Charge for the period:		
	Current	81,576	106,410
	Deferred	62,983	-
		144,559	106,410

27 OPERATING SEGMENT INFORMATION

27.1 The Company has two reportable segments. The following summary describes the operation in each of the Company's reportable segments:

Spinning: Production of different quality of yarn using natural and artificial fibers.

Weaving: Production of different quality of greige fabric using yarn.

Transactions between operating segments are recorded on arm's length basis in a manner similar to transactions with third parties. Inter segment sales and purchases have been eliminated from the total.

27.2

	Spinning		Weaving		Elimination of Inter-segment transactions		Total-Company	
	---------- Un-Audited ----------							
	Sep 30 - 2025	Sep 30 - 2024	Sep 30 - 2025	Sep 30 - 2024	Sep 30 - 2025	Sep 30 - 2024	Sep 30 - 2025	Sep 30 - 2024
	---------- (Rupees in thousand) ----------							
SALES								
External	2,939,370	3,483,952	3,550,529	4,118,953	-	-	6,489,899	7,602,905
Inter-segment	1,664,506	1,682,416	-	-	(1,664,506)	(1,682,416)	-	-
	4,603,876	5,166,368	3,550,529	4,118,953	(1,664,506)	(1,682,416)	6,489,899	7,602,905
COST OF SALES								
External	(2,768,965)	(3,327,859)	(3,232,456)	(3,790,401)	-	-	(6,001,421)	(7,118,260)
Inter-segment	(1,664,506)	(1,682,416)	-	-	1,664,506	1,682,416	-	-
	(4,433,471)	(5,010,275)	(3,232,456)	(3,790,401)	1,664,506	1,682,416	(6,001,421)	(7,118,260)
Gross profit	170,405	156,093	318,073	328,552	-	-	488,478	484,645
Distribution cost	(8,000)	(14,919)	(48,946)	(49,897)	-	-	(56,946)	(64,816)
Administrative expenses	(56,301)	(60,135)	(24,592)	(20,841)	-	-	(80,893)	(80,976)
	(64,301)	(75,054)	(73,538)	(70,738)	-	-	(137,839)	(145,792)
Profit before taxation and unallocated income and expenses	106,104	81,039	244,535	257,814	-	-	350,639	338,853
Unallocated income and expenses:								
Operating expenses							(46,218)	(65,544)
Other income							303,069	112,381
Finance cost							(39,249)	(61,151)
							217,602	(14,314)
Profit Before Levy And Taxation							568,241	324,539
Levy							(27,186)	(31,419)
Profit Before Taxation							541,055	293,120
Taxation							(144,559)	(106,410)
Profit after taxation							396,496	186,710

Inter segment sales and purchases have been eliminated on consolidation.

27.3 Reconciliation of Reportable Segment Assets and Liabilities

	Spinning		Weaving		Total-Company	
	Un-Audited	Audited	Un-Audited	Audited	Un-Audited	Audited
	Sep 30 - 2025	June 30 - 2025	Sep 30 - 2025	June 30 - 2025	Sep 30 - 2025	June 30 - 2025
Total assets for reportable segment	15,054,692	14,764,377	5,570,969	6,446,822	20,625,661	21,211,199
Unallocated assets:						
Investment properties					472,690	472,690
Long term investments					1,804,196	1,364,971
Short term investments					1,883,872	1,238,626
Non-current assets classified as held for sale					6,666	6,666
Total assets as per condensed interim statement of financial position					24,793,085	24,294,152
Total liabilities for reportable segments	5,633,825	5,771,118	2,668,402	2,892,665	8,302,227	8,663,783
Unallocated liabilities:						
Deferred liability					1,649,280	1,586,297
Provision for taxation - net					488,816	489,700
Unclaimed dividend					8,577	8,577
Total liabilities as per condensed interim statement of financial position					10,448,900	10,748,357

28 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 recognised 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 30 September 2025 - Un-Audited	Level 1	Level 2	Level 3	Total
	(Rupees in Thousand)			
Financial assets				
Fair value through other comprehensive income	1,799,011	-	-	1,799,011
Fair value through profit or loss	1,798,811	-	-	1,798,811
	3,597,822	-	-	3,597,822

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	1,359,786	-	-	1,359,786
Fair value through profit or loss	836,471	-	-	836,471
	2,196,257	-	-	2,196,257

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 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 (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 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 level 1 fair values

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

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

29 TRANSACTIONS WITH RELATED PARTIES

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

	Un-Audited	
	Sep 30 - 2025	Sep 30 - 2024
	(Rupees in thousand)	
i) Transactions		
Associated companies		
Purchase of electricity	3,852	7,814
Sale of goods	9,865	-
Purchase of goods	1,838	21,588
Insurance expense	53,516	57,484
Key management personnel		
Remuneration paid to Chief Executive Officer, Director	19,504	16,611
Other related parties		
Company's contribution to provident fund trust	16,714	15,034

ii) Period end balances

	As At 30 September 2025 (Un-Audited)		
	Associated Companies	Other Related Parties	Total
	(Rupees in Thousand)		
Trade debts	10,199	-	10,199
Trade and other payables	34,057	-	34,057
Loans and advances	7,176	-	7,176

Selected Notes to the Condensed Interim Financial Statements (Un-Audited)
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	As At 30 June 2025 (Audited)		
	Associated Companies	Other Related Parties	Total
	(Rupees in Thousand)		
Trade debts	10,487	-	10,487
Trade and other payables	10,559	-	10,559
Loans and advances	7,788	-	7,788

30. 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.

31. DATE OF AUTHORIZATION

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on ---------------.

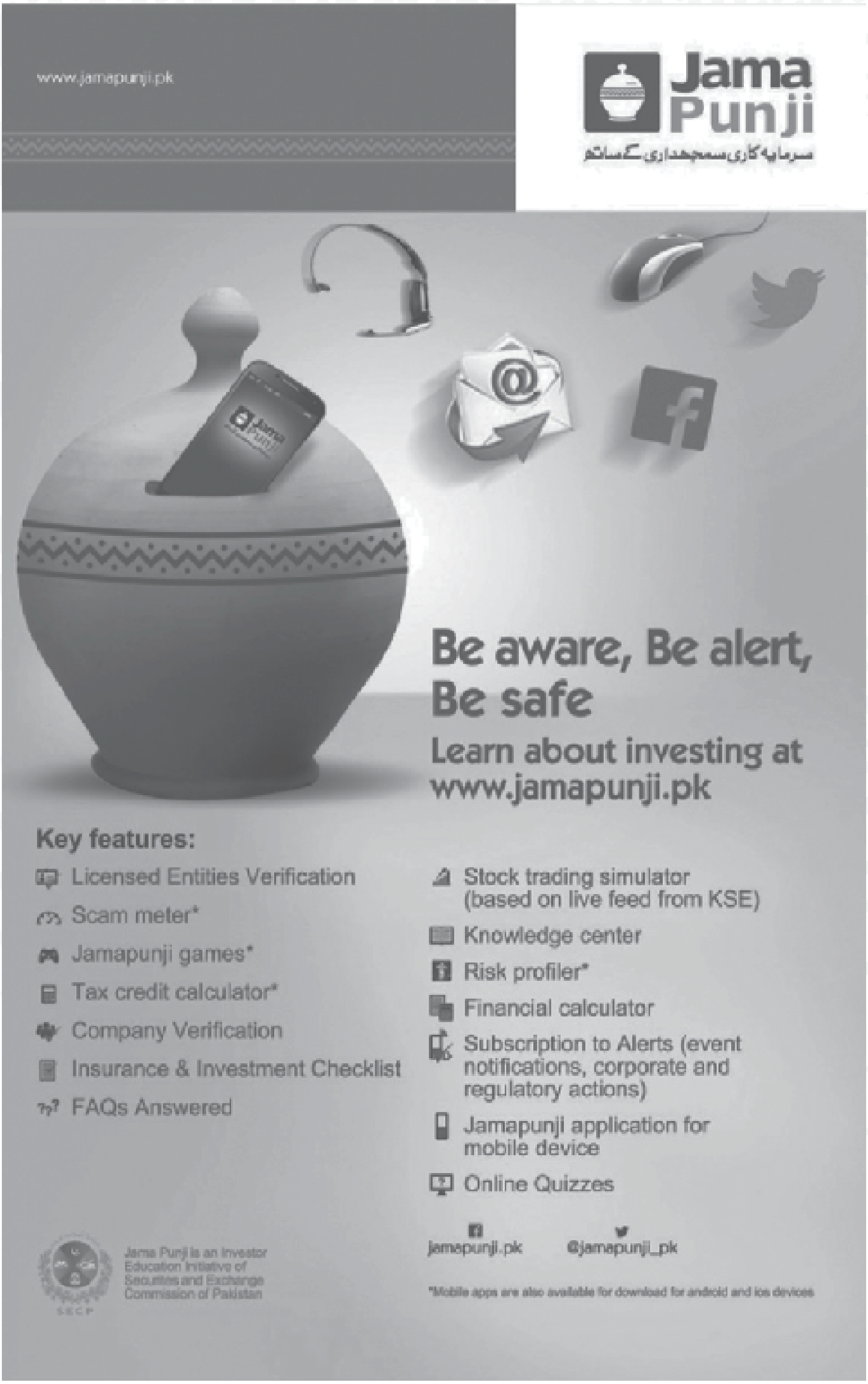
32. CORRESPONDING FIGURES

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

33. GENERAL

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

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER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